

Please note that the Handbook for New Jersey Assessors is in need of revision. The 1989 version of the Handbook has been combined with updated Chapters 1-4 revised in 1997-98. The Division of Taxation is currently in the process of updating the entire manual and updates will be posted on a chapter by chapter basis. Thank you for your patience.

## Chapter I

### INTRODUCTION

#### 101. Local Government in New Jersey

101.1 **Four Types of Local Government Units.** The basic units of local government in New Jersey are the county, municipality, school district, and special district.

101.2 **County Government.** A number of counties in New Jersey date back to colonial times and were initially agents for the English monarchy. The original counties were subdivided periodically until Union, the last of the present 21 counties, was created by the State Legislature in 1857.

101.21 **Classification of Counties.** For purposes of general legislation, counties are divided into six classes by population and geographic location:

<u>Class</u>	<u>Population</u>	<u>Location</u>
First	Over 550,000 & density of more than 3,000 persons per square mile	Any part of State
Second	Over 200,000	Not bordering on Atlantic Ocean
Third	50,000 to 200,000	Not bordering on Atlantic Ocean
Fourth	Under 50,000	Not bordering on Atlantic Ocean
Fifth	Over 100,000	Bordering on Atlantic Ocean
Sixth	100,000 or less	Bordering on Atlantic Ocean

#### REFERENCES:

New Jersey Statutes Annotated 40A:6-1&2 hereafter abbreviated as N.J.S.A.  
This legal source is used throughout the *Handbook* whenever statutes are cited.

According to the Census of 1990, as taken from the 55th Annual Report of the Division of Local Government Services, 1992, the counties of New Jersey are classified as follows:

- First: Bergen, Essex, Hudson
- Second: Burlington, Camden, Gloucester, Mercer, Middlesex, Morris, Passaic, Somerset, Union
- Third: Cumberland, Hunterdon, Salem, Sussex, Warren
- Fourth: None
- Fifth: Atlantic, Monmouth, Ocean
- Sixth: Cape May

**101.22 Apportionment of County Costs.** As of 1992, more than 60% of the revenue for county government came from taxes on real and personal property. The amount to be raised for a county's budget is apportioned among the municipalities of the county based on the equalized value of real property and certain locally assessed personal property used in business in each municipality.

**REFERENCES:**

**N.J.S.A. 54:3-17,18 & 19**  
*55th Annual Report of the N.J. Division of Local Government Services, 1992.*

**101.3 Municipal Government.** Many municipalities of New Jersey also had their origins in the colonial period and are organized similar to their English counterparts. A few of the oldest communities in the State have special charters. Most municipalities today are organized as prescribed by State law. Unlike many western states, the entire area of New Jersey, except for the U. S. military reservation at Sandy Hook, is within the boundaries of an incorporated municipality. In New Jersey, the municipality is the "taxing district" for purposes of property taxation and the terms "municipality" and "taxing district" are often used interchangeably.

**REFERENCES:**

For a general publication on municipal government, see Julius Mastro and J. Albert Mastro, *Governing New Jersey Municipalities* (New Brunswick: Bureau of Government Research and Department of Government Services, Rutgers University, 1979).

101.31 **Classification of Municipalities.** New Jersey municipalities are classified in two ways: type of municipality, and form of government.

101.32 **Five Types of Municipalities.** Type is the name by which the municipality is commonly known. There are five types of municipality: city, town, borough, township, and village. Towns, boroughs, townships, and villages may be located in any part of the State with any population. (See Table 1-1). Cities, by law, are further divided into four classes based on population and geographic location:

<u>Class</u>	<u>Population</u>	<u>Location</u>
First	Over 150,000	Not bordering on Atlantic Ocean
Second	12,000 to 150,000	Not bordering on Atlantic Ocean
Third	All cities not 1st or 2nd class	Not bordering on Atlantic Ocean
Fourth	Any population	Bordering on Atlantic Ocean

101.33 **Forms of Municipal Government.** A number of forms of municipal government are prescribed by State law. Their organizational name frequently coincides with their municipal type. For example, most boroughs operate under the borough form of government and most townships under the township form. There are also optional forms of government organization which may be adopted by any type of municipality. For instance, the City of Newark operates under a mayor-council form, the Township of Teaneck under the council-manager form, and the Borough of Belmar under the commission form. (See Table 1-2)

**REFERENCES:**

**N.J.S.A. 40A:6-4**

***55th Annual Report of the N.J. Division of Local Government Services, 1992.***

***Ernest C. Reock, Jr. and Raymond D. Bodnar, Forms of Municipal Government in New Jersey (Trenton: New Jersey County & Municipal Government Study Commission, January, 1979).***

STATEWIDE TOTALS FOR 1992

Population, 1980 Census	7,364,823
Population, 1990 Census	7,730,188
Land Area (Square Miles)	7,487.32
Net Valuation Taxable - Municipal	386,523,732,088
Net Valuation Taxable - County	509,512,723,398
State Equalized Valuation	497,277,668,538
Tax Levy	10,324,378,979

TYPES OF LOCAL GOVERNMENT UNITS IN NEW JERSEY

COUNTIES (21)	MUNICIPALITIES (567)					TOTAL
	BOROUGH	TOWNSHIP	CITY	TOWN	VILLAGE	
Atlantic	3	6	13	1	0	23
Bergen	56	9	3	0	2	70
Burlington	6	31	3	0	0	40
Camden	27	8	2	0	0	37
Cape May	7	4	5	0	0	16
Cumberland	1	10	3	0	0	14
Essex	1	19	2	0	0	22
Gloucester	10	13	1	0	0	24
Hudson	1	2	4	5	0	12
Hunterdon	10	14	1	1	0	26
Mercer	4	8	1	0	0	13
Middlesex	12	10	3	0	0	25
Monmouth	35	15	2	0	1	53
Morris	16	20	0	3	0	39
Ocean	19	14	0	0	0	33
Passaic	10	3	3	0	0	16
Salem	3	11	1	0	0	15
Somerset	12	9	0	0	0	21
Sussex	8	15	0	1	0	24
Union	7	8	5	1	0	21
*Warren	2	18	0	3	0	23
Total	250	247	52	15	3	567

\* In May 1997, Pahaquarry Township, Warren County will merge with Hardwick Township.  
 Fifty-Fifth Annual Report of Division of Local Government Services, 1992  
 (Trenton: State of New Jersey), p.5

Form of Local Government Organization

Method of Assessor Selection

<b>Commission Form</b> (AKA the Walsh Act) - an elected governing body of three or five members (determined by population class) with both legislative and administrative authority.	Assessor or assessor with deputy assessors appointed by commission at organization meeting by director of department at subsequent date. (N.J.S.A. 40:72-7)
<b>Municipal Manager Form</b> (1923 Law) - an elected body of five, seven or nine members which appoints its mayor and other officers. It appoints a municipal manager who is given authority to administer the local unit.	Assessor or assessor with deputy assessors appointed by council. (N.J.S.A. 40:81-11)
<b>Council-Manager Form</b> (1950 Law) - an elected policy-making council of five, seven or nine members (at discretion of voters) which appoints its mayor, a municipal clerk and a municipal manager who has authority and responsibility for overall municipal administration. This form differs from the 1923 form in the greater degree of discretion of both council representation and administrative organization.	Assessor or assessor with deputy assessors appointed by council. (N.J.S.A. 40A:9-146, 40:69A-95)
<b>Mayor-Council Administrator Form</b> - an elected policy-making body of five, seven or nine members (voter's option) and a separately elected mayor with authority and responsibility for overall administration including the appointment of a business administrator to direct the department of administration required under this plan.	Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council or by department head who has been appointed by mayor. (N.J.S.A. 40:69A-43)
<b>Small Municipalities Form</b> - an elected policy-making body of three, five or seven members including a mayor elected by the voters or the council who has authority for overall administration of the unit. This form of government is limited to units with less than 12,000 persons.	Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council. (N.J.S.A. 40:69A-122)
<b>City Mayor-Council Form</b> - includes referendum charter forms authorized between 1897 and 1908 and special charters approved by the Legislature. Its constituency varies in size.	A wide variety of statutory provisions for appointed assessors.
<b>Town Form</b> - similar to the borough form with a separately elected mayor and council sized according to number of wards	Assessor or assessor with deputy assessors appointed by governing body. (N.J.S.A. 40A:9-146)

Form of Local Government Organization con't.

<p><b>Borough Form</b> - an elected council usually six members with both administrative and policy making powers and an elected mayor with limited authority for administration.</p>	<p>Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council. (N.J.S.A. 40A:60-2-5-6-8, 40A:9-146)</p>
<p><b>Township Form</b> - an elected governing body usually of three or five members with legislative and administrative authority.</p>	<p>Assessor or assessor with deputy assessors appointed by the governing body. (N.J.S.A. 40A:9-146)</p>
<p><b>Village Form</b> - an elected body of five trustees with both legislative and administrative authority.</p>	<p>Assessor or assessor with deputy assessors appointed by the governing body. (N.J.S.A. 40A:9-146)</p>

Form of County Government Organization

<p><b>County Executive Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an elected county executive authorized to supervise, direct and control all county administrative departments.</p>
<p><b>County Manager Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an appointed county manager authorized to supervise, direct and control all county administrative departments.</p>
<p><b>County Supervisor Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an elected county supervisor. Legislative power is vested in the board of chosen freeholders; the executive power is exercised by the county supervisor.</p>
<p><b>County Board President Plan</b> - an elected board of chosen freeholders of five, seven or nine members who elect a board president who presides at board meetings and oversees the work of the appointed administrator.</p>

Fifty-Fifth Annual Report of Division of Local Government Services, 1992  
 (Trenton: State of New Jersey). p.677

101.4

**School Districts.** School districts were established in New Jersey during the nineteenth century when public education became the responsibility of government. Most school districts cover the same area as the municipality. However, State law provides for districts covering two or more municipalities and for regional districts. There are currently more than 600 school districts in New Jersey; approximately 61 of these are regional districts.

**101.41 Classification of School Districts.** Most New Jersey school districts are either Type I or Type II.

- (1) In Type I (formerly Chapter 6, Title 18 of Revised Statutes) or "city" school districts, members of the board of education are appointed by the mayor or other Chief Executive Officer of the municipality. The school budget is prepared by the board of education and approved by the board of school estimate which consists of the mayor or Chief Executive Officer, two members of the board of education, and two members of the municipal governing body.
- (2) a. In Type II (formerly Chapter 7, Title 18 of Revised Statutes) or noncity school districts, members of the board of education are elected and the school budget is submitted to the voters for approval.  
b. In consolidated and regional school districts, both all purpose and limited purpose, membership on the board of education is apportioned among the participating districts according to population. Board members are elected and the school budget must be approved by the voters.
- (3) State-operated school districts conducted by a State district superintendent were authorized by statutory amendments in 1987.

**REFERENCES:**

**N.J.S.A.** 18A:9-2, 18A:9-3, 18A:10-1, 18A:12-7, 18A:12-11, 18A:13-2 et seq., 18A:13-8 et seq., 18A:13-17 et seq., 18A:22-1 et seq., 18A:22-4 et seq., 18A:22-14 et seq., 18A:22-26 et seq.



101.42 **Apportionment of Regional School District Costs.** As of 1990, the following was the basis for apportioning the regional school tax levy among regional school districts:

- (a) The portion of each municipality's equalized valuation allocated to the regional district, calculated as described in the definition of equalized valuation in section 3 of P.L. 1990, c.52 (C 18A:7D-3)\*
- (b) The proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year in the same manner as would apply if each municipality comprised separate constituent school districts; or
- (c) Any combination of apportionment based upon equalized valuations pursuant to subsection a. of this section or pupil enrollments pursuant to subsection b. of this section.

\* "Equalized valuation" means the equalized valuation of the taxing district or taxing districts as certified by the Director of the Division of Taxation on October 1 of the prebudget year. With respect to regional districts and their constituent districts, however, the equalized valuations as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils in each of them. For the 1991-92 school year, regional and constituent pupils shall include pupils attending the schools of a county vocational school or a county special services school district. Part-time post-secondary vocational pupils are to be excluded from this calculation.

**REFERENCES:**

**N.J.S.A. 18A:7A-3, 18A:13-23, & 23.3**

101.5 **Special Districts.** New Jersey laws authorize special districts to provide specific government services such as fire protection to portions of a municipality. The voters may be empowered to elect a governing body for the special district and approve the levying of a property tax to finance the costs of these services. Or the tax may be determined by the municipal governing body. Some special districts permit only special improvement assessments or taxes to cover the initial cost of installing facilities. Where property taxes for annual operating costs are authorized, they are based on the assessed values of taxable property in that portion of the municipality

receiving the services. In 1990, individual statutes allowing for the creation of street lighting districts, sewerage districts, garbage districts and road districts etc. were repealed and consolidated under one or two statutes providing for their authorization generally.

**REFERENCES:**

**N.J.S.A. 40A:60-7d, 40A:63-6, 40A:63-7d**

- 101.6 Powers of Counties, Municipalities, School Districts, and Special Districts.**  
Counties, municipalities, school districts, and special districts of New Jersey are known as "creatures of the State," that is, they have been created by the State legislature and granted legal powers by State law. The State, at any time, may create new or abolish existing counties, municipalities, school districts, and special districts, or may alter their powers. Local government units and officers may perform only those activities and only within the limits authorized by State law or special charter.

**102. Local Government Finances**

- 102.1 Sources of Local Revenue in the United States.** Traditionally, the general property tax has been the major revenue source for operating local governments throughout the United States. While still true, in recent decades the property tax has declined in importance nationwide as other local revenue sources have developed. These include municipal sales and income taxes; gross receipt taxes; charges for services, such as garbage collection and sewage disposal; licenses, fees, and permits; parking meter receipts; and aid, sometimes called "revenue sharing," from county, state and federal governments.

- 102.2 Sources of Local Revenue in New Jersey.** Few states exceed New Jersey in reliance on the property tax and it is still the primary support of local government finance. In 1996, more than 12.1 billion dollars was received by New Jersey municipalities and used to pay for the costs of municipal and county government, and the local public school system. More than one-half of the taxes collected are

paid to the counties and school districts. Of the total revenue received, 76% is obtained from taxes on real and locally assessed personal property used in business. Table 1-3 lists the sources of municipal revenue and indicates the magnitude of the sums involved.

**102.3 New Jersey Property Tax Procedure.** The steps in determining the tax on each property may be summarized as follows:

- (1) On or before January 10 of the tax year, each assessor files with the county board of taxation the Tax List (real property, personal property & exempt property) and Tax List Duplicate showing the assessed value of each property in the taxing district. Value is determined as of October 1 of the preceding year for real property and January 1 of the preceding year for certain locally assessed personal property.
- (2) Early in the calendar year, the municipal and county governing bodies and the local boards of education make up their respective budgets. Anticipated revenue from various sources is deducted from the budget amounts required. The amount remaining to be raised by a levy on real and personal property is reported to the county board of taxation.
- (3) Each county tax board apportions the amount to be raised by property taxes to support county government among the taxing districts in the county, adds to the respective county portion the amounts needed from property taxes to finance the municipal government and the school district, and divides the total levy by the assessed value of all taxable property to establish the local tax rate.
- (4) The tax rates are reported to the municipality which collects the property tax for the county, the school district, and itself.
- (5) If there are special district costs, the special district governing body reports the amount needed to the assessor who calculates the tax rate for this purpose by dividing the amount to be raised by the total value of taxable property in the special district. This rate is added to the regular general tax rate for the municipality to determine the taxes on properties in the special district.

Revenue Received by All New Jersey Municipalities, 1992		
Source	Amount	Percentage
1992 Property Taxes Collected	\$9,700,453,592	72.2
1992 Payments in Lieu of Taxes	58,031,285	.4
Delinquent Tax & Lien Collections	425,971,857	3.2
Business Personalty Replacement Taxes	155,522,164	1.2
Taxes from Public Utilities	685,241,797	5.1
Other Miscellaneous Tax Revenues	30,754,554	.2
State Aid Revenues	880,831,662	6.6
Federal Aid Revenues	20,233,750	.2
State and Local Fiscal Assistance Act Utilized	322	.0
Sale of Acquired Property	4,629,174	.0
Other Miscellaneous Revenues	966,244,171	7.2
<b>TOTAL</b>	<b>\$13,430,599,136</b>	<b>96.3%</b>
The total includes prior years surplus appropriated amount of \$502,684,808 (3.7%). The percentages reflect the proportion of each revenue source to the total.		
Source: Fifty-Fifth Annual Report of the Division of Local Government Services, 1992 (Trenton: State of New Jersey), p.51		

Table 1-3

- (6) The appropriate tax rate is multiplied by the assessment on each property to determine the taxes due for the current year.

### 103. Legislative Limit on Municipal and County Budget Increases

103.1 In an effort to curb the rising costs of county and local governments, laws limiting spending were enacted by the Legislature. It was recognized, however, that these governments could not be so constrained as to make it impossible to provide services to residents.

103.2 **Municipal "Budget Caps."** A municipality is limited in increasing its budget to the lesser of 5% or the index rate over the previous year's "final appropriation."

Some exceptions to the limit follow:

- (1) Capital expenditures (See N.J.S.A. 40A:2-21 & 2-22 for bondable requirements);
- (2) An increase due to an emergency situation (See N.J.S.A. 40A:4-20 & 40A:4-46), if approved by at least two-thirds of the governing body and the Director, Division of Local Government Services, not to exceed 3% of the previous year's final current operating appropriations;
- (3) All debt service;
- (4) Amounts, as approved, required for funding a preceding year's deficit;
- (5) Amounts reserved for uncollected taxes;
- (6) Amounts from new or increased construction, housing, health or fire safety inspection service fees imposed by State law, rule, regulation or local ordinance;
- (7) Amounts approved by referendum;
- (8) Amounts to fund free public libraries (See R.S. 40:54-1) and privately owned libraries and reading rooms (See R.S. 40:54-35);
- (9) Amounts for projects, facilities or public improvements for water, sewerage, parking, senior citizen housing;
- (10) Amounts for expenditures resulting from the impact of a hazardous waste facility as per P.L. 1981, c. 279;

- (11) Amounts mandated due to natural disaster, civil disturbance or other emergency so declared by the U.S. President or the Governor;
- (12) Amounts mandated by court order, federal or State statute, or by order of a State agency as certified to the Local Finance Board;
- (13) Amounts for staffing and operating municipal courts;
- (14) Amounts for administering a joint insurance fund established pursuant to P.L. 1983, c.372;
- (15) Amounts for implementing and maintaining a tax billing system.

