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City of Jersey City Recovers Additional \$2.6 Million Through Aggressive Tax Abatement Audit; Nearly \$5 Million Already Collected in Ongoing Audit

JERSEY CITY – Mayor Steven M. Fulop announced today that the City of Jersey City has recovered an additional **\$2.6 million** as a result of the **aggressive tax abatement audit** being undertaken by his administration through the Law Department and the Tax Collector’s Office.

The new revenue is in addition to **\$2.3 million** the administration already recovered last month from **EQR Lincoln Urban Renewal Entity**.

“Enforcing tax abatements is a priority for my administration and the rest of our taxpayers deserve nothing less,” said **Mayor Fulop**. “We will continue to review all of the City’s abatements to determine if we are receiving the entire revenue owed the City, as this funding can be used to support necessary services and valuable programs. Our commitment has been to hold developers accountable, and that is exactly what we are doing.”

Tower America Urban Renewal, located at 1 River Court, paid approximately **\$1.5 million** in excess profits due the City dating back to 2005. The Newport Hotel One, also known as the Marriott, paid approximately **\$1.1 million** in excess hotel revenue due the City dating back to 2007. Both payments remitted were as a result of the Fulop administration’s ongoing abatement audit and as required by the developers’ financial agreement with the City and State law.

Under New Jersey’s **Long Term Exemption Law (LTTE)**, developers who are awarded tax abatements are limited in what they can earn in profits. If they exceed that limit, LTTE requires the developer to share excess profits with the City. On an annual basis, the City is to review the developer’s annual audited financial statement and use a calculation set by the state law to determine the City’s excess profits share. A demand is then generated for the City’s share of excess profits. However, this was not done for several years during the prior administration.

“The City will be enforcing the terms of all abatements to ensure we are collecting all revenue owed, and if legal action is required we are prepared to take that action,” said **Corporation Counsel Jeremy Farrell**.

All media inquiries should be directed to Jennifer Morrill, Press Secretary for the City of Jersey City, at 201-547-4836 or 201-376-0699.///