



New Jersey Senior Citizens Fleeing State In Record Numbers Due To Unaffordable Rising Property Taxes

Phil Stilton

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If taxes are your number one issue, New Jersey's not the place for you. That's the message New Jersey Governor Phil Murphy sent during his re-election campaign. Now, tens of thousands of senior citizens from all financial backgrounds are taking his advice, packing up and leaving New Jersey behind.

Comments by senior citizens surveyed in a report by Garden State Initiatives outline why they are leaving:

- "I'm a retired NJ lifer. I've watched this once great state decline to its current unaffordable, ultra-taxed state. I can't afford to stay here any longer. It's very sad."
- "I can't afford to retire in this state. I can't stay in the state I was born in because of high taxes, ridiculous insurance premiums and the cost of living. I'm moving as soon as possible."
- "I've lived in Glen Ridge for 10 years. Most of my neighbors had to move upon retirement due to high property taxes. I now reside in Morris County but rising taxes have me looking at greener pastures in a southern state."

"The comments make clear that those on fixed incomes do not see New Jersey as a good place to retire and invariably point to the high cost of living and the crushing tax burden – especially property taxes – as the reasons," GSI reported. "Importantly, we also found that any loss of retirees also carries enormous fiscal implications for the future of the state. Over the last decade,

New Jersey lost at least \$79 billion to the comparison states, \$56 billion of which was to Florida alone. Considering our state's fiscal challenges – structural budget deficits, continuously expanding unfunded pension liabilities, Retirees and New Jersey: How we can be Perfect Together 3 growing health care obligations – New Jersey can ill-afford the loss of such a large amount of wealth every year.”

A Cato Institute study¹ of Internal Revenue Service data shows how retirees are voting with their feet in each of these states. As shown in Table 1, New Jersey lost almost twice as many senior out-migrants as it gained immigrants, and had the third-lowest ratio in the nation (following New York and Illinois). By comparison, Pennsylvania has a negative flow but is much better off than New Jersey. Delaware, Florida and Arizona saw many more senior in-migrants than out-migrants, the report claims.

Taxes stand out as a major component of New Jersey's affordability problem.

“Property taxes have risen to all-time highs in New Jersey, 15 and for a senior household with a median income of \$52,620, a property tax bill of \$7,417 is a lot of money. As Kiplinger notes, New Jersey's property-tax rebates simply do not make a big difference,” the report claims.