**REFERENCES:**

**N.J.S.A. 40A:4-45.3 as amended by L. 1993, c. 269 & L. 1994, c. 72**

**103.3**

**Certification by Assessors.** Effective tax year 1996, all municipal assessors must provide to their county tax board by January 10 on forms JDC 1 & 2 the assessed value of new construction and improvements, the local municipal purpose rate and the allowable increase to the budget cap for their municipality. This information may be abstracted from the added assessment list for the previous year. Also to be included are partial assessments on the current year's tax list for new construction not included in the prior year's added assessment list. This will help to determine at least a portion of the amount which may be excluded from a municipality's 5% budget "CAP" limitation. The certification should be made by January 10th in the tax year, and should not include values of properties transferred from exempt to taxable status, nor omitted-added assessments for a prior year. (See Exhibit I-1)

**REFERENCES:**

**JOINT DIRECTIVE, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation and Director, Division of Local Government Services, January 11, 1977 & November 27, 1995.**

**103.4**

**County "Budget Caps."** In preparing its budget, a county may not increase the county taxes apportioned among its municipalities more than the lesser of 5% or the index rate of the previous year's county tax levy. Some exceptions to the limit follow:

- (1) The revenue amount generated by the increase in valuations in the county

based on applying the preceding year's county tax rate to the apportionment valuation of new construction or improvements;

- (2) Capital expenditures, (See N.J.S.A. 40A:2-21 & 22 for bondable requirements);
- (3) An increase due to an emergency (See N.J.S.A. 40A:4-20 & 40A:4-46), if approved by at least two-thirds of the governing body and the Director, Division of Local Government Services, not to exceed 3% of the previous year's final current operating appropriations;
- (4) All debt service;
- (5) Amounts for projects, facilities or public improvements for water, sewerage, parking, senior citizen housing;
- (6) Amounts mandated due to natural disaster, civil disturbance or other emergency as declared by the U. S. President or the Governor;
- (7) Amounts mandated by court order, federal or State statute, or by order of a State agency as certified to the Local Finance Board;
- (8) Funding to a county college in excess of the county tax levy required to fund the college in local budget year 1992;
- (9) Amounts appropriated for the cost of administering a joint insurance fund established pursuant to P.L. 1983, c. 372.

**REFERENCES:**

N.J.S.A. 40A:4-45.4 amended by L. 1993, c. 76 & L. 1993, c. 269

**103.5 Certification by County Tax Administrators.** County Tax Administrators must review and correct form JDC 1 & 2 and certify to their chief financial officers and the Director of Local Government Services by January 31 the apportionment assessed valuation of all new construction or improvements in the county multiplied by the preceding year's county tax rate. This information may be abstracted from the aggregate of all added assessment lists filed the previous year. Certification may also be included for partial assessments on the current year's tax lists for new construction not included in the prior year's added assessment lists. This will help determine a portion of the amount excluded from a county's 5% budget "CAP."

Certification should not include values of properties transferred from exempt to taxable status, nor amounts for omitted-added assessments for a prior year. County tax administrators must also provide the aggregate equalized value of added and new construction ratables for all municipalities in the county multiplied by the prior year's county tax rate to their chief county financial officers by January 31.

**REFERENCES:**

**JOINT DIRECTIVE, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation and Director, Division of Local Government Services, January 11, 1977 & November 27, 1995.**

**104. The Position of Assessor**

**104.1 General.** Assessors, though selected and appointed by municipal officials, are public officers whose duties are imposed by and defined in State law. The assessor occupies a unique position within the framework of local government. When assessing property for taxation, the assessor performs a governmental function as an agent of the Legislature. The position of assessor takes on a judicial quality in determining the taxability and assessments of property. In discharging these duties, the assessor is not subject to the control of a municipality. The intent is that assessors, like judges, should be free to perform their duties without fear of local retaliation and should be immune from pressure and harassment. However, the assessor is subject to certain local requirements and to supervision at both the county and State levels of government.

**REFERENCES:**

**Jeffers v. City of Jersey City, 8 N.J. Tax 313, N.J. Super. (Law Div., Feb. 1986)**

**Paterson v. Rooney Jr., N.J. Super. (Law Div., June 1973)**

**Arace v. Town of Irvington, 75 N.J. Super. 258, 269 (1962), 59 N.J. 267 (1971)**

**Ream v. Kuhlman, 112 N.J. Super. 175, 190 (1970)**



104.2

**Code of Ethics and Professional Behavior for Assessors.** The New Jersey Administrative Code referring to the assessor qualification, examination and tenure law contains the following statement concerning an assessor's actions:

"It should be noted that, for the assessor himself, professionalization carries with it both benefits and responsibilities. Municipal governing bodies should recognize the right of an assessor to be adequately compensated for his professional responsibilities. At the same time, an assessor must recognize the need to perform competently, diligently, and in conformity with the professional ethics that reasonably accompany his professional status. In observing professional ethics, the assessor must have in mind not only the avoidance of activities which will obviously and presently involve a conflict with his ethical responsibilities, but also the probability or possibility that such a situation will develop..."

The Association of Municipal Assessors of New Jersey has adopted the code of ethics published by the International Association of Assessing Officers for assessors affiliated with the New Jersey Association. The code of ethics is shown as Exhibit I-2. In addition, the *Rules for County Boards of Taxation*, contains guidelines concerning the conduct of assessors.

**REFERENCES:**

*New Jersey Administrative Code, Chapter 17, Foreword*  
*Rules for County Boards of Taxation*  
N.J.A.C. 18:12A-1.9(f), 18:12A-1.9(1)

104.3

**Only One Assessor Position Is Authorized for Each Municipality.** New Jersey law currently authorizes only one position of assessor for each municipality. In the past, either a single assessor or a board of assessors was permissible. However, in 1982 boards of assessors were eliminated and the former secretary of each board or the individual having primary responsibility for the assessment function in each municipality was named assessor. Other members of the former boards of assessors were designated deputy assessors.

**REFERENCES:**

N.J.S.A. 40A:9-146, 40A:9-146.1

**104.4 Tax Assessor Certificate Required.** As of July 1, 1971, only persons having a valid Tax Assessor Certificate issued by the Director of the Division of Taxation can be appointed to office as municipal assessor. Deputy assessors and joint assessors are also required to possess a valid Tax Assessor Certificate. However, any individual who was in office as assessor July 1, 1967 and who served continuously since that time was permitted reappointment as assessor without a Tax Assessor Certificate.

**REFERENCES:**

**N.J.S.A. 54:1-35.30, 54:1-35.33, 40A:9-148.1**

**N.J.A.C. 18:17-2.4, 18:17-2.5**

**104.5 Office of Assessor An Appointed Position.** Assessor appointments are usually made by the governing body or chief executive officer of the municipality. However, by law, where no qualified person holds office of assessor on October first, the Governor shall notify the mayor or other Chief Executive Officer of the governing body that ten days after service of notice he will appoint an assessor. If, after ten days, the vacancy still exists, the Governor is authorized to appoint an assessor to perform the duties of office.

**REFERENCES:**

**N.J.S.A. 40A:9-148, 40A:9-149**

**104.6 Length of Term of Office and Filling Vacancies.** All assessors, including deputy assessors, are appointed for four-year terms of office beginning July 1 following their selection. For example: A term which began July 1, 1996 would end on June 30, 2000. Where a vacancy occurs in the office of assessor, other than at the expiration of a term, the vacancy is filled by appointment for the unexpired portion of the term.

**Expired Term Example**

A retiring assessor leaves office at the end of his four year term on June 30, 1996. July 1, 1996, the position is vacant and a new assessor is not hired until September 15, 1996. Even though the new assessor is

employed by the municipality from September 15, 1996 to June 30, 1997, the four year term begins July 1, 1997 and continues through June 30, 2001. If reappointed to a second four year term commencing July 1, 2001, tenure would be obtained.

Unexpired Term Example

A nontenured assessor is hired for a four year term beginning July 1, 1993 through June 30, 1997, but dies in office on April 20, 1995. A new assessor is appointed May 15, 1995, and completes the deceased assessor's term which ends June 30, 1997. His first full four year term begins July 1, 1997 and ends June 30, 2001. If reappointed to a second four year term beginning July 1, 2001, tenure would be obtained.

REFERENCES:

N.J.S.A. 40A:9-146, 40A:9-146.3, 40A:9-148.

- 104.7 **Tenure.** Assessors and deputy assessors possessing a Tax Assessor's Certificate, who have served four continuous years in office immediately prior to the reappointment, acquire tenure with such reappointment.

REFERENCES:

N.J.S.A. 54:1-35.31, 54:1-35.32

N.J.A.C. 18:17-3.2, 18:17-3.5

- 104.8 **Multiple Positions and Residency.** Recent law provides that a municipal assessor may be appointed in more than one taxing district, as long as the multiple appointments do not interfere with the proper discharge of statutory duties nor conflict with obligations to the respective municipalities in which he serves. Earlier statute provided that a taxing district, by resolution or ordinance, may have required its officers or employees appointed after June 30, 1978 to be domiciliary residents of the municipality. However, such an ordinance or resolution must have included a provision that whenever the governing body or hiring authority determined special skills for certain positions were not likely to be found among residents of the municipality, then the residency requirements were to be inoperative. The taxing district then advertised for other qualified applicants, and considered and appointed

applicants in the following order: (1) residents of the county in which the municipality was located; (2) residents of counties contiguous to the county in which the municipality was located; (3) other residents of the State; (4) all other applicants.

- 104.9 Compensation.** The assessor's salary, as well as funds to operate the office, are determined by municipal officials and provided for in the municipal budget. An assessor's salary may be increased, decreased or altered but may not be reduced during his term of office. The compensation of an assessor appointed in more than one municipality is not to be reduced. Also, increases in compensation are not to be denied any individual because of service in more than one municipality.

**REFERENCES:**

**Attorney General's Opinion 91-0046, Assessor Salary Reduction**  
**N.J.S.A. 40A:9-1.3, 40A:9-1.6, 40A:9-1.7, 40A:9-146.4, 40A:9-165**  
**Association of Municipal Assessors of N.J. v. Mullica Twp., 225 N.J. Super. 475, 542 and 970 (L.1988)**

- 104.10 Tax Assessor Certification Program.** Realizing New Jersey's property tax was a major source of local revenue, was likely to remain important in the foreseeable future, and that competent, equitable administration and levying of the property tax required the original assessment be made by a well qualified individual, the Legislature passed a tax assessor qualification, examination and tenure law. Possession of a valid Tax Assessor Certificate is, in effect, a license to practice as an assessor in New Jersey.

- 104.11 Administration of the Certification Program.** The Director of the Division of Taxation is responsible for the tax assessor certification program. The Director, via Property Administration Branch/Policy and Planning Section, reviews all applications for admission to assessor certification exams, and admits only those persons qualified in accordance with the law.

**REFERENCES:**

**N.J.S.A. 54:1-35.25**  
**N.J.A.C. 18:17-1.1(a)-(c)**

**104.12 Qualification for Admission to C.T.A. Exam.** To qualify for admission to a certification exam an applicant must:

- (1) File a written application with the Director of the Division of Taxation not less than 30 days before an examination;
- (2) Be at least 21 years of age;
- (3) Be a citizen of the United States;
- (4) Be of good health and free from physical and mental disabilities;
- (5) Be of good moral character;
- (6) Have obtained a diploma from an approved high school or have received an academic education accepted by the Commissioner of Education as fully equivalent;
- (7) Have graduated from a four-year course at a college of recognized standing:
  - (a) An applicant who does not meet the college education requirement may substitute full-time real estate appraisal work or experience in property tax assessment work on a year-for-year basis.

**NOTE:** Market analysis appraisals used by realtors for listings does not constitute appraisal experience.

**REFERENCES:**

**N.J.S.A. 54:1-35.25, & .25a**

**N.J.A.C. 18:17-1.3**

**104.13 C.T.A. Exam.** To obtain a Tax Assessor Certificate a candidate must pass a written examination. The exam is divided into two parts - the first half covers property tax administration, property tax assessment law, practices and procedures, and the second half covers real property appraisal principles, techniques and practical applications. The C.T.A. examination is held twice a year usually on Saturdays in March and September with a scheduled completion time of six hours:

**104.14 Application for Admission to a C.T.A. Exam.** Application forms and filing instructions may be obtained from Property Administration, Local Property Branch, CN 251, Trenton, New Jersey 08646-0251. Telephone No. (609) 292-7975. A check or money order in the amount of \$10, payable to the State Treasurer, must

accompany the application. The completed application together with all required proofs and the \$10 application fee must be returned to Property Administration no later than 30 days prior to the announced date of an examination.

**REFERENCES:**

**N.J.S.A. 54:1-35.25**

**104.15 Rutgers Training Courses.** Rutgers University training courses for assessors-Property Tax Administration I; Fundamentals of Real Property Appraisal; and Income Approach to Valuation are recommended as preparation for the certification exam. Information concerning the training courses may be obtained from: Center for Government Services, Rutgers University, 33 Livingston Avenue, Suite 200, New Brunswick, New Jersey 08901-1979. Ask for Assessment Administration. Telephone No. (732) 932-3640 Fax No. (732) 932-3586

**104.16 Issuance of a Tax Assessor Certificate.** An applicant who successfully completes a certification exam is issued a Tax Assessor Certificate upon his payment of a \$25 certificate fee to the State Treasurer.

**REFERENCES:**

**N.J.S.A. 54:1-35.26, 54:1-35.28**

**104.17 Removal of Tax Assessor Certificate.** The Director of the Division of Taxation may revoke or suspend an individual's Tax Assessor Certificate for dishonest practices, or willful or intentional failure, neglect or refusal to comply with the N.J. Constitution and laws relating to the assessment and collection of taxes, or for any good cause. Revocation or suspension of a certificate may occur only after a hearing before the Director or his designee after due notice. When a Tax Assessor Certificate is revoked, the individual is to be removed from office as assessor, and is not eligible to hold that office for five years from the date of removal.

**REFERENCES:**

**N.J.S.A. 54:1-35.29**

**N.J.A.C. 18:17-2.2**

**104.18 Removal from Office Non-Civil Service.** Upon complaint of the county tax board after hearing with due notice, the Director, Division of Taxation, may remove an assessor from office for willful failure, neglect, or refusal to comply with the N. J. Constitution and statutes relating to the assessment and collection of taxes. The county board of taxation may remove an assessor for failure to file the Assessment List and Duplicate as required by law. Upon complaint by the Director, the Superior Court may remove an assessor. The Director himself may revoke an individual's tax assessor certificate after a hearing with due notice.

**REFERENCES:**

**N.J.S.A. 54:1-36, 54:1-37, 54:4-37**

**104.19 Forfeiture of Office.** Any person, including an assessor, holding public office, either elective or appointive, in State government or any of its political subdivisions or agencies who is convicted of or pleads guilty to an offense involving dishonesty, or a crime of the third degree or higher, or an offense touching upon the office, forfeits office as of the date of conviction or guilty plea. If the conviction is later reversed, the individual may be restored to office with all rights and wages or salary from the date of forfeiture.

**REFERENCES:**

**N.J.S.A. 2C:51-2**

**104.20 Civil Service.** Any municipality in New Jersey, by action of the voters, may adopt the Civil Service System for its public employees. The New Jersey Department of Personnel, formerly Civil Service, provides personnel services for municipalities under this system.

**REFERENCES:**

**N.J.S.A. 11A:9-2**

**104.21 Standardized Classifications for Assessing Positions.** Standardized classifications (titles) have been established by the Department of Personnel for positions in a municipal assessor's office under the Civil Service System. For each

title classification, a job specification defines the position, gives examples of work, and states the minimum requirements applicants must meet. Job specifications may be obtained from the Department of Personnel, Trenton, New Jersey 08625.

**104.22 Classification.** Each position in a municipality is examined and assigned to either the classified or unclassified service.

- (1) **Unclassified service** includes positions filled by election and appointment such as department heads. The office of municipal tax assessor is in the unclassified service.
- (2) **Classified service** includes competitive and non-competitive positions. Competitive positions are those for which the Merit System Board considers testing appropriate to determine the qualifications of applicants. Most positions in an assessor's office fall within this category. Non-competitive positions include those which are difficult to fill, such as janitorial or service occupations.

**REFERENCES:**

**N.J.S.A. 11A:1.1 et seq., 11A:3-5 et seq., 11:22-1 et seq.**

**104.23 Other Personnel Services.** In addition to classifying assessing positions, the Department of Personnel conducts examinations, certifies job applicants, and enforces the laws and regulations in municipalities operating under the Civil Service System.

**104.24 Removal Under Civil Service.** Once an employee has satisfactorily completed a probationary period and obtained permanent status under Civil Service, he may be removed if incompetent, insubordinate, unfit for duty, a hazard to other employees or public services, charged with a crime of the first, second, third or fourth degree when job related, guilty of misconduct or other sufficient cause. The employee must be notified in writing of dismissal or discipline, the reasons for it, and within 30 days have an opportunity for a hearing before the appointing authority. The employee has twenty days in which to appeal to the Merit System Board. The Board may refer the



matter to the Office of Administrative Law. The Board may thereafter adopt, reject or modify the decision of the Administrative Law Judge.

**REFERENCES:**

**N.J.S.A. 11A:2-6, 11A:2-13 through 11A:2-22**

**104.25 Dual Titles for Assessors (Non-Civil Service, Civil Service).**

A person appointed to the position of municipal assessor may also hold a Civil Service position. For example, a person might be the appointed assessor, a position requiring reappointment after four years continuous service in order to acquire tenure, and chief assistant assessor under the Civil Service Act, a position from which he may be removed only for reasons such as described in the foregoing Section.

**104.26 Assessors' Responsibilities to the Citizens.** The assessor is responsible to the citizens of the taxing district for the fair assessment of all property in order that the tax burden be distributed equitably. In the interest of good public relations, it is desirable that the assessor keep the public well-informed on tax assessment matters.

**REFERENCES:**

**N.J.A.C. 18:17-3.3 Assessor Qualification Law**

**104.27 Assessors' Responsibilities to the Municipality.** The assessor is responsible to the municipality for proper expenditure of funds allotted to carry out the work of his office. The assessor is also responsible and subject to municipal control for maintaining regular office hours during which he or a member of his staff is to be available to the general public.

**REFERENCES:**

***Rules for County Board of Taxation, N.J.A.C. 18:12A-1.3(1)***  
***Arace v. Town of Irvington, 75 N.J. Super. 258 (1962)***  
***Joseph C. Horner v. Twp. of Ocean, 175 N.J. Super. 533 (1980)***

**104.28 Assessors' Responsibilities to the Director of the Division of Taxation.** The Director of the Division of Taxation is empowered to investigate, review, revise and equalize assessments so as to conform with the law and to generally oversee the

activities of local tax officials. The assessor is responsible to the Director for following prescribed procedures and using officially promulgated forms. The Division of Taxation's Property Administration, Local Property Branch serves as the administrative agency through which the Director contacts the local assessor regarding required actions and provides advice and assistance where necessary.

**REFERENCES:**

**N.J.S.A. 54:1-1 et seq.**

- 104.29 Assessors' Responsibilities To the County Tax Administrator.** The assessor is accountable to the County Tax Administrator, under supervision and control of the county board of taxation, in making assessments in the taxing district.

**REFERENCES:**

**N.J.S.A. 54:3-16**

***Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3(k), (i)***

- 104.30 Assessors to Notify County Tax Administrator When Assuming Office.** Any newly appointed assessor must notify the County Tax Administrator of his appointment within 30 days and provide him with a copy of the resolution of appointment. Notice to the Administrator must include whether the assessor is serving in a full or part-time capacity, in more than one municipality and the names of the municipalities, if multiple, and the hours served in each. Notice must also include hours the assessor's office is open to the public and the hours devoted to field and office duties. It is advisable for the new assessor to meet with the County Tax Administrator to become personally acquainted and to learn what is expected of him by the Administrator and the county board of taxation.

**REFERENCES:**

***Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3(k)***

- 104.31 Assessor to Notify County Tax Administrator When Terminating Position.** An assessor intending to terminate his position must, within 30 days of the termination date, notify the County Tax Administrator. A departing assessor should inform the Administrator of the status of the assessor's office and the administration

of the property tax in the municipality. The assessor should do everything possible to assure that his departure is orderly and to facilitate the transition to the incoming assessor.

**104.32 Assessors to Furnish County Tax Administrator With Schedule of Hours.**

All assessors must furnish the County Tax Administrator with a schedule of hours annually prior to January 15 as to when they report to the municipality, including office and field hours, and when they or their staff will be available to the public. The County Tax Administrator must summarize the schedule of hours and forward the summary to the Director of the Division of Taxation prior to February 15 annually. The summary, organized in district order, must separately indicate hours of field and office time and hours open to the public.

**REFERENCES:**

*Rules for County Boards of Taxation*, N.J.A.C. 18:12A-1.3(l) 1-4  
*Joseph C. Horner vs. Twp. of Ocean et als.* 175 N.J. Super. 533 (1980)

**104.33 Conflict of Interest**

- (1) **Assessors' Outside Activities.** Many assessors' positions are not full-time. Certain outside occupations for assessors otherwise employed have been proscribed under the *Rules for County Boards of Taxation*. No assessor may appear before a county board of taxation as an expert witness against another assessor or taxing district within the State, except to defend the assessment of his own taxing district. The assessor should avoid work activities outside his position as assessor from which a strong presumption of conflict of interest could be drawn.

**REFERENCES:**

*Rules for County Boards of Taxation*, N.J.A.C. 18:12A-1.9(l),  
18:12A-1.18, 18:12-4.5(a)1  
*Attorney General's Opinion 96-0103, Assessor & Real Estate Activities*,  
July 1996

(2) **Assessor Placing a Value on Property in Which He Has an Interest.**

The assessor is required to value each parcel of property in the taxing district. This sometimes means the assessor must value a property in which he has a financial interest, creating a potential conflict of interest. One way to avoid this would be for the municipality to employ an outside appraiser. Another means to ensure objectivity would be for the county board of taxation, which by law reviews the assessments of all properties in the county, to direct particular attention to properties owned by the assessors under their jurisdiction. Also, if any taxpayer disagrees with the value an assessor has placed upon his own or any other property in the county, the taxpayer may appeal to the county board of taxation for a revision of the assessment.

**REFERENCES:**

**N.J.S.A. 54:3-21**

**Ltr. to Benjamin Jager, Sussex County Tax Administrator from Deputy Attorney General Harry Haushalter, July 30, 1982**

**105. Joint Municipal Tax Assessor**

**105.1** New Jersey statutes provide for the establishment of joint municipal assessor offices. By law, the governing bodies of any two or more municipalities may, by adopting similar ordinances within six months of each other, create and maintain the office of joint municipal assessor.

**REFERENCES:**

**N.J.S.A. 40:48B-14**

**105.2** **Agreement of Conditions of Operation.** The agreement adopted by the governing bodies of participating municipalities must provide for the appointment of a joint municipal assessor for a term of four years; for the appointment of other necessary personnel; for the apportionment of office operating costs, and expenses among the participating municipalities; for the addition of other municipalities in the same

county and any other terms and conditions necessary for the establishment and maintenance of the joint tax assessor office.

**REFERENCES:**

**N.J.S.A. 40:48B-15, 40:48B-16**

- 105.3 **Approval of Agreement.** The agreement must be approved by resolution of the governing bodies of the participating municipalities prior to its execution. Copies of pertinent ordinances, resolutions, agreements, as well as any amendments, must be filed with both the Director of the Division of Taxation, Department of the Treasury and the Director of the Division of Local Government Services, Department of Community Affairs.

**REFERENCES:**

**N.J.S.A. 40:48B-15**

- 105.4 **Apportionment of Costs.** Costs and expenses of a joint municipal assessor's office may be based on the apportionment valuations of each participating municipality as per the county abstract of ratables at N.J.S.A. 54:4-49. Costs may also be apportioned using the number of taxable properties, population, budgets and any other factors in the agreement establishing the joint office.

**REFERENCES:**

**N.J.S.A. 40:48B-15**

- 105.5 **Personnel.** The joint municipal assessor's office should consist of an assessor and such subordinate personnel needed to carry out the assessment function properly in accordance with the law. Any assessor with tenure of office in a municipality entering into a joint municipal assessor arrangement is to be employed on the same basis as a member of the staff of the joint municipal assessor providing they were tenured as of July 27, 1967 the effective date of the Act. The salary of said assessor member may not be less than he was receiving at the time the joint agreement took effect. By law, all employees of a joint assessor's office are to be employees of the

municipality having the largest apportionment valuation of those participating in the joint arrangement.

**REFERENCES:**

**N.J.S.A. 40:48B-16, 40:48B-17, 40:48B-18**  
**Attorney General's Opinion 96-0153, November 8, 1996, Joint Assessor Tenure**

- 105.6 **Tenure for Joint Municipal Assessor.** A joint municipal assessor serves for a four year term. If reappointed after serving four years as joint assessor, he then acquires tenure and holds his position during good behavior and efficiency, and may not be removed except for good cause after a hearing before the Director of the Division of Taxation.

**REFERENCES:**

**N.J.S.A. 40:48B-16**

- 105.7 **Records to be Maintained Separately.** The assessment function for the jointly participating municipalities is to be performed in the same manner and extent that it was for each municipality separately. The Tax List and Duplicate, Property Record Cards and all other records for each participating municipality must be maintained separately by the joint assessor.

**REFERENCES:**

**N.J.S.A. 40B-19**

- 105.8 **Termination of the Joint Agreement.** Joint arrangements may be ended by resolution of the governing body of one of two participating municipalities or by 2/3's of the governing bodies of more than two participating municipalities. Ordinarily termination of the office of joint municipal assessor may not take effect sooner than June 30 following the expiration of 12 full calendar months after the adopting of the resolution by the last of the required number of municipalities. A joint municipal assessor's office may be terminated sooner only by unanimous agreement of the participating municipalities.

**REFERENCES:**

**N.J.S.A. 40:48B-20**

## 106. County Boards of Taxation

106.1 Each of New Jersey's 21 counties has a county board of taxation to supervise the work of the County Tax Administrator, the municipal assessors and to perform other administrative functions relative to property taxation.

106.2 **Composition of the Boards.** County boards of taxation in counties of the first class, in counties of the second class with population of more than 550,000, and in counties of the fifth class with population of more than 400,000, are composed of five members. In all other counties, the board consists of three members. Members are appointed by the Governor with the advice and consent of the N.J. Senate. In five member counties no more than three, and in all other counties no more than two members of the board may be of the same political party.

### REFERENCES:

N.J.S.A. 54:3-2; as amended P.L. 1995, c. 30

106.3 **Officers of the Board.**

**President** - Each county board of taxation selects one of its members as president.

**County Tax Administrator** - The board also appoints a County Tax Administrator and with the approval of the governing body of the county other clerical assistants as necessary.

106.4 **Length of Terms of Offices.** The term of office for members of county boards of taxation is five years in first class counties, in second class counties with a population of more than 550,000 and in fifth class counties with a population of more than 400,000 and three years in other counties. A County Tax Administrator's term is three years. All County Tax Administrators who are appointed to two consecutive terms of office gain tenure and may be removed only for incapacity,

misconduct, or disobedience of rules and regulations established by the Director, Division of Taxation.

**REFERENCES:**

**N.J.S.A. 54:3-3; 54:3-5; 54:3-7; 54:3-9**

- 106.5 **Salaries.** The minimum salaries of county tax board members and County Tax Administrators are fixed by law. The salaries of board members are paid by the State of New Jersey. The salaries of all other personnel, including the administrator, together with other funds to be used by the board, are set by the governing body of the county and are paid from county funds.

**REFERENCES:**

**N.J.S.A. 54:3-6, 54:3-8, 54:3-31**

- 106.6 **Qualifications of Board Members.** By law, county tax board members are chosen because of their special qualifications, knowledge and experience in matters concerning the valuation and taxation of property. All county board of taxation members must, within 24 months of their appointment, furnish proof of successful completion of Rutgers training courses. The training courses cover the areas of property tax administration, basics of real property appraisal, and income approach to value. An exception is made for any commissioner having a Tax Assessor Certificate, or obtaining one within 24 months of appointment. County tax board members who do not satisfy these requirements must be reported by the County Tax Administrator to the President of the County Board of Taxation and the Director of the Division of Taxation. The Director would then declare the position vacant and notify the Governor that a vacancy exists.

**REFERENCES:**

**N.J.S.A. 54:3-2**

- 106.7 **Responsibilities of the President of the County Board of Taxation.** Within 60 days of the last date the county tax board is authorized to hear appeals, the President of the County Board of Taxation must report information



and statistics regarding all appeals filed with the Board, other than for added and omitted assessments, to the Director of the Division of Taxation. The President of the County Board of Taxation oversees the writing of memoranda of judgments. Each memorandum must be under his signature, as well as the signature of any other member of the board who participated in rendering the judgment on the appeal.

**REFERENCES:**

**N.J.S.A. 54:3-5; 54:3-5.1**

**N.J.A.C. 18:12A-1.2**

- 106.8 **Qualifications of the County Tax Administrator.** After January 1, 1980, no person may be newly appointed as a County Tax Administrator unless he has a Tax Assessor Certificate. After 1988, no person may be newly appointed as a County Tax Administrator without four years experience in property tax administration at the State, county or municipal level and having completed Rutgers training program in tax board administration within 24 months of appointment.

**REFERENCES:**

**N.J.S.A. 54:3-7, 54:1-35.25**

**Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3**

- 106.9 **Responsibilities of the County Tax Administrator.**

A County Tax Administrator is generally to devote full time to his duties and be available during applicable working hours. The County Tax Administrator, under supervision of the county board of taxation, is responsible for the administrative functions of the board. The administrator directs all officers charged with the duty of making assessments in accordance with any rules and orders issued by the county board of taxation. The County Tax Administrator must develop a county equalization table as prescribed by law, and submit it on or before March 1 annually to the county board of taxation for review. The County Tax Administrator may

appoint clerical assistants as necessary, subject to the personnel policies of the county governing body.

**REFERENCES:**

**N.J.S.A. 54:3-7a; 54:3-16 to 54:3-17**

**N.J.A.C. 18:12A-1.3**

**106.10 Responsibilities of the Board.** The responsibilities of the county board of taxation fall into two major categories: administrative and appellate.

**106.101 Administrative Duties.** The county board of taxation performs seven major administrative functions:

- (1) **Supervision** - The County Tax Administrator and the county board directly supervise municipal assessors in the performance of their duties. The board may remove an assessor from office for failure to file his Tax List and Duplicate; it may request his removal by the Director of the Division of Taxation in other cases.

**REFERENCES:**

**N.J.S.A. 54:1-36, 54:3-16, 54:4-37**

- (2) **Assessment** - The county board of taxation, by resolution, establishes the percentage of true value at which all real property in the county must be assessed, i.e., county percentage level. In addition, the county board may upon its own initiative act as assessor, inspecting properties, and revising and correcting assessments. Once the Tax List is filed with the county board of taxation by the assessor, only the county board or the assessor under the direction of the board may make corrections or alterations to the List. If a county board of taxation determines that a taxing district needs a revaluation or reassessment it may, with the approval of the Director of the Division of Taxation, order the municipality to undertake one.

**REFERENCES:**

**N.J.S.A. 54:3-15, 54:3-16, 54:4-2.25 to 54:4-2.27, 54:4-46**

- (3) **Equalization** - The County Tax Administrator ascertains the level of assessment in each taxing district and apportions or distributes the costs of county government equitably among the taxing districts in the county. The County Tax Administrator works in cooperation with the assessor and the Division of Taxation. The work is subject to review by the county board of taxation. The county board of taxation initiates all SR-1A forms and reviews all SR-3A forms, monitors their data input by local assessors and forwards the completed forms to Property Administration's Local Property Branch of the Division of Taxation.

*NOTE:* About four counties are not computer-automated and manually process SR-1A forms.

**REFERENCES:**

**N.J.S.A. 54:3-17**

**N.J.A.C. 18:12A-1.17**

- (4) **Calculation of Tax Rates** - The county tax board prepares a Table of Aggregates (county abstract of ratables) annually and calculates the tax rate for each taxing district.

**REFERENCES:**

**N.J.S.A. 54:4-52**

- (5) **Electronic Data Processing** - Under the MOD IV New Jersey Property Tax System, the County Tax Administrator designates the dates for submitting electronic data processing program data. The county tax board receives copies of all data changes used for the construction of the tax rolls and satellite reports. Each board may adopt procedures it considers necessary to implement

the specifications in the E.D.P. program as adopted by the Director, Division of Taxation.

**REFERENCES**

**New Jersey Property Tax System MOD IV (Computer Applications in Tax Administration), January, 1983.**

**N.J.A.C. 18:12A-1.16(f)(g)**

- (6) **Certifications** - In addition to certifying the county equalization table, the county board of taxation must by June 15 certify to the Director of the Division of Taxation the amounts of veterans and real property tax deductions allowed by all municipalities in the county, as well as to certify each January to the chief financial officer of the county, the apportionment valuation of all new construction and partial assessments in the county multiplied by the preceding year's county tax rate.

**REFERENCES:**

**N.J.S.A. 54:3-17, 18, 19; 54:4-8.52, 54A:10-3**

**Joint Directive, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation, and Director, Division of Local Government Services, November 27, 1995.**

- (7) **Annual Report** - Within 60 days of the last date the county tax board is authorized to hear appeals, each county board of taxation must file an annual report with the Director of the Division of Taxation for his review. The Director prescribes the form of the annual report which must contain: the total number of appeals filed with the county board; the disposition of the appeals; the character of the appeals filed with regard to property classification; the total of assessments involved in the appeals; the number of appeals in each filing fee category; and the total

amount of reductions and increases of assessed valuation granted by the tax board.

**REFERENCES:**  
**N.J.S.A. 54:3-5.1**

**106.102 Appellate Duties.** The county board of taxation hears appeals from taxpayers and taxing districts and directs adjustments to assessments where warranted. Memoranda of judgments rendered are to be in writing and are to set forth the reasons on which the judgment was based, with copies sent to the assessor, the taxpayer, and also the collector where amount of tax is revised. The county board of taxation may record all proceedings involving tax appeals, and if recorded, must furnish a transcript of the proceedings to any party to that appeal who requests it upon the payment of a reasonable fee.

**REFERENCES:**  
**N.J.S.A. 54:3-14, 54:3-21 to 27**  
**N.J.A.C. 18:12A-1.6, 18:12A-1.11, 18:12A-1.12**

**106.11 Conflicts of Interest.** The Executive Commission on Ethical Standards, as advised by the Attorney General, has held that county boards of taxation are State agencies. Therefore, members of county boards of taxation are subject to the New Jersey Conflicts of Interest Law. This law requires every State agency to adopt a code of ethics to guide and govern the conduct of officers and employees in the agency.

**REFERENCES:**  
**N.J.S.A. 40A:9-22.1 et seq.**  
**N.J.A.C. 18:124.5(a)1**  
**N.J.A.C. 18:12A-1.18**  
**Executive Commission on Ethical Standards, Advisory Opinion No. 38,**  
**September 17, 1975.**  
**Attorney General's Opinion 96-0101, County Tax Administrator also Tax Assessor, July 1996.**

**106.12 Code of Ethics.** General standards set forth in the Conflicts of Interest Law must be met for any code of ethics adopted by any branch or agency of State government.

Each code of ethics must be reviewed by the Attorney General for compliance with the Conflicts of Interest Law and must also be approved by the Executive Commission on Ethical Standards. The code of ethics adopted by county boards of taxation is shown as Exhibit I-3.

**REFERENCES:**  
**N.J.S.A. 54:3-3**

106.13 **Rules.** Through legislation enacted in 1973, all 21 county boards of taxation operate under a uniform set of rules first promulgated by the Director of the Division of Taxation on April 13, 1974. In drafting the *Rules For County Boards of Taxation*, the Director received the assistance of the Association of County Tax Board Commissioners and County Tax Administrators, the New Jersey Association of Municipal Assessors, and the New Jersey Bar Association. The rules cover such areas as employment requirements, organization, petitions of appeal, commercial and industrial or multi-dwelling appeals, filing fees, subpoenas, revaluation and assessments, tax lists and duplicates, SR-1A and SR-3A forms and conflict of interest. These rules help to ensure uniform operation of the boards and treatment of taxpayers.

106.14 **The Open Public Meeting Act.** This Act, commonly known as the "Sunshine Law," affects meetings and deliberations of public bodies. "Public bodies" are defined as those organized by law and empowered as a multi-member voting body to spend funds or affect peoples' rights. County boards of taxation are organized under the law and since their power to affect assessments of property for taxation affects the rights of persons, such boards are subject to the Open Public Meeting Act.

**REFERENCES:**  
**N.J.S.A. 10:4-1 et seq., 10:4-6 thru 10:4-21**

106.15 **Notice of Meetings Required.** Adequate notice is required for the public body's regular and special meetings. Normally 48 hours advance notice must be given by prominent posting, filed with an officer of the public body and provided to two newspapers. Publication of a legal notice is not required. An exception is made to

the 48 hour advance notice requirement in situations where the matters to be discussed are of such urgency that waiting to give notice would result in substantial harm to the public interest. Even in these situations a three-fourth vote of the members present is required to initiate such a meeting.

**REFERENCES:**

**N.J.S.A. 10:4-9**

- 106.16 **Statement of Adequate Notice.** A publicly announced statement is required at every meeting confirming that adequate notice of the meeting was provided. If adequate notice was not provided, a statement of explanation is required.

**REFERENCES:**

**N.J.S.A. 10:4-10**

- 106.17 **Meetings Are to be Open to the Public.** No public body is to fail to invite any of its membership to a meeting. All meetings are to be open to the public with the following exceptions: the public may be excluded from that portion of a meeting at which the public body discusses: (1) a matter which by Federal or State law or rule of the court is rendered confidential; (2) a matter in which release of information would impair a right to receive funds from the U. S. Government; (3) disclosure of any material which constitutes an unwarranted invasion of individual privacy; (4) any collective bargaining agreement or negotiation; (5) any matter involving the purchase or acquisition of real property with public funds or investment of public funds where the discussion of the matter could hurt the public interest; (6) any tactics and techniques utilized in protecting the safety and property of the public if their disclosure would impair protection; (7) any investigations of violations or possible violations of the law; (8) any pending or anticipated litigation or contract negotiation in which the public body might become a party; (9) any matter involving the employment, appointment conditions or termination, evaluation or disciplining of any public officer or employee, unless such public officer or employee requests in writing that the matter be discussed at a public meeting; (10)

any deliberations of a public body after a public hearing that may result in a specific civic penalty upon the responding party.

**REFERENCES:**

**N.J.S.A. 10:4-12**

- 106.18 Resolution Required For Closed Meeting.** To exclude the citizenry from a meeting for the purpose of discussing any matters described in the foregoing paragraph, the public body must first adopt a resolution at a publicly attended meeting. The resolution must indicate the general nature of the subject to be discussed and include a statement as to when the circumstances of the closed session can be made public.

**REFERENCES:**

**N.J.S.A. 10:4-13**

- 106.19 Minutes of Meetings to be Kept.** Minutes of all meetings of a public body are to be maintained showing the time and place, the members present, the subjects considered, the actions taken, the vote of each member and any other information required by law to be shown in the minutes.

**REFERENCES:**

**N.J.S.A. 10:4-14**

- 106.20 Notice of Regularly Scheduled Meetings to be Posted.** At least once a year, within seven days following the annual reorganization meeting, or if there is no reorganization meeting then not later than January 10th of each year, every public body must post in at least one public place and keep posted throughout the year a schedule of its regular meetings. The meeting schedule must also be mailed to at least two newspapers which are most likely to inform the public in the area affected, and must be filed with the clerk of the county (in the case of county boards of taxation).

**REFERENCES:**

**N.J.S.A. 10:4-18**



**106.21 Contents of the Schedule of Meetings.** The schedule of meetings must give the location, time and date of each meeting. If a schedule is revised the public body, within seven days, must post, mail and file any revision in the manner described above.

**REFERENCES:**  
**N.J.S.A. 10:4-18**

**106.22 Schedules to be Made Available Upon Request.** The public body must, upon request of any person, mail copies of the regular meeting schedule and any revisions. If a person requests it, the public body must mail written advance notice of all its meetings. A charge may be fixed by resolution of the public body to cover the cost of providing notices.

**REFERENCES:**  
**N.J.S.A. 10:4-19**

## **107. The Tax Court of New Jersey**

**107.1** The Tax Court was established by legislation in 1978, and became operational July 1, 1979. The Tax Court replaced the Division of Tax Appeals and assumed jurisdiction over the hearing of appeals filed by taxpayers and taxing districts from rulings and judgments of county boards of taxation concerning assessments and equalization tables. For properties where the assessed value exceeds \$750,000 a complaint may be made directly with the Tax Court bypassing appeal to the county tax board. The Tax Court also hears complaints from rulings and determinations of the Director of the Division of Taxation, other state officials, and county recording officers with regard to realty transfer fee matters.

**REFERENCES:**  
**N.J.S.A. 2B:13-1, 2B:13-2, 2B:13-14, 54:3-21**  
**Rules of the Tax Court, 8:3-4(b), (c), (d)**

**107.2 Operation of the Tax Court.** The Tax Court is subject to rules of the Supreme Court. It is a court of record. Decisions of the Tax Court are to be published as

directed by the Supreme Court. The Tax Court operates in a "de novo" fashion hearing all issues of fact and law that come before it. That is, both previously presented evidence and new evidence may be accepted.

**REFERENCES:**

**N.J.S.A. 2B:13-1b, 2B:13-3**

**107.3 Small Claims Division.** The Small Claims Division of the Tax Court has jurisdiction in the following types of cases:

- (1) A proceeding for refund for any year for which the refund amount claimed does not exceed \$2,000, exclusive of interest and penalties;
- (2) A proceeding to set aside additional taxes assessed or taxes assessed in any year where the disputed amount does not exceed \$2,000, exclusive of interest and penalties.

**107.4 Appeals From Decisions of the Tax Court.** Appeals from decisions of the Tax Court are to be made to the Appellate Division of the Superior Court.

**REFERENCES:**

**N.J.S.A. 2B:13-4**

**107.5 Composition of the Tax Court.** The Tax Court consists of not less than six nor more than twelve judges who are appointed by the governor with the advice and consent of the State Senate. Each judge must have been admitted to practice law in the State at least ten years prior to his appointment. Judges are chosen for their special qualifications, knowledge and experience in matters of taxation.

**REFERENCES:**

**N.J.S.A. 2B:13-6**

**107.6 Presiding Judge Appointed.** The Chief Justice of the New Jersey Supreme Court appoints a presiding judge from one of the judges of the Tax Court. The presiding judge is responsible for the administration of the Tax Court and works under the

supervision of the Chief Justice and the Administrative Director of the New Jersey Courts.

**REFERENCES:**  
**N.J.S.A. 2B:13-10**

**107.7 Annual Report.** Yearly, the presiding judge is to present a written report to the Chief Justice of the Supreme Court. The nature of the contents of the report is set forth by law.

**REFERENCES:**  
**N.J.S.A. 2B:13-11**

**107.8 Term of Office.** Judges of the Tax Court are initially appointed for seven-year terms. Upon reappointment, a judge holds office during good behavior. Tax Court judges are to be retired upon reaching 70 years of age.

**REFERENCES:**  
**N.J.S.A. 2B:13-7**

**107.9 Removal.** Judges of the Tax Court are subject to impeachment, and removal from office by the Supreme Court for the same causes judges of the Superior Court would be removed. In cases of a Tax Court judge's incapacitation and if the Supreme Court certifies to the Governor, the Governor is to appoint a commission of three persons to inquire into the circumstances. Upon recommendation of this commission, the Governor may retire the judge from office on pension.

**REFERENCES:**  
**N.J.S.A. 2B:13-9 a & b**

**107.10 Clerk Appointed.** The Supreme Court has the responsibility of appointing the Clerk and Deputy Clerk of the Tax Court to serve at its pleasure. The Clerk of the Tax Court assigns cases to the Small Claims Division of the Tax Court based on

examination of the complaint (petition of appeal) to determine jurisdiction.

**REFERENCES:**

**N.J.S.A. 2B:13-14, 2B:13-15**

# EXHIBITS

HANDBOOK FOR NEW JERSEY ASSESSORS

**CERTIFICATION OF NEW CONSTRUCTION/IMPROVEMENTS/PARTIAL ASSESSMENTS**  
(Chapter 68, P.L. 1976, as amended)

MUNICIPALITY \_\_\_\_\_ COUNTY \_\_\_\_\_

**FILE THIS REPORT WITH THE COUNTY TAX BOARD BY JANUARY 10 OF TAX YEAR**

1. Total of New Construction and Improvements to existing construction included in the preceding added assessment list. (Enter the full amount prior to proration.) \_\_\_\_\_ (1)

2. Total of New Construction and New Partial assessments included in the current year tax list, except amounts included on the added assessment list. (If a revalued or reassessed district this current tax year, enter the amount on line 3(a) below rather than line 2.) \_\_\_\_\_ (2)  
(Non Reval./Reass.)

3. **FOR COMPLETION BY REVALUED OR REASSESSED DISTRICT ONLY:**  
(a) Amount computed in #2 \_\_\_\_\_  
(b) Director's 10/1 Ratio x \_\_\_\_\_ (3)  
(c) Pretax year equated value \_\_\_\_\_  
(Enter on line 3) (Reval./Reass. Only)

Increase in valuations based on New Construction and Improvements (Revalued and Reassessed District add lines 1 and 3, all others add lines 1 and 2.) \_\_\_\_\_ (4)

5. Prior year Local Municipal Purpose Tax Rate \_\_\_\_\_ (5)

6. Amount of Permitted Revenue Increase (N.J.S.A. 40A:4-45.2a) \$ \_\_\_\_\_ (6)

\_\_\_\_\_  
DATE

\_\_\_\_\_  
TAX ASSESSOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
COUNTY TAX ADMINISTRATOR

**FOR TAX BOARD USE ONLY**

Line 4 \_\_\_\_\_ ÷ \_\_\_\_\_ %\* = \_\_\_\_\_  
County Equalized Ratio Apportionment Value

19\_\_ COUNTY TAX RATE (Year prior to current) x \_\_\_\_\_

COUNTY PORTION OF PERMITTED REVENUE INCREASE = \$ \_\_\_\_\_

\* Ratio established for district in year prior to current pursuant to N.J.S.A. 54:5-18

## INSTRUCTIONS FOR ASSESSORS COMPLETING FORM JDC-1

1. The total on line 1 is the full valuation (not prorated as listed on your October 1 Added Assessment List) minus the total of any added assessment tax appeal reductions. **DO NOT** include Omitted Added Assessments, Prior Year Added Assessments, Omitted Assessments, or property transferred from exempt to the taxable list. Also, do not include any land, subdivided or not, on this form.
- 2.a) The total entered on line 2 or 3a, depending on whether or not a revalued or reassessed district, should reflect new partial assessments, and new construction completed by October 1 which failed to make the added assessment list. In the case of partial assessments, the incremental addition made to property subject to a partial assessment in the previous year should be included.
- b) Construction completed after October 1 and prior to January 1 cannot be placed on the current year regular tax list. Statute provides that it shall be placed on the upcoming added assessment list filed in October for the prior year; therefore, such construction would not be reflected on this form.
- c) If the current year tax list reflects a revaluation or reassessment, leave line 2 blank and enter the amount on line 3(a).
- d) If an entry is made in line 2 or 3a, please complete Form JDC-2 (Supplemental Breakdown Listing) and submit it along with this form.
3. The purpose of line 3 is to convert the total of any new construction and partial assessments to a value that would have been equivalent in the year prior to the revaluation or reassessment.
4. The amount on line 4 represents the sum total of new construction and improvement valuations as prescribed in N.J.S.A. 40A:4-45.2a. In the case of revalued or reassessed districts the sum total of lines 1 and 3 are to be entered. In all other municipalities line 4 must be the sum total of lines 1 and 2.
5. The actual local municipal purpose tax rate is to be entered as certified by the county board of taxation for the tax year immediately preceding the current tax year.
6. Line 6 is the result of multiplying line 4 by line 5.

### DISPOSITION OF FORMS

The original and two copies of Forms JDC-1 and JDC-2 must be filed with the county tax administrator by **January 10 of each tax year**. (Copies of these 4 ply forms shall be supplied by the county tax board.) Even if there are no added assessments, partial assessments and new construction to report, the forms must nevertheless be filed with the word "None" entered.

The county tax administrator shall, by January 30th of the tax year, forward one copy to the municipal financial officer and one copy to the Director of Local Government Services.







## EXHIBIT I-2

### ASSOCIATION OF MUNICIPAL ASSESSORS OF NEW JERSEY

#### CODE OF ETHICS

The function of the assessing officer and other members of AMANJ are professional in character. This Code of Ethics is a set of dynamic principles guiding the members' conduct. Each member of AMANJ agrees that he will abide by this Code of Ethics.

##### Relations with other assessing officers:

1. It is the duty of every assessing officer to cooperate fully with other assessing officers in all matters affecting his official duties.
2. Information concerning persons or their property, obtained by an assessing officer in his official capacity, should be treated as confidential except for lawfully authorized uses. It is proper for assessing officers of different jurisdictions to exchange factual information concerning persons or their property to aid either or both in the assessment of property legally subject to taxation.
3. Every assessing officer shall cooperate with the AMANJ and its officers in all matters, including, but not limited to the investigation, censure, discipline or expulsion of members who by their conduct prejudice their professional status or the reputation of the AMANJ.
4. Every assessing officer shall protect the professional reputation of other members of AMANJ who subscribes to and abide by this Code of Ethics.
5. It is unprofessional for any assessing officer, in any writing or speech, to use the material contained in the writings or speeches of other assessors, persons or agencies, unless full credit is given to the original author.
6. It is unethical for an assessing officer to represent a taxpayer at any level of appeal procedure involving the determination of assessments.

##### Relations with other public officials:

1. The assessing officer has a duty to cooperate with other public officials to improve the efficiency and economy of public administration.
2. It is improper for an assessing officer, charged by law with the responsibility for determining assessments of property, to permit judgment of values to be influenced by other public officials for any reasons other than those directly concerned with the value of the property.

3. It is the duty of the assessing officer always to maintain an attitude of respect and cooperation towards other public officials and agencies to whom the law has assigned official duties relating to the work of the assessing officer.

**Relations with the public and taxpayers:**

1. It is the duty of every assessing officer to maintain at all times a courteous and respectful attitude in his relations with taxpayers and the public generally, and it is his further duty to compel a similar attitude on the part of his subordinates.
2. It is improper for an assessing officer to accept any gift where it is clear that such gift is made solely because he is an assessing officer.
3. The assessing officer should give full faith and allegiance to his oath of office.
4. Every assessing officer shall perform his assessment duties in a manner consistent with statutory requirements without advocacy for accommodation or any particular interests, being factual, objective, unbiased and honest in his conclusion.
5. Every assessing officer shall conform in all respects to this Code of Ethics. The Standards of Professional Conduct and the Constitution of the AMANJ as the same may be amended from time to time.

Re-Approved July 1, 1976

## EXHIBIT I-3

### COUNTY BOARDS OF TAXATION

#### CODE OF ETHICS

1. **Declaration of Policy**

Recognizing that Commissioners and Employees have the same rights and responsibilities as private citizens, it is imperative to realize that such employees function in a position of public trust. Therefore, to assure the proper conduct of County Board of Taxation business, while maintaining the confidence of citizens of New Jersey, a code of ethics is presented to govern and guide The Board of Taxation commissioners and employees in the performance of their duties and responsibilities. In all respects the employees shall be generally guided by the principle that they shall avoid any situation that appears to be, or is in fact, incompatible with the interests of an employee and his obligations to the public good in the performance of his Tax Board duties and responsibilities.

2. **Authority**

Department of the Treasury

3. **Definitions**

- A. **Commissioner** shall mean a member of the County Tax Board appointed by the Governor with the advice and consent of the Senate.
- B. **Employee** shall mean any person holding office or employed in the County Board of Taxation office.
- C. **Business** shall mean any association, firm, partnership, corporation, or other business enterprise, club or organization, whether or not said association, firm, partnership, corporation or other business, enterprise, club or organization is organized for profit or not.

4. **Code of Ethics For Commissioners and Employees**

- A. No commissioner or employee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest.
- B. No commissioner or employee should engage in any particular business, profession, trade or occupation which is subject to licensing or regulation by a specific agency of State Government without promptly filing notice of such activity with the Executive Commission on Ethical Standards.
- C. No commissioner or employee should use or attempt to use his official position to secure unwarranted privileges or advantages for himself or others.

- D. No commissioner or employee should act in his official capacity in any matter wherein he has a direct or indirect personal financial interest that might reasonably be expected to impair his objectivity or independence of judgment.
- E. No commissioner or employee should undertake any employment or service, whether compensated or not, which might reasonably be expected to impair his objectivity and independence of judgment in the exercise of his official duties.
- F. No commissioner or employee should accept any gift, favor, service or other thing of value under circumstances from which it might be reasonably inferred: that such gift, service or other thing of value was given or offered for the purpose of influencing him in the discharge of his official duties.
- G. No commissioner or employee should knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public having knowledge of his acts that he may be engaged in conduct violative of his trust as a Commissioner or employee.
- H. Rules of conduct adopted pursuant to these principles should recognize that under our democratic form of government commissioners and employees should be drawn from all of our society, that citizens who serve in government cannot and should not be expected to be without any personal interest in the decisions and policies of government; that citizens who are government officials and employees have a right to private interests of a personal, financial and economic nature; that standards of conduct should separate those conflicts of interest which are unavoidable in a free society from those conflicts of interest which are substantial and material, or which bring government into disrepute.
- I. No commissioner or employee shall willfully disclose to any person, whether or not for pecuniary gain, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties. No commissioner or employee, shall use for the purpose of pecuniary gain, whether directly or indirectly, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties.
- J. The following examples are inclusive of but not exclusive of other types of circumstances under which a tax commissioner should disqualify himself from hearing a particular appeal.
1. The petitioning taxpayer, the municipal assessor, the attorney for the taxpayer, or the attorney for the municipality is a client of his firm.
  2. The assessor of the responding municipality is his second cousin or is more closely related.
  3. The assessor, the municipal attorney, the taxpayer, or the attorney for the taxpayer is a business associate.
  4. The taxpayer is a personal friend.

## Chapter II

### CONSTITUTIONAL AND STATUTORY BASIS OF ASSESSING

#### 201. The New Jersey Constitution

**201.1** The current State Constitution was adopted at the general election of 1947 and became effective January 1, 1948. New Jersey's two prior Constitutions date from 1776 and 1844 respectively. The Constitution of the State of New Jersey establishes the basis for the taxation of property within the State. The pertinent sections have been reproduced here to provide an understanding of the foundation from which all implementing statutes are derived.

**201.2** **Constitutional Excerpts Re: Assessment.**

**201.21** **Text.** The New Jersey Constitution of 1947 at Article VIII, Section 1, Paragraphs 1 through 7 and Section 3, Paragraph 1 provides:

**Section 1**

**Par. 1. Uniformity in Taxation; Farmland Assessment.**

- (a) Property shall be assessed for taxation under general laws and by uniform rules. All real property assessed and taxed locally or by the State for allotment and payment to taxing districts shall be assessed according to the same standard of value, except as otherwise permitted herein, and such real property shall be taxed at the general tax rate of the taxing district in which the property is situated, for the use of such taxing district.
- (b) The Legislature shall enact laws to provide that the value of land, not less than 5 acres in area, which is determined by the assessing officer of the taxing jurisdiction to be actively devoted to agricultural or horticultural use and to have been so devoted for at least the 2 successive years immediately preceding the tax year in issue, shall, for local tax purposes, on application of the owner, be that value which such land has for agricultural or horticultural use. Any such laws shall provide that when land which has been valued in this manner for local tax purposes is applied to a use other than for agriculture or

horticulture it shall be subject to additional taxes in an amount equal to the difference, if any, between the taxes paid or payable on the basis of the valuation and the assessment authorized hereunder and the taxes that would have been paid or payable had the land been valued and assessed as otherwise provided in this Constitution, in the current year and in such of the tax years immediately preceding, not in excess of 2 such years in which the land was valued as herein authorized.

Such laws shall also provide for the equalization of assessments of land valued in accordance with the provisions hereof and for the assessment and collection of any additional taxes levied thereupon and shall include such other provisions as shall be necessary to carry out the provisions of this amendment.

*(As adopted in the general election of November 4, 1947; as amended in the general election of November 5, 1963.)*

**Par. 2. Exemptions.**

Exemptions from taxation may be granted only by general laws. Until otherwise provided by law all exemptions from taxation validly granted and now in existence shall be continued. Exemptions from taxation may be altered or repealed, except those exempting real and personal property used exclusively for religious, educational, charitable or cemetery purposes, as defined by law, and owned by any corporation or association organized and conducted exclusively for one or more of such purposes and not operating for profit.

*(As adopted in the general election of November 4, 1947.)*

**Par. 3. Exemptions to Honorably Discharged Veterans.**

Any citizen and resident of this State now or hereafter honorably discharged or released under honorable circumstances from active service in time of war or of other emergency as, from time to time, defined by the Legislature, in any branch of the Armed Forces of the United States shall be entitled, annually, to a deduction from the amount of any tax bill for taxes on real and personal property, or both, including taxes attributable to a residential unit held by a stockholder in a cooperative or mutual housing corporation, in the sum of \$50.00 or if the amount of any such tax bill shall be less than \$50.00, to a cancellation thereof, which deduction or cancellation shall

not be altered or repealed. Any person hereinabove described who has been or shall be declared by the United States Veterans Administration, or its successor, to have a service-connected disability, shall be entitled to such further deduction from taxation as from time to time may be provided by law. The surviving spouse of any citizen and resident of this State who has met or shall meet his death on active duty in time of war or of other emergency as so defined in any such service shall be entitled, during her widowhood or his widowerhood, as the case may be, and while a resident of this State, to the deduction or cancellation in this paragraph provided for honorably discharged veterans and to such further deduction as from time to time may be provided by law. The surviving spouse of any citizen and resident of this State who has had or shall hereafter have active service in time of war or of other emergency as so defined in any branch of the Armed Forces of the United States and who died or shall die while on active duty in any branch of the Armed Forces of the United States, or who has been or may hereafter be honorably discharged or released under honorable circumstances from active service in time of war or of other emergency as so defined in any branch of the Armed Forces of the United States shall be entitled, during her widowhood or his widowerhood, as the case may be, and while a resident of this State, to the deduction or cancellation in this paragraph provided for honorably discharged veterans and to such further deductions as from time to time may be provided by law.

*(As adopted in the general election of November 4, 1947; as amended in the general elections of November 3, 1953, November 5, 1963, November 8, 1983 and November 8, 1988.)*

**Par. 4. Homestead Exemption for Persons Age 65 or Over.**

The Legislature may, from time to time, enact laws granting an annual deduction from the amount of any tax bill for taxes on the real property, and from taxes attributable to a residential unit in a cooperative or mutual housing corporation, of any citizen and resident of this State of the age of 65 or more years, or any citizen and resident of this State less than 65 years of age who is permanently and totally disabled according to the provisions of the Federal Social Security Act, residing in a dwelling house owned by him which is a constituent part of such real property, or residing in a



dwelling house owned by him which is assessed as real property but which is situated on land owned by another or others, or residing as tenant-shareholder in a cooperative or mutual housing corporation, but no such deduction shall be in excess of \$160.00 with respect to any year prior to 1981, \$200.00 per year in 1981, \$225.00 per year in 1982 and \$250.00 per year in 1983 and any year thereafter and such deduction shall be restricted to owners having an income not in excess of \$5,000.00 per year with respect to any year prior to 1981, \$8,000.00 per year in 1981, \$9,000.00 per year in 1982 and \$10,000.00 per year in 1983 and any year thereafter, exclusive of benefits under any one of the following:

- a. The Federal Social Security Act and all amendments and supplements thereto;
- b. Any other program of the federal government or pursuant to any other federal law which provides benefits in whole or in part in lieu of benefits referred to in, or for persons excluded from coverage under, a. hereof including but not limited to the Federal Railroad Retirement Act and federal pension, disability and retirement programs; or
- c. Pension, disability or retirement programs of any state or its political subdivisions, or agencies thereof, for persons not covered under a. hereof; provided, however, that the total amount of benefits to be allowed exclusion by any owner under b. or c. hereof shall not be in excess of the maximum amount of benefits payable to, and allowable for exclusion by, an owner in similar circumstances under a. hereof.

The surviving spouse of a deceased citizen and resident of this State who during his or her life received a deduction pursuant to this paragraph shall be entitled, so long as he or she shall remain unmarried and a resident of the same dwelling house situated on the same land with respect to which said deduction was granted, to the same deduction, upon the same conditions, with respect to the same real property or with respect to the same dwelling house which is situated on land owned by another or others, or with respect to the same cooperative or mutual housing corporation, notwithstanding that said surviving spouse is under the age of 65 and is not permanently and totally disabled, provided that said surviving spouse is

55 years of age or older. Any such deduction when so granted by law shall be granted so that it will not be in addition to any other deduction or exemption, except a deduction granted under paragraph 3 of this section, to which the said citizen and resident may be entitled but said citizen and resident may receive in addition any homestead rebate or credit provided by law. The State shall annually reimburse each taxing district in an amount equal to one-half of the tax loss to the district resulting from the allowance of deductions pursuant to this paragraph.

*(As adopted in the general election of November 8, 1960; as amended in the general election of November 5, 1963, November 3, 1970, November 2, 1971, November 4, 1975, November 4, 1980, November 6, 1984 and November 8, 1988.)*

**Par. 5. Property Tax Credits.**

The Legislature may adopt a homestead statute which entitles homeowners, residential tenants and net lease residential tenants to a rebate or a credit of a sum of money related to property taxes paid by or allocable to them at such rates, and subject to such limits, as may be provided by law. Such rebates or credits may include a differential rebate or credit to citizens and residents who are of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled according to the provisions of the Federal Social Security Act, or are 55 years of age or more and the surviving spouse of a deceased citizen or resident of this State who during his lifetime received, or who, upon the adoption of this amendment and the enactment of implementing legislation, would have been entitled to receive a rebate or credit related to property taxes.

*(As adopted in the general election of November 4, 1975; as amended in the general election of November 2, 1976.)*

**Par. 6. Property Tax Exemptions Authorized in Areas in Need of Rehabilitation.**

The Legislature may enact general laws under which municipalities may adopt ordinances granting exemptions or abatements from taxation on buildings and structures in areas declared in need of rehabilitation in accordance with statutory criteria, within such municipalities and to the land comprising the premises upon which such buildings or structures are erected and which is necessary for the fair

enjoyment thereof. Such exemptions shall be for limited periods of time as specified by law, but not in excess of 5 years.

*(As adopted at the general election of November 4, 1975.)*

**Par. 7. Distribution of Personal Income Tax Revenue.**

No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purposes of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal incomes be levied on payments received under the federal Social Security Act, the federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

*(As adopted in the general election of November 2, 1976; as amended the general election of November 6, 1984.)*

*(Sec. 1 above is as last amended in the general election of November 8, 1988.)*

**Section 3**

**Par. 1. Clearance and Development of Blighted Areas; Exemption from Taxation**

The clearance, replanning, development or redevelopment of blighted areas shall be a public purpose and public use, for which private property may be taken or acquired. Municipal, public or private corporations may be authorized by law to undertake such clearance, replanning, development or redevelopment; and improvements made for these purposes and uses, or for any of them, may be exempted from taxation, in whole or in part, for a limited period of time during which the profits of and dividends payable by any private corporation enjoying such tax exemption shall be limited by law. The conditions of use, ownership, management and control of such improvements shall be regulated by law.

*(As adopted at the general election of November 2, 1947.)*

**REFERENCES:**

Constitutional excerpts taken from *Assessors' Law Manual*, Dec., 1993

201.3

**Constitutional Amendments.** Amendments to Constitutional provisions require not only the approval of both the N.J. Senate and Assembly but also a majority of the State's voters by referendum ballot at a general election.

201.4

**Constitutional Standards for Property Valuation.** While the Constitution at Section 1, part 1, paragraphs 1 & 2, requires that property be assessed for taxation under "general laws and by uniform rules", it authorizes different treatment of real and personal property, as well as qualified agricultural and horticultural land. All real property must be assessed according to the "same standard of value" except for qualified agricultural or horticultural land which is assessed based on its farm use. No specific Constitutional standard of value is provided for real property other than qualified farmland. The Legislature and Governor may adopt any standard of value as long as it is applied to all real property. The assessment of personal property is not bound by the "same standard of value" requirement for real property. The Legislature and Governor are free to divide personal property into classes and to provide different standards of value for the different classes, provided it's done by law and under uniform rules.

**REFERENCES:**

**N.J.S.A. 54:4-1 et. seq.**

**202. Property Tax Laws**

202.1

All statutes, to be valid, must conform to the provisions of the Constitution. Property taxation statutes are found in Title 54 of both the *Revised Statutes of New Jersey, 1937* and the *New Jersey Statutes Annotated*. Many of these laws are reprinted in the *Assessors' Law Manual*, December, 1993. The assessor should also have some familiarity with portions of N.J.S.A. Title 18, which deals with education, and N.J.S.A. Title 40, which covers the operation of counties and municipalities. Regulations and guidelines for new laws of importance to assessors are often issued by the Director of the Division of Taxation. The **New Jersey Administrative Code** is a comprehensive compilation of these rules and regulations which carries the force of law. Property tax guidelines are codified in N.J.A.C. Title 18.

- 202.2 Statutory Basis Real and Personal Property Valuation.** Title 54 of N.J. Statutes Annotated at Chapter 4, Article 1 provides "All property real and personal within the jurisdiction of this State not expressly exempted from taxation or expressly excluded from the operation of this chapter shall be subject to taxation annually under this chapter. Such property shall be valued and assessed at the taxable value prescribed by law. Land in agricultural or horticultural use which is being taxed under the "Farmland Assessment Act of 1964", P.L. 1964, c.48 (C.54:4-23.1 et seq.) shall be valued and assessed as provided by that act...."
- 202.3 Real Property Value Standards.** N.J.S.A. 54:4-2.25 provides "All real property subject to assessment and taxation for local use shall be assessed according to the same standard of value, which shall be the true value of such real property and the assessment shall be expressed in terms of the taxable value of such property, which taxable value shall be that percentage of true value as shall be established by each county board of taxation as the level of taxable value to be applied uniformly throughout the county."
- 202.4 True Value i.e. Market Value.** "*True Value*" is defined in N.J.S.A. 54:4-23 as the "...full and fair value of each parcel of real property situate in the taxing district at such price as, in his [the assessor's] judgment, it would sell for at a fair and bona fide sale by private contract on October 1 next preceding the date on which the assessor shall complete his assessments..."
- 202.5 Taxable Value.** Real property is assessed for taxation at some \*percentage of its true value established by each of the 21 county boards of taxation. Per N.J.S.A. 54:4-2.26, "Every percentage level of taxable value of real property established by a county board of taxation shall be expressed as a multiple of 10%, and no level so established shall be lower than 20% or higher than 100% of the standard of value." Per N.J.S.A. 54:4-2.27, "Each county board of taxation shall, by resolution, establish the percentage level of taxable value of real property ... on or before April 1 of the year preceding the tax year, and the level so established shall be applied uniformly in

such county for the purpose of assessing the taxable values to be used in levying taxes for the calendar year next succeeding the year in which such level was established. The level so established may be altered by any such board by establishing, on or before the date fixed by this section in any year, a new level; but the percentage level last established pursuant to this act shall remain in full force and effect for a period of not less than 3 years and until altered as provided in this section. In the event that the county board of taxation for any county shall fail to initially establish the percentage level for such county, then until the same shall be done the level of assessment shall be 50% of the true value..." The true value multiplied by the county percentage level is known as the taxable value. The assessing date is October 1 of the pretax year. 1997 property taxes would be levied on the taxable value of real property as of October 1, 1996.

\* The county percentage level is currently 100% for all counties in New Jersey.

#### **REFERENCES:**

**N.J.S.A. 54:4-1 et. seq., 54:4-23, 54:4-2.25, .26 & .27**

202.6

#### **Farm Property Value Standards.**

202.61 **Land.** N.J.S.A. 54:4-23.2 provides, "For general property tax purposes, the value of land,... [qualified farmland] shall "...be that value which such land has for agricultural or horticultural use."

N.J.S.A. 54:4-23.7 further provides that "...in valuing land which qualifies as land actively devoted to agricultural or horticultural use...consider only those indicia of value which such land has for agricultural or horticultural use...the assessor shall consider available evidence of agricultural or horticultural capability derived from the soil survey data at Rutgers, The State University, the National Co-operative Soil Survey, and the recommendations of value of such land as made by any county or State-wide committee which may be established to assist the assessor."

202.62 **Structures.** N.J.S.A. 54:4-23.12 provides "All structures, which are located on land in agricultural or horticultural use and the farmhouse and the land on which the farmhouse is located, together with the additional

land used in connection therewith, shall be valued, assessed and taxed by the same standards, methods and procedures as other taxable structures and other land in the taxing district, regardless of the fact that the land is being valued, assessed and taxed pursuant to P.L. 1964, c.48 (C.54:4-23.1 et seq.); provided, however, that the term "structures" shall not include "single-use agricultural or horticultural facilities."

**202.7 Personal Property Value Standards - True Value.** N.J.S.A. 54:4-2.44 provides, "The standard of value according to which tangible personal property used in business subject to taxation shall be assessed shall be the true value thereof. Such assessment shall be expressed in terms of the taxable value of the property."

**202.8 Taxable Value.** N.J.S.A. 54:4-2.45 provides, "The true value of taxable tangible personal property used in business...shall be presumed to be the original cost of such property less depreciation as of the assessment date,...provided that the true value of depreciable property shall, so long as such property remains in use or is held for use, be presumed to be not less than 20% of its original cost." The assessing date is January 1 of the pretax year.

**REFERENCES:**

N.J.S.A. 54:4-1 et seq.; 54:4-2.44, .45 & .46

**203. Property Types Defined**

**203.1 Real Property.** Most property will fall readily into either the real or personal category. Borderline cases must be considered carefully since the classification will have far-reaching consequences, particularly for equalization programs. Real property consists of the land and any objects attached to the land in a permanent manner, such as trees, improvements, buildings, and permanent railroad trackage. For definitive purposes, the Legislature has declared storage tanks having a capacity of more than 30,000 gallons to be real property.

203.2

**Personal Property.** Personal property is defined by exception as all other property. The common characteristic of personal property is its movability without damage to itself or to the real estate to which it may be attached. There are two categories of personal property, **tangible** and **intangible**. Tangible personal property is that which has physicality. The only tangible personal property currently taxed in New Jersey is that of local exchange telephone, telegraph and messenger systems, companies, corporations or associations, excluding inventories, and certain personal property of petroleum refineries. Intangible personal property, such as cash, accounts receivable, and securities, is not subject to the property tax in New Jersey.

**REFERENCES:**

**N.J.S.A. 54:4-1; 54:4-1.12**

**P.L. 1986, c. 117 as amended P.L. 1992, c.24**

203.3

**Three Pronged Test - Real vs. Personal, Real Property Liability for Taxation.**

All real property is subject to taxation in the taxing district in which it's located unless exempted by provision of law or by the State or Federal Constitutions. Real property is defined to mean all land and improvements including personal property affixed to them unless:

- a. (1) The personal property so affixed can be removed or severed without material injury to the real property;
- (2) The personal property so affixed can be removed or severed without material injury to the personal property itself; and
- (3) The personal property so affixed is not ordinarily intended to be affixed permanently to real property; or
- b. The personal property so affixed is machinery, apparatus, or equipment used or held for use in business and is neither a structure nor machinery, apparatus or equipment the primary purpose of which is to enable a structure to support, shelter, contain, enclose or house persons or property.

**REFERENCES:**

**N.J.S.A. 54:4-1**

**P.L. 1986, c. 117 as amended P.L. 1992, c.24**



**203.4 Personal Property Subject to and Liability for Taxation.** Personal property subject to taxation at the local level includes "...only the machinery, apparatus or equipment of a petroleum refinery that is directly used to manufacture petroleum products from crude oil in any of the series of petroleum refining processes commencing with the introduction of crude oil and ending with refined petroleum products, but shall exclude items of machinery, apparatus or equipment which are located on the grounds of a petroleum refinery but which are not directly used to refine crude oil into petroleum products and the tangible goods and chattels, exclusive of inventories, used in business of local exchange telephone, telegraph and messenger systems, companies, corporations or associations." Such personal property is to be taxed in the municipality where it is located at the general real property tax rate, of the taxing district, applied to the taxable value of personal property.

**REFERENCES:**

**N.J.S.A. 54:4-1, 54:4-2.44 et seq.**

***BUSINESS RETENTION ACT***, Public Law 1992, Chapter 24, amended Revised Statutes 54:4-1 and Public Law 1986, Chapter 117 and redefined real and personal property to reaffirm the broad exclusion from local property taxes of certain business personal property.

**204. Property Not Subject To Taxation**

**204.1** Property may be exempted from taxation only by constitutional provision or by general laws. Property may be exempted from all property taxes or a specified dollar amount. Exemptions are discussed in detail in Chapter IV.

**205. Property Subject To Taxation Under Special Conditions**

**AGRICULTURAL & HORTICULTURAL LAND**

**N.J.S.A. 54:4-23.1 et seq.**; Farmland Assessment Act of 1964;  
L. 1964, c. 48 as amended

**MOBILE HOMES**

N.J.S.A. 54:4-1.2 et seq.; Manufactured Home Taxation Act; L. 1983, c. 400

**PERSONAL PROPERTY**

N.J.S.A. 54:4-1 & 54:4-1.13 et seq.; Business Retention Act; L. 1992, c. 24

**LOCAL REDEVELOPMENT AND HOUSING LAW**

N.J.S.A. 40A:12A-1 et seq.; P.L. 1992, c.79

**LONG TERM TAX EXEMPTION LAW**

N.J.S.A. 40A:20-1 et seq.; P.L. 1991, c.431

**FIVE-YEAR TAX EXEMPTION AND ABATEMENT LAW**

N.J.S.A. 40A:21-1 et seq.; P.L. 1991, c.441

**HOUSING AND MORTGAGE FINANCE AGENCY PROJECT TAX EXEMPTION LAW**

N.J.S.A. 55:14K-37; P.L. 1983, c.530

**URBAN ENTERPRISE ZONE RESIDENTIAL TAX ABATEMENT LAW**

N.J.S.A. 54:4-3.139 et seq.; P.L. 1989, c.207

**ENVIRONMENTAL OPPORTUNITY ZONE ACT**

N.J.S.A. 54:4-3.150 et seq.; P.L. 1995, c.413

**PUBLIC UTILITY PROPERTY**

N.J.S.A. 54:30-1 et seq. & 54:30A-16 et seq. as amended

**RAILROAD PROPERTY**

N.J.S.A. 54:29A-1 et seq.; Railroad Tax Law of 1948; L. 1948, c. 40 as amended

Property assessed and taxed under special conditions is more fully explained in Chapter V.

**206. Legal Sources**

**206.1** The laws of New Jersey affecting property taxation are found in several published sources.

**Session Laws.** The "*Session Laws*" or "*Pamphlet Laws*" are laws passed each year during the legislative session and signed by the Governor. A separate volume is compiled annually in numerical order and indexed by subject matter. They are referred to by their chapter and year of enactment. For example, the three hundred

and ninetieth law enacted in 1991 is known as Chapter 390 of the Laws of 1991. The abbreviated citation of this law would be L. 1991, c. 390.

- 206.2 Revised Statutes of New Jersey, 1937.** Periodic revisions bring together all of the general legislation in effect. The last revision took place in 1937 when existing State legislation was collected, codified, reauthorized, and published in five volumes as the *Revised Statutes of New Jersey, 1937*. Statutes enacted since 1937 have been collected in several supplements. The supplements are not cumulative; that is, they contain only the laws passed during certain designated years. The numbering system used in the *Revised Statutes* brings together all effective statutes concerning the same subject using a series of Titles, Chapters, and Sections. "Chapters" here should not be confused with "Chapters" for the Session Laws. All general statutes are grouped into fifty-nine Titles; the Titles are divided into Chapters, and the Chapters into Sections. For instance, R.S. 54:4-3.25 means *Revised Statutes of New Jersey, 1937*, Title 54, Chapter 4, Section 3.25.
- 206.3 New Jersey Statutes Annotated.** *New Jersey Statutes Annotated* is a series of commercially published volumes. It includes all of the effective laws of the State, usually using the same numbering system as the *Revised Statutes of New Jersey, 1937*. For example, N.J.S.A. 54:4-3.25 is the same law as R.S. 54:4-3.25. The *New Jersey Statutes Annotated* are updated with "pocket part" supplements printed every year for each volume of the series. The supplement is kept in a flap at the end of the volume and is cumulative; that is, it reprints all laws enacted and still in effect since the basic volume was printed. Included also are annotations concerning legal history, previous statutes, and court decisions.
- 206.4 Other Commercial Sources.** A number of other compilations of New Jersey tax statutes are published commercially such as Commerce Clearing House's *New Jersey Tax Reports* and Prentice-Hall's *State and Local Tax Service*.
- 206.5 Assessors' Law Manual.** The *Assessors' Law Manual*, last revised in December 1993, reprints statutes relating to local taxation of property and to the assessor. It is

issued by the N.J. Division of Taxation, Property Administration, Local Property Branch and is provided to the assessor's office in each taxing district.

The *Assessors' Law Manual* excerpts the New Jersey Constitution, much of the first four chapters of Title 54 pertaining to property taxation and portions of Title 40 regarding the municipal assessor's office, the assessor's term, etc. A system of numbered paragraphs identifies each subject. The laws reprinted in the *Manual* are identified both by their designations from the *Revised Statutes* and *Commerce Clearing House, New Jersey Tax Reports* as Sec. 54:4-3.25 and as Par. 94-593 respectively. A subject-matter index refers the user to the text of the law by the Commerce Clearing House paragraph designation only.

**206.6** **New Jersey Administrative Code.** The **New Jersey Administrative Code** (N.J.A.C.) is the official publication of the Office of Administrative Law (OAL) and contains all effective rules adopted by agencies. Each agency's body of rules is codified in a title of the *Code*. Each title contains a chapter table of contents and an index. Each individual chapter also contains a table of contents. The *Code* is annotated to provide the reader with a complete context in which to analyze the rules. Annotations include: legislative authority for the rulemaking; source and effective date of the rules; historical notes which discuss prior regulatory activity; Executive Order #66 (1978) expiration date; and case notes, (which are salient New Jersey Court and OAL cases, and Formal Attorney General Opinions).

**206.61** **Title 18 Department of Treasury - Taxation,** Subtitle *F* Local Property and Public Utility Branch covers Senior Citizen Deductions, Farmland Assessment, Realty Transfer Fees, Assessor Qualification Law, County Boards of Taxation and general issues.

All State agency rulemaking activities must be submitted to the Office of Administrative Law for review of technical, substantive and legal conformance with the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and the Office of Administrative Law Rules for Agency Rulemaking, N.J.A.C. 1:30.

Table 2-1 compares the legal citation methods for a single law.

Table 2-1: Comparison of Legal Citations

Deduction for Senior Citizens, Disabled Persons and Surviving Spouses.

<u>Legal Source</u>	<u>Citation of Law</u>
<u>Session Laws</u>	L. 1963, c. 172
<u>Revised Statutes of New Jersey, 1937</u>	<u>R.S.</u> 54:4-8.40 et seq.
<u>New Jersey Statutes Annotated</u>	<u>N.J.S.A.</u> 54:4-8.40 et seq.
<u>Assessors' Law Manual</u>	Text of Law: Par. 94-796 Sec. 54:4-8.40 et seq.
<u>New Jersey Administrative Code</u>	<u>N.J.A.C.</u> 18:14-1.1 et seq.

## Chapter III

### THE ASSESSOR'S OFFICE

#### 301. Responsibilities of the Assessor

**301.1** The assessor's duties may be divided into these major functions:

- (1) Discovery and location of all real property and certain personal property used in business in the taxing district.
- (2) Listing and description of property in a systematic, convenient manner.
- (3) Determination of taxability based on a wide variety of tax exemption and tax deduction statutes.
- (4) Valuation of property through an appraisal of each property and an assessment based on that appraised value.
- (5) Tax equalization responsibilities via district revaluation programs and for purposes of distributing State Aid to schools.
- (6) Defense of assessments upon appeal.

The assessor, in his work of discovering, describing, and valuing all taxable property, takes the first step in raising the bulk of the funds necessary to finance local government in New Jersey.

#### 302. Organization of Staff and Work Assignments

**302.1** **Organization and Size of Staff.** Staff should be well organized and of a sufficient size to allow delegation of work where appropriate to employee skills, experience and qualifications.

**302.2** **Lines of Authority.** Lines of authority and responsibility should be clearly defined. Staff members should know who they're are expected to supervise and to whom they report.

**302.3 Final Authority.** Final accountability for all assessment responsibilities in a municipality is with the assessor. Where deputy assessors are appointed, the assessor is to oversee their work as well as that of all subordinate employees.

**302.4 Types of Organization.** The organization of an assessor's office often depends on the size and characteristics of the taxing district. Two types commonly used in assessors' offices are organization by function and by geography.

**302.41 Functional Organization.** A functional organization is divided according to the type of work performed. For example, in a small district, one person might make all field inspections, another complete all office clerical work, while a third might determine taxability and defend appeals. Advantages of such a plan are that staff members become expert in their area and all properties are treated alike. A disadvantage is that none of the staff may be familiar with the assessment process in its entirety. Also, in large taxing districts, functional organization may be cumbersome because of the traveling required of each field employee.

**302.42 Geographical Organization.** In a geographic organization, the taxing district is divided into sectors by location. Each staff member makes field inspections, appraises properties, completes office clerical work, determines properties' taxability, and defends appeals for his own sector. The advantage is that each member works with a sector's properties from the beginning to the end of the assessment process. Travel and expense may be reduced. A disadvantage is the difficulty in obtaining equal treatment for properties among the various sectors of the taxing district because of individual judgments in applying assessment standards. Another disadvantage of geographic organization is that staff members may not attain a level of expertise, since they perform so many duties. Probably, some form of functional organization will be most useful. A geographic organization should be used sparingly and with care due to the problem of achieving equity, although it may be necessary when a large number of properties are involved. Regardless of the organizational form,

the assessor should be aware of the difficulties of obtaining equalization throughout his taxing district and take steps to overcome them.

### 303. Office Records

303.1 Good records are essential for the assessor to be able to locate, describe, and value properties in the taxing district.

303.2 **Necessary Records.** The following records should be found in every assessor's office:

- (1) Tax maps;
- (2) Land value maps;
- (3) Land capability maps;
- (4) Abstracts of deeds;
- (5) Real property record cards;
- (6) Personal property used in business tax returns, Forms PT-10 and PT10.1;
- (7) Claims for tax deductions and exemptions:
  - (a) Senior citizens, disabled persons and surviving spouses, Form PTD;
  - (b) Veterans and surviving spouses of veterans, Form V.S.S.;
  - (c) Disabled veterans and surviving spouses of disabled veterans, Form D.V.S.S.E.;
  - (d) Blast or radiation fallout shelters, Form F.S.1;
  - (e) Initial statements and Further statements, Forms I.S. and F.S.;
  - (f) Farmland assessment applications and Woodland data, Forms FA-1 and WD-1;
- (8) Exempt Property Lists;
- (9) Assessment Lists;
- (10) Added Assessment Lists;
- (11) Omitted Assessment Lists;



(12) Omitted-Added Assessment Lists;

(13) Sales ratio data.

**303.3 Public Records.** Under the "Right To Know Law," any records required by law to be made, maintained or kept on file are "public records." Agencies, departments or officials required by statute to maintain such public records are "custodians" of the records. Public records must be made available by the custodian for public inspection and duplication for a fee, subject only to reasonable controls as to time, place, copying, etc.

**303.31 Public Records; Copies; Fees.** Every citizen of this State has the right, during regular business hours, under the supervision of the custodian or his representative, to copy such records by hand and to purchase copies. Record copies must be made available for a price as established by law. If no price has been specifically established, the records custodian shall make and supply copies for payment of the following fees based on the total number of pages or parts to be purchased without regard to the number of records being copied:

First page to tenth page..... \$0.75 per page  
Eleventh page to twentieth page..... \$0.50 per page  
All pages over twenty.....\$0.25 per page

If the custodian of any such records finds there is no risk of their damage and that it's not incompatible with the economic and efficient operation of the office and the transaction of public business, he may permit any citizen seeking to copy more than 100 pages of records to use his own photographic process, approved by the custodian, for a reasonable fee, considering the equipment and time involved, to be set by the custodian of not less than \$10.00 or more than \$50.00 per day.

The right to copy a record maintained by data or image processing refers to the right to receive printed copies of such records.

**REFERENCES:**

**N.J.S.A. 47:1A-1 and 47:1A-2 as amended by L.1991, c.177**  
**P.L.1995, c.140**

**303.32 Initial and Further Statements.** Initial Statement and Further Statement claims for property tax exemption of religious, charitable, educational and such other nonprofit corporations are maintained as public records at the county board of taxation, once filed by the assessor with the county board. It's a good practice for the assessor to keep copies of all Initial and Further Statements.

**303.33 Tax List, Added Assessment List and Omitted Assessment List.** The Tax Lists, and Added and Omitted Assessment Lists, once certified by the county board of taxation, remain as public records at the county board.

**REFERENCES:**

**N.J.S.A. 54:4-55, 54:4-63.5, 54:4-63.17**

**303.34 SR-1A'S.** Copies of SR-1A's maintained at the county board of taxation containing real property sales information, including the address or block and lot numbers, have been declared by specific legislation to be public records.

**REFERENCES:**

**N.J.S.A. 54:1-35.6.**

**303.35 Property Record Cards.** Property Record Cards are generally used by assessors to record a wide variety of individual property data. The public status of the Property Record Card is controversial and has been addressed by the courts on several occasions. Property Record Cards are not required to be maintained according to statute and, therefore, per the court are not public records. The court stated, however, it could find no reason

why the information on Property Record Cards should be withheld from a person having a legitimate interest in the data. For example, the court indicated that in the context of a tax appeal, Property Record Cards should be available to taxpayers for inspection and duplication since they contain important information relating to assessments. The court held that any inspection of Property Record Cards would be permissible subject only to reasonable controls as to time, place, copying, etc., in accordance with guidelines set forth in the "Right to Know Law." Property Record Cards are also mentioned in the *Rules for County Boards of Taxation*. Under the *Rules* a person appealing his assessment has the right to inspect the record card of the property under appeal at least one week prior to the hearing.

**REFERENCES:**

**N.J.S.A. 47:1A-2.**

**Ross DeLia, individually, and Seaside Heights Property Owners Association v. Leo Kiernan, Tax Assessor of the Borough of Seaside Heights, 119 N.J. Super 581 (App. Div. 1972) cert. den. 62 N.J. 74 (1972).  
Rules for County Boards of Taxation. April, 1974. N.J.A.C. 18:12A-1.9(h).**

- 303.36 Other Documents.** Public standing is less clear with other documents, such as claims for tax exemptions, abstracts of deeds, and land value maps. However, the assessor is advised to permit examination of any records which are specifically requested.
- 303.37 Computer-Taped Assessment Records.** Computer-taped assessment lists are not publicly accessible under the "Right-to-Know Law" as they are not required to be maintained in computerized format. However, the New Jersey Supreme Court has affirmed a common law right to such tapes where legitimate public and private interests are served.

**REFERENCES:**

**Tagliabue v. Township of North Bergen, 9 N.J. 32 (1952).**

**De Lia v. Kiernan, 119 N.J. Super. 581 (1972).**

**Higg-A-Rella v. County of Essex et al, NJ Supreme Court (July 19, 1995).**

**303.4 Filing Systems.** Some characteristics of a good filing system are:

- (1) Simple - the system should be easy to install, easy to operate, and easily understood by inexperienced persons.
- (2) Revisable - the system should permit, without difficulty, the adjustment, addition, and deletion of records.
- (3) Logical - the system should ensure the sound, plausible grouping of related records.
- (4) Effective - the system should ensure speed in locating any record filed and the completeness of the record.
- (5) Economical - the system should represent the most return for the money.

**REFERENCES:**

**Irving A. Polster, "Filing and Indexing of Municipal Records." Proceedings of the First Annual Conference for Municipal Clerks, 1958 (New Brunswick: Bureau of Government Research, Rutgers, The State University, August, 1959), pp. 19-25.**

**303.5 Cross-Indexing of Records.** Because of the various means of property identification, e.g., block and lot number, street address, owner's name, a set of cross-index cards is recommended.

**303.6 Retention of Records.** No person having public records under his control or custody is permitted to destroy or dispose of those records without written consent of the Division of Archives and Records Management, Department of State, State of New Jersey. The Division of Archives and Records Management is empowered by law to establish classifications and categories for various types of public records and schedules for their retention.

**303.61 Records Retention Schedules.** Records retention schedules have been promulgated for many assessors' records, and for records commonly found in the offices of county boards of taxation. The retention periods indicated in the schedules are based upon experience and legal requirements. However, county or municipal officials are not required to destroy any

records they may desire to keep longer than scheduled. (See Exhibit III-1 & III-2) A request for authorization to dispose of records must be submitted to the Division of Archives and Record Management prior to their destruction.

**REFERENCES:**

**N.J.S.A. 47:3-8.1 et. seq. & 47:3-15 et. seq.**

**Local Records Manual, State of New Jersey, Department of State, Division of Archives and Records Management, Trenton, New Jersey.**

### **304. Office Equipment and Space**

**304.1** The municipal governing body is responsible for providing the assessor with the office equipment needed to perform his job. A saving of time, effort, and money can be made by a wise investment in equipment and computer systems which are adaptable to the changing needs of the assessor's office and which may serve several offices of the municipality. The New Jersey Property Tax System (Mod IV) is the current electronic data processing system and is effectuated through EDP centers and computerization.

It is desirable that the assessor's records be safely and conveniently located. Many of New Jersey's municipalities give the assessor office space in the municipal building.

### **305. Relations With the General Public**

**305.1** As a public official, one of the assessor's principal responsibilities is to establish good taxpayer relations. Every opportunity should be used to explain both the statutory requirements of the property tax laws and programs, and the methods used in arriving at individual assessments.

**305.11 Personal Contact.** Courteous and efficient procedures should be maintained at all times whether answering a telephone or meeting with a taxpayer who visits the office. If the assessor's staff is polite and helpful, the relationship is earmarked for success. If their demeanor is elusive and

defensive, the taxpayer is likely to adopt a hostile attitude. Even when the taxpayer comes into the office in an aggressive frame of mind, his attitude may well be ameliorated by courteous treatment.

**305.12 Correspondence.** Prompt, understandable answers to correspondence helps foster favorable relations with the public.

**305.13 News Releases.** The assessor should use every opportunity to issue news releases describing aspects of his work which are of general interest. For example, the public advertisement that the Assessment List is available for inspection might be accompanied by a news release describing the procedures which will be followed in translating the List into next year's tax bills.

**305.131 Simplicity.** In preparing a news release, the assessor should remember that many taxpayers are unfamiliar with the property tax. Technical words should be avoided or, where necessary, clearly defined.

**305.132 Length.** For the most effectiveness, a news release should be as brief as possible, while still telling the full story.

**305.133 Timing.** The assessor should learn the deadlines of various newspapers. Early filing of news releases will be appreciated by the editors and may result in more favorable treatment of a story.

**305.134 Accuracy.** Every news release should contain accurate, concise information.

**305.135 Composition.** A good news release gives a summary of the story in the first paragraph - preferably in the first sentence. This summary should include the following five points:

- (1) Who did it?
- (2) What was done?
- (3) When was it done?
- (4) Where was it done?
- (5) How was it done?

Succeeding paragraphs in the release then give details. In general, the most important details should come earliest in the story. If a release's completeness depends on a point made in the last paragraph, an incorrect impression will be left where a story is edited at the end for reason of space.

**305.136 Format.** News releases should be typed double-spaced on one side of the page. The name and telephone number of the release's preparer should be readily apparent, so the editor may check any questionable points.

**305.14 Speaking Engagements.** Many service organizations and clubs frequently have speakers on local subjects such as taxation. The assessor may contact an organization's program chairman to express his willingness to talk to a group.

### **306. Relations With Other Public Officials**

**306.1** It's desirable that the assessor attend meetings of the governing body, since he is the "expert" on matters of local property taxation. In performing his duties, the assessor collects a wealth of information about the community. This information should be made available to other public officials so the municipal government can function as effectively as possible for the benefit of the general population. The assessor should work in concert with the municipal governing body, the board of education, the planning board, the building inspector, the tax collector, etc. to this end.

### **307. Public Agencies Which Assist the Assessor**

**307.1** This is a brief summary of a number of public agencies available to help the assessor with his work.

**Division of Taxation.** The New Jersey Division of Taxation oversees and coordinates local property tax procedures on a statewide basis. Administrative

regulations and guidelines on various property tax matters are often issued by the Director of the Taxation Division. The Division also provides advisory and technical services to county boards of taxation and to local assessors. The Division of Taxation is located at Taxation Building, 50 Barrack Street, Trenton, New Jersey 08646.

**307.2 Property Administration, Local Property Branch.** The Local Property Branch within the Division of Taxation is exclusively concerned with property tax administration and assessment. The Local Property Branch assists in training of municipal assessors and other public officials and employees. Office staff members of the Branch are available for consultation on property tax issues. The address of Local Property Branch is New Jersey Division of Taxation, Property Administration, P. O. Box 251, Trenton, New Jersey 08646-0251, Telephone No. (609) 292-7974. Field representatives of the Branch are also available to assist local assessors, and may be contacted via Division of Taxation Regional Offices.

#### **Division of Taxation Regional Offices**

##### **FAIRLAWN**

2208 Rt. 208 South  
Fair Lawn, New Jersey 07410

##### **CAMDEN**

Suite 200, One Port Center  
2 Riverside Drive  
Camden, New Jersey 08103

##### **NEWARK**

124 Halsey Street  
2nd Floor  
Newark, New Jersey 07101

##### **NORTHFIELD**

1915-A New Road (Route 9)  
Northfield, New Jersey 08225

##### **SEA GIRT**

2100 Highway 35  
One Mill Plaza  
Sea Girt, New Jersey 08750

##### **SOMERVILLE**

75 Veterans Memorial Drive East  
Suite 103  
Somerville, New Jersey 08876

##### **TRENTON**

Taxation Building  
50 Barrack Street, 1st Floor Lobby  
Trenton, New Jersey 08646



**307.3 County boards of taxation.** County boards of taxation may be consulted by assessors on all property tax matters. The names of the county tax administrators, and the locations of the board offices are as follows:

**COUNTY TAX ADMINISTRATORS & COUNTY TAX BOARD COMMISSIONERS**

(July 24, 1997)

COUNTY	TAX ADMINISTRATOR	COMMISSIONERS
<u>ATLANTIC COUNTY</u> 1333 Atlantic Avenue, 6th Fl Atlantic City, N.J. 08401	LOIS FINIFTER	C. HERBERT HYMAN HARRY BROWN LUCIA McCABE
<u>BERGEN COUNTY</u> Admin Bldg, Room 310-W Court Plaza South 21 Main Street Hackensack, N.J. 07601-7000	ROBERT F. LAYTON	STEVEN V. SCHUSTER ARNOLD SCHWAB GERALD A. CALABRESE, JR. KENNETH J. SLOMIENSKI JOHN DILASCIO
<u>BURLINGTON COUNTY</u> County Office Building 49 Rancocas Road Mt. Holly, N.J. 08060	JOHN L. ALOI	EARL D. EMMONS SAMUEL P. ALLOWAY, JR. KATHARINE M. KRASSON
<u>CAMDEN COUNTY</u> Camden County Admin. Bldg. 600 Market Street Camden, N.J. 08101	MARTIN BLASKEY	MICHAEL TACKNOFF MARYELLEN TALBOTT BEN G. VUKICEVICH
<u>CAPE MAY COUNTY</u> Department 303 4 Moore Road Cape May Court House, N.J. 08210	G. RAYMOND BROWN, III	PHILIP F. JUDYSKI WILLIAM R. WILSEY RICHARD LYNCH
<u>CUMBERLAND COUNTY</u> Court House, 2nd Floor 55 E. Commerce Street Bridgeton, N.J. 08302	KERON D. CHANCE	WALTER GAVIGAN STEVEN S. LUCIANO A. WILLIAM BIONDI
<u>ESSEX COUNTY</u> 110 South Grove Street East Orange, N.J. 07018	GEORGE LIBRIZZI	JOAN CODEY DURKIN ROBERT A. GACCIONE CATHERINE WILLIS JACK L. WIGLER ALBERT D'ALESSIO

<u>GLOUCESTER COUNTY</u> P. O. Box 337 Woodbury, N.J. 08096	DOLORIS R. LINDSAY	JACQUELINE CLARK FRANCIS A. MCDEVITT EDITH K. PATTERSON
<u>HUDSON COUNTY</u> 567 Pavonia Avenue, 1st Fl. Administration Annex Jersey City, N.J. 07306-1803	STANLEY P. KOSAKOWSKI	EDNA CALABRESE ROBERT G. DORIA FRANK M. ALONSO JUAN A. LOPEZ, JR. VINCENT CUSEGLIO
<u>HUNTERDON COUNTY</u> Victorian Plaza 1 East Main Street Flemington, N.J. 08822-1200	TOM EFSTATHIOU	JOANN R. BOEHM HARRIE E. COPELAND, III ROBERT PURCELL, JR.
<u>MERCER COUNTY</u> Mercer County Admin. Bldg. P. O. Box 8068 Trenton, N.J. 08650	MARTIN M. GUHL	H. RICK KLINE NORBERT E. DONELLY RICHARD J. CARABELLI, JR
<u>MIDDLESEX COUNTY</u> 42 Paterson Street P. O. Box 871 New Brunswick, N.J. 08903	ANGELA J. SZYMANSKI	VICTOR P. DILEO IRVING VEROSLOFF, ESQ. JOSEPH J. NITA ARTHUR M. HANEY BERTRAM L. BUCKLER
<u>MONMOUTH COUNTY</u> Hall of Records 1 East Main Street Freehold, N.J. 07728	DOROTHY P. DEVENNY	JOHN C. CONOVER PROSPERO DeBONA BEVERLY SCARANO ANNIE W. GRANT JOHN WESTLAKE
<u>MORRIS COUNTY</u> Records & Admin Bldg P O Box 900 Morristown, N.J. 07963-0900	RALPH T. MELORO, IV	MICHAEL D. DiFAZIO HELEN LORI ANTHONY CRECCO
<u>OCEAN COUNTY</u> P O Box 2191 Toms River, N.J. 08754-2191	G. FRED BURLAZZI	LAWRENCE G. CAPRIO JAMES P. MONTAGUE LUCILLE C. FOLEY JOHN A. COAN, JR. RAYMOND A. BIRCHLER
<u>PASSAIC COUNTY</u> Passaic County Admin. Bldg. 401 Grand Street, Room 105 Paterson, N.J. 07505	JAMES J. MURNER, JR.	PATRICIA TAHAN RICHARD MOHR LOUIS J. BATELLI
<u>SALEM COUNTY</u> Court House 94 Market Street Salem, N.J. 08079	BARBARA L. COLLINS	ROBERT J. BUECHLER, III MARY LOU CHOLLIS JOSEPH H. DAVENPORT

<u>SOMERSET COUNTY</u> P. O. Box 3000 Somerville, N.J. 08876	WARREN G. NEVINS	VACANCY ALBERT R. PALFY WILLIAM L. LINVILLE
<u>SUSSEX COUNTY</u> 16 Church Street Newton, N.J. 07860	CAROL M. DENNIS	CONSTANCE FLANAGAN JOSEPH S. MASAR BERNARD R. MITCHELL
<u>UNION COUNTY</u> 271 N. Broad Street Elizabeth, N.J. 07207	JOHN K. MEEKER, JR.	PAUL L. LACORTE FRANK M. MEEKS, III ANTHONY AMALFE
<u>WARREN COUNTY</u> Court House 413 Second Street Belvidere, N.J. 07823	DONNA WAMELING	JOHN E. JOYCE, JR. WALTER S. ORCUTT MICHAEL G. SNYDER

**307.4 Rutgers University Center for Government Services.** The Center for Government Services at Rutgers, the State University organizes and presents training programs for assessors and other persons interested in the administration of the property tax. The programs are offered in co-operation with the Division of Taxation's Local Property Branch, the Association of Municipal Assessors of New Jersey, the New Jersey Association of County Board of Taxation Commissioners and Tax Administrators, and the New Jersey State League of Municipalities. The Center conducts research on problems of state and local government including projects dealing with the property tax. Rutgers has an extensive reference library of reports from New Jersey and from other states dealing with governmental problems. The Center is located at 33 Livingston Avenue, Suite 200, New Brunswick 08901-1979, Telephone No. (732) 932-3640 Ext. 648.

**307.41 New Jersey Assessors' Continuing Education Program.** An annual Continuing Education Program for assessors is held in New Brunswick each June. The program consists of lectures, workshops, and sessions on problems of current importance or which require special consideration by assessors who have a substantial amount of training and experience.

## 308. Associations

308.1

Several associations provide assistance to the assessor.

**International Association of Assessing Officers.** The International Association of Assessing Officers is an organization of assessors and officials from the United States, Canada, Philippines, Puerto Rico, and other countries. The Association holds conferences and publishes text books and educational materials dealing with real estate appraisal, case studies on assessment administration and research reports on assessment subjects. The International Association of Assessing Officers awards three professional designations to its members. The designations are: Certified Assessment Evaluator, for real property appraisers employed by government assessment agencies; Accredited Assessment Evaluator, for both realty and personalty appraisers not employed by government agencies; and Certified Personalty Evaluator for personal property appraisers employed by government agencies. The central office is located at 130 East Randolph Street, Suite 850, Chicago, Illinois 60601-6217; Telephone: (312) 819-6103.

308.2

**Association of Municipal Assessors of New Jersey.** The Association of Municipal Assessors of New Jersey is an organization of municipal assessors and other individuals interested in property tax administration in New Jersey. The Association meets every November in Atlantic City in conjunction with the annual conference of the New Jersey State League of Municipalities. It issues a quarterly newsletter and represents the interest of municipal assessors before the Legislature. The Association sponsors the Society of Municipal Assessors, an organization in which membership is conditioned upon substantial experience in the assessing field and upon the satisfactory completion of required examinations and appraisals. The Association also assists in the presentation of training programs for municipal assessors. The names of the Association's officers may be obtained from Vicki Mickiewicz, Telephone (732) 341-1000, Extension 303.

- 308.3 County Associations of Assessors.** Municipal assessors have formed county associations affiliated with the Association of Municipal Assessors of New Jersey. The names of the presidents of the county associations are available from the county boards of taxation.
- 308.4 Association of County Tax Board Commissioners & County Tax Administrators.** The Association of County Board of Taxation Commissioners and County Tax Administrators is an organization of county tax board members and county tax administrators. The Association presents training programs for its membership and assists with assessor training. A summer conference for county board of taxation commissioners and county tax administrators is held annually. Committees of the Association meet regularly with other tax officials to discuss coordination of policies and to advise on the implementation of rules and regulations.
- 308.5 New Jersey State League of Municipalities.** The New Jersey State League of Municipalities is an association of municipal governments. The League publishes a monthly magazine, *New Jersey Municipalities*, represents the interests of municipal governments before the Legislature, serves as a clearinghouse for information concerning municipal government in New Jersey, and holds an annual conference in Atlantic City each November. The League also acts as a co-sponsor of training programs for tax assessors. The office of the League is located at 407 W. State Street, Trenton, New Jersey 08618. Telephone: (609) 695-3481.

### **309. Useful Publications**

- 309.1** The New Jersey Division of Taxation's Property Administration Branch provides: the *Real Property Appraisal Manual for New Jersey Assessors*, Volumes I and II, for a charge of \$28.00; and the *Handbook for New Jersey Assessors* for a charge of \$30.00. To purchase the *Manuals* or *Handbook* please contact: Property

Administration, P. O. Box 214, New Jersey Division of Taxation, Trenton, New Jersey 08646-0214, Telephone No. (609) 292-9200.

Property Administration Branch also issues the *Assessors' Law Manual* and *Property Administration Work Calendar for Municipal Tax Assessors, Tax Collectors and Treasurers*.

Other helpful publications generated by the Division of Taxation are: a quarterly newsletter, the *New Jersey State Tax News*; and the Annual Report.

### 310. The Assessor's Calendar

310.1 Most work of the assessor must be performed in accordance with a calendar of dates, usually specified by law. Table 3-1 provides key dates for assessors taken largely from the *Property Administration Work Calendar for Municipal Tax Assessors, Tax Collectors and Treasurers of New Jersey*. The assessor should have some knowledge of Collectors' dates also. The *Work Calendar* is distributed each year by Property Administration's Local Property Branch.

The assessor should note that the calendar dates in many cases are deadlines for filing completed lists, reports, or other documents. The preparation of these documents cannot be left until the statutory deadline. The assessor should estimate preparation time of each document and begin well in advance of the due dates.

To simplify the use of this calendar as a daily check-off list for the assessor, the actions dealing with the pretax year, the tax year, and the post-tax year have been consolidated into a single twelve-month listing. See Table 3-2. Each item should be read carefully to make sure of the year concerned.

**Note:** Tax Court Dates - Dates for filing complaints (appeals) with the Tax Court are not separately shown, but are in accordance with the following schedule: complaints to review any Equalization Table are to be filed within 45 days of the adoption or promulgation of the Table; complaints to review all other actions of a county board of taxation are to be filed within 45 days of the action to be reviewed; complaints to

review actions by the Director of the Division of Taxation or any other State agency (other than an equalization table) are to be filed within 90 days of the action reviewed.

**REFERENCES:**

**N.J.S.A. 54:51A-4, 2A:3A-4.1**

**Rules of the Tax Court, 8:4-1 (a) and (b).**

Table 3-1

## Monthly Calendar of Key Dates

# JANUARY

**Code Key**

A = Assessor

C = Collector

CBT = County Board of Taxation

NJSA = New Jersey Statutes Annotated

NJAC = New Jersey Administrative Code

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A. N.J.A.C.
Jan. 1 (on or before)	A	On or before January 1 of the year following the year in which a tax map is approved, the taxing district must file a duplicate of the map with the County Clerk or the County Register of Deeds.		93-993	54:1-15
Jan. 1 *	A C CBT	Appeals from added assessments shall be heard by the County Board of Taxation within one month after the last day for filing such appeals.		94-965	54:4-63.11
Jan. 1 *	A C CBT	Appeals from assessors' omitted assessments for current year shall be heard by the County Board of Taxation not later than January 1.		95-001	54:4-63.39
Jan. 1	C	Unpaid real property taxes become a lien if on Calendar Year. Accrue to Tax Title Lien Ledger.			54:5-6
Jan. 10 (before)	A	Assessor to be notified of material depreciation of structure occurring after October 1 and before January 1.		94-917	54:4-35.1
Jan. 10 (on or before)	A	File with County Board of Taxation copies of Initial Statement and Further Statement.		94-755	54:4-4.4
Jan. 10 (by)	A CBT	Assessors to file the original and two copies of forms JDC-1 and JDC-2 with the County Tax Administrator by January 10 of each tax year.			
Jan. 10 (by)	A CBT	Assessment Lists and duplicates filed with County Board of Taxation.		94-916	54:4-35
Jan. 10 (on or before)	A CBT	File with County Board of Taxation a duplicate copy of a municipal tax map. In any year in which no revisions were required to be made to a tax map, the County Board of Taxation may, upon proper notification by the tax assessor of that municipality, waive the requirement of filing a copy of the tax map with the Board for that year.		93-993	54:1-15; N.J.A.C. 18:23A- 1.27(h)
Jan. 10 (on or before)	A	Assessors to forward one copy of each FA-1 form filed to apply for Farmland Assessment for tax year to Property Administration.		94-871	54:4-23.21
Jan. 10	A CBT	Form SR-3A (two copies) to be filed at the County Board of Taxation.		94-878	54:4-26
Jan. 10 (on or before)	A CBT	File with County Board of Taxation a statement of the estimated total amount of approved veteran and property tax deductions allowable against taxes.			



Table 3-1

<b>JANUARY (con't)</b>					
Jan. 10 (after)	C CBT	County Board of Taxation may permit tax collector to have custody of tax duplicate.			
Jan. 30 (by)	CBT	County Tax Administrator shall forward copies of forms JDC-1 and JDC-2 to the municipal finance officer and to the Director, Local Government Services.			
* Complaints (appeals) from judgments rendered by County Board of Taxation on added and omitted assessment appeals must be filed with the Tax Court within forty-five days of the service of such judgment. 54:54A-1					

Table 3-1

## FEBRUARY

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A. N.J.A.C.
Feb. 1 (on or before)	A CBT	Assessor shall notify by mail each taxpayer of the current assessment and preceding year's taxes. Thereafter, the assessor or County Board of Taxation shall notify each taxpayer by mail within thirty days of any change to the assessment. A taxpayer shall have forty-five days to file an appeal upon issuance of a notification of a change in assessment.		94-922b	54:4-38.1
Feb. 1	A CBT	County Board of Taxation may, upon the written application of the taxpayer and the approval of the Director of the Division of Taxation, whenever a local assessor fails, for any reason, to mail or otherwise deliver a notification of assessment or change in assessment, extend the time for appeal provided in R.S. 54:3-21 for any taxpayer feeling aggrieved by the assessed valuation of his property, or feeling that he is discriminated against by the assessed valuation of other property in the county.		94-277	54:3-21.4
Feb. 1	A CBT	MOD IV Master file sent to Property Administration via magnetic tape.			
Feb. 1 (on or before)	C	Forward Annual Post-Year Statement (Form PD 5) to recipients of prior year's property tax deduction.		94-803	54:4-8.44a
Feb.1	C	First installment of taxes due.		95-014	54:4-66a
Feb. 1 (on or before)	A CBT	Schedule of office hours for assessors summarized by County Tax Administrator and furnished to Director, Division of Taxation.		94-268	N.J.A.C. 18:12A-1.3 (f)1
Feb. 15	C	County taxes on added and omitted assessments payable by municipality.		95-027 94-964 94-976	54:4-74 54:4-63.10 54:4-63.22
<p><b>NOTE:</b> Complaints (appeals) from judgments rendered by County Board of Taxation on added and omitted assessment appeals must be filed with Tax Court within forty-five days of the service of such judgment. 54:54A-1</p>					

Table 3-1

## MARCH

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
March 1 (on or before)	A C	On or before March 1, all recipients of a property tax deduction for the prior tax year must file a Post-Tax Year Statement (PD 5) with the municipal tax collector acknowledging income for the prior year and their anticipated income for the current year.		94-803	54:4-8.44a
March 1 (by)	CBT	County Tax Administrator shall submit copy of equalization table to County Board of Taxation, mail copy to the assessor of each district, to the Division of Taxation, and post a copy at the court house.		94-269	54:3-17
March 10 (before)	A CBT	County Board of Taxation must complete hearings, held before March 10 of the tax year, for the purpose of reviewing the equalization table, with respect to the several taxing districts of the county. At the first hearing, any taxing district may object to the ratio or valuation fixed for any other district, but no increase in any valuation as shown in the table shall be made by the board without giving a hearing, after three days' notice, to the governing body of the taxing district affected.		94-270	54:3-18
March 10 *	CBT	Following confirmation of the county equalization table, copies must be sent by the County Board of Taxation to each taxing district in the county, to the Director of the Division of Taxation and the Tax Court.		94-271	54:3-19
March 31 (on or before)	CBT	County Board of Taxation to notify Director, Division of Local Government Services, when copy of budget resolution (in calendar year municipality) showing amount to be raised by taxation, has not been received.			40A:4-16
* Complaints from a county equalization table must be filed with the Tax Court within forty-five days of promulgation.					

Table 3-1

## APRIL

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Apr. 1 (after)	C	Commence sale of property for prior year's delinquent taxes and other municipal liens if on calendar year.			54:5-19
Apr. 1 (on or before)	A C CBT	Taxpayers and taxing districts may appeal assessed valuations to the County Board of Taxation. (Where assessed valuation of property subject to appeal exceeds \$750,000, appeal may be made directly to Tax Court.)		94-274	54:3-21
Apr. 1	A CBT	During the nineteen days next preceding April 1, a taxpayer or a taxing district shall have twenty days from the date of service of the petition or complaint to file a cross-petition of appeal with County Board of Taxation or a counterclaim with the clerk of the Tax Court, as appropriate.		94-274	54:3-21
Apr. 1 (on or before)	C	Notice of Disallowance of property tax deduction to be mailed when Post-Tax Year Statement either is not filed or reveals income in excess of \$10,000.		94-803	54:4-8.44a
Apr. 1 (by)	A CBT	County budgets to be certified to County Board of Taxation.		94-925 94-926	54:4-41
Apr. 1 (on or before)	A C CBT	County Boards of Taxation to establish by resolution the percentage level of taxable value of real property.		94-511	54:4-2.27
Apr. 10 (on or before)	CBT	County Boards of Taxation to mail copy of resolution establishing percentage level of taxable value of real property to Director of Tax Division, each assessor and municipal clerk.		94-511	54:4-2.27
Apr. 15	CBT	Form SR-3A to be filed by County Board of Taxation with Property Administration.			
<b>NOTE:</b> Complaints (appeals) from judgments rendered by County Board of Taxation must be filed with the Tax Court within forty-five days of the service of such judgment. 54:54A-1					

Table 3-1

## MAY

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
May 1 (on or before)	C	Annual Post-Tax Year Statement (Form PD 5) to be filed with municipal tax collector where property tax deduction recipient was ill or a medical problem existed per documentation which prevented timely filing on or before March 1.		94-803	54:4-8.44a
May 1	C	Second installment of taxes due.		95-014	54:4-66a
May 20 (on or before)	CBT	Table of Aggregates to be completed by County Board of Taxation, "copied from the duplicates of the several assessors" and the certifications of the Director of the Division of Taxation relating to second-class railroad property.		94-941	54:4-52
May 20 (on or before)	CBT	County Boards of Taxation to certify general tax rates, developed basically by dividing budgets currently being transmitted to the County Board of Taxation for county purposes and schools by the tax year's aggregate assessed valuation for each municipality.		94-941	54:4-52
May 23 (on or before)	CBT	Table of Aggregates shall be signed by the members of the County Board of Taxation and transmitted within three days to the Directors of Division of Taxation and Division of Local Government Services in the Department of Community Affairs, the State Auditor, the clerk of board of freeholders, and the clerk of each municipality in the county.		94-941	54:4-52
<b>NOTE:</b> Complaints (appeals) from judgments rendered by County Board of Taxation must be filed with the Tax Court within forty-five days of the service of such judgment. 54:54A-1					

Table 3-1

## JUNE

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
June 1 (on or before)	C	Disallowed property tax deduction recipients required to repay deduction previously granted.		94-803	54:4-8.44a
June 1	C	Disallowed property tax deduction claims, if unpaid, become real property liens.		94-803	54:4-8.44a
June 1 (on or before)	C	Notice of disallowance of property tax deduction to be sent when Post-Tax Year Statement is not filed, or reveals income in excess of \$10,000, for those recipients whose illness or medical problem prevented timely filing on or before March 1.		94-803	54:4-8.44a
June 1 (on or before)	A	Assessor must notify all claimants of property tax deductions which have been disallowed for the tax year that the deduction has not been granted (Form PD 4).		94-803	54:4-8.44a
June 3 (on or before)	C CBT	Corrected, revised and completed tax duplicates to be delivered to tax collectors by County Board of Taxation. Proceed with billing.		94-945	54:4-55
June 5 (on or before)	C CBT	Certification of Property Tax Deductions (Form PD 65.10) and Certification of Veterans Deductions (Form VE-WVE-1) must be completed and forwarded by tax collector to County Board of Taxation.			
End Monday in June	A	Assessors, if required by Director, Division of Taxation, shall report to the Director the description and valuation of railroad property not used for railroad purposes.			54:29A-16
June 15 (on or before)	CBT	Annually, County Board of Taxation to certify to Director, Division of Taxation a summary as to number and dollar amount of property tax deductions and veterans deductions allowed by each district.		94-811	54:4-8.52

Table 3-1

## JULY

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
July 1 (on or before)	C	Disallowed property tax deduction recipients, granted an extension, required to pay deduction previously granted.		94-803	54:4-8.44a
July 1	C	Disallowed property tax deductions, where extension was granted, if unpaid, become real property liens.		94-803	54:4-8.44a
July 1	A CBT	MOD IV Master file sent to Property Administration via magnetic tape.			
July 1 (on or before)	A	On or before July 1, the assessor shall mail to each taxpayer whose land has been assessed for the current tax year under the provisions of the "Farmland Assessment Act of 1964" a copy of the form prescribed to claim a continuance of valuation under the Act for the next tax year together with a notice that the completed form is required to be filed with the assessor on or before August 1.		94-865	54:4-23.15a
2nd Tuesday in July	CBT	State Equalization Table prepared.		94-024 94-025	54:1-34; 54:1-35

Table 3-1

## AUGUST

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Aug. 1 (on or before)	A	All owners of farmland who would claim to have their land assessed under the Farmland Assessment Act must file an application (Form FA-1) with the tax assessor.		94-861	54:4-23.1 et seq.
Aug. 1	C	Third installment of taxes due.		95-014	54:4-66a
Aug. 5 (on or before)	A	All SR-1A forms showing information on sales transactions to be used in compiling the Table of Equalized Valuations for State School Aid must be received by Property Administration on or before August 5.			
Aug. 15 (on or before)	CBT	President of each County Board of Taxation annually shall file a report to the Director of the Division of Taxation.		94-256	54:3-5.1
Aug. 25 (by)	CBT	Completion of State Equalization Table by Director, Division of Taxation.		94-024	54:1-34



Table 3-1

## SEPTEMBER

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Sept. 1 (on or before)	A	The assessor may grant an extension of time for filing Form FA-1 where it shall appear that failure to file by August 1 was due to illness of the owner, or death of the owner or an immediate member of the owner's family.		94-861	54:4-23.6
Sept. 1 (on or before)	A	Tangible business personal property returns of local exchange telephone, telegraph and messenger systems companies filed. On or before September 1 with respect to the following tax year and thereafter, owners of tangible personal property used in business of local exchange telephone, telegraph, and messenger systems are required to file returns with the assessor for the taxing district in which the said property is located.		94-532	54:4-2.48
Sept. 13 (on or before)	CBT	Table of Aggregates shall be transmitted within three days to the Directors of Division of Taxation and Division of Local Government Services in the Department of Community Affairs, the State Auditor, municipal clerk, and clerk of board of freeholders.		94-942	54:4-52
Sept. 15 (on or before)	A	Statement of the taxable value of State-owned real property filed with the Director of the Division of Taxation.		94-489	54:4-2.2c

Table 3-1

# OCTOBER

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Oct. 1	A	All real property which is located in the taxing district is valued for tax purposes as of October 1 of the pretax year.		94-916	54:4-35
Oct. 1	A C	All required conditions for a veteran's \$50 tax deduction must exist as of October 1 of the pretax year.		94-787	54:4-8.15
Oct. 1	A C	Required conditions for property tax deduction must exist as of October 1 of pretax year. (Sixty-five years of age for senior citizens, fifty-five years for surviving spouse, or occurrence of disability, by December 31 of the pretax year.)		94-802	54:4-8.44
Oct. 1 (on or before)	A	Initial application (Form F.S. 1) for a blast or radiation fallout shelter tax exemption must be filed with assessor.		94-622	54:4-3.50
Oct. 1 (on or before)	A	The State Farmland Evaluation Advisory Committee (F.E.A.C.) publishes recommended agricultural land values for use with the Farmland Assessment Act.		94-870	54:4-23.20
Oct. 1* (on or before)	A	The Director of the Division of Taxation promulgates the Table of Equalized Valuations for State School Aid.		94-029	54:1-35.1
Oct. 1	A C	Added Assessment List and duplicate must be filed with County Board of Taxation.		94-959	54:4-63.5
Oct. 1	A C	Omitted Assessment List and duplicate must be filed with County Board of Taxation.		94-971	54:4-63.17
Oct. 1 (on or before)	A	Initial application (Form WS-1) for water supply and sewerage disposal facilities exemption must be filed with assessor.		94-633	54:4-3.61
Oct. 1	A	Exempt real property sold to non-exempt owner or any real property improved after October 1 and before January 1 may be valued and assessed as of first day of month following completion or sale of said property.		94-956 94-981	54:4-63.2 54:4-63.28
Oct. 1	A	Assessor shall determine the true taxable value of an improvement, conversion or construction of property which has applied for exemption and/or abatement.		92-700c	40A:21-1 et seq.
Oct. 6 (on or before)	CBT	County Board of Taxation to notify Director, Local Government Services, when copy of budget resolution (in State fiscal year municipality) showing amount to be raised by taxation, has not been received.			40A:4-16
Oct. 10 (on or before)	C CBT	Added and omitted tax duplicates to be delivered by County Board of Taxation to collectors. Proceed with billing.		94-959 94-917	54:4-63.5 54:4-63.17

Table 3-1

<b>OCTOBER (con't)</b>					
DATES			ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Oct. 25 (before)	C	Added and omitted assessment bills to be mailed.		94-961 94-973	54:4-63.7 54:4-63.19
Oct. 31 (on or before)		The State Treasurer annually shall pay and distribute the Homestead Property Tax Rebate for the prior tax year.		94-814w	54:4-8.57 et seq.
* Taxing districts may appeal to the Tax Court to review Table of Equalized Valuations within forty-five days following promulgation of Table. 54:1-35.1					

Table 3-1

## NOVEMBER

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Nov. 1	A	All new applicants for property tax exemption must file an Initial Statement (Form I.S.) with the assessor. If an exemption has been granted for past years, the applicant must file a Further Statement (Form F.S.) by November 1 of every third year.		94-755	54:4-4.4
Nov. 1 (on or before)	A	Assessor to send Notice of Disallowance to applicants requesting valuation under the Farmland Assessment Act where such claim has been disallowed.		94-862	54:4-23.13b
Nov. 1	C	Fourth installment of taxes due.		95-014	54:4-66a
Nov. 1	C	Omitted assessment taxes payable.		94-974	54:4-63.20
Nov. 1	C	Added assessment taxes payable.		94-962	54:4-63.8
Nov. 15 (on or before)	A C CBT	The Director, Division of Taxation shall notify the County Board of Taxation and the taxing district affected of any change, addition or revision to the statement of State-owned property values filed by the assessor on or before September 15.		94-490	54:4-2.2d
Nov. 15 (by)	A	Taxing districts may appeal to the Tax Court to review Table of Equalized Valuations within forty-five days following promulgation of Table.		94-029	54:1-35.1

Table 3-1

## DECEMBER

DATES	CODE		ASSESSORS' HANDBOOK	ASSESSORS' LAW MANUAL	N.J.S.A.
Dec. 1 (by)	A	Assessor may accept FA-1 applications up to December 1 of the pretax year in cases where a revaluation is to be placed on the tax list for the year for which farmland assessment is applied.		94-861	54:4-23.13a
Dec. 1 (on or before)	A C	Appeals from added assessments to be filed with County Board of Taxation.		94-965	54:4-63.11
Dec. 1 (on or before)	A C	Appeals from assessors' omitted assessments for current year to be filed with County Board of Taxation.		95-001	54:4-63.39
Dec. 31 (on or before)	A	Legal advertisement--where and when tax list may be inspected by any taxpayer to ascertain what assessments have been made, and to confer informally with the assessor as to the correctness of the assessments, so that any errors may be corrected before the filing of the assessment list and duplicate.		94-922	54:4-38
Dec. 31 (on or before)	A C	Applications for veterans' deductions and property tax deductions for current year must be filed with assessor in pretax year, thereafter with collector during the tax year.		94-785 94-801	54:4-8.13 54:4-8.43
Dec. 31 (on or before)	C	Applications for veterans' deductions and property tax deductions for current year must be filed with collector.		94-785 94-801	54:4-8.13 54:4-8.43
Dec. 31 (on or before)	C	Last day for holding tax sale of prior year's delinquent taxes and other municipal liens if on calendar year.			54:5-19

Table 3-2

### Calendar of Key Dates

	Date	Regular Assessments			Tax Deduction and Exemptions	Equalization	
		Real Property	Personal Property Used in Business	Added and Omitted Assessments		County Equalization	For State School Aid
<b>PRE-TAX YEAR</b>	Jan.		Jan. 1				
	April	Apr. 1 Apr. 10					
	July	Jul. 1					
	Aug.	Aug. 1					
	Sept.		Sept. 1		Sept. 15		
	Oct.	Oct. 1			Oct. 1		
	Nov.	Nov. 1		Nov. 1	Nov. 1		
	Dec.	Dec. 31		Dec. 1	Dec. 31		
<b>TAX YEAR</b>	Jan.	Jan. 1 Jan. 9 Jan. 10		Jan. 10	Jan. 10	Jan. 15	Jan. 10 Jan. 30
	Feb.	Feb. 1		Feb. 1			
	March			Mar. 1		Mar. 1 Mar. 10	
	April	Apr. 1		Apr. 1			
	May	May 20				May 20	
	June	2nd Monday in June			June 1 June 5 June 15		
	July						
	Aug.						Aug. 5
	Sept.						
	Oct.			Oct. 1			Oct. 1
	Nov.			Nov. 1	Nov. 1 Nov. 15		Nov. 15
	Dec.	Dec. 31		Dec. 1	Dec. 31		
<b>POST TAX YEAR</b>	March				Mar. 1		
	April				April 1		
	May				May 1		
	June				June 1		
	July				July 1		

## 311. Assessment Lists

**311.1** Assessors must be familiar with a number of different assessment lists. In preparing and filing these lists, the assessor officially places his assessment on each property.

**311.2 Tax Lists - Regular.** All regular assessments of real property and tangible personal property used in business must be entered on the Real Property Tax Assessment List and the Personal Property used in Business Tax Assessment List filed with the county board of taxation by January 10 of the tax year. The terms "Assessment List" and "Tax List" are used interchangeably in both the statutes and regulations.

**311.21 Maintaining and Changing Tax Lists.** Assessors are required to keep their Assessment Lists current. County recording officers are required by law to provide the assessor with abstracts of deeds from property transactions affecting title. Statute also permits new property owners to present their deeds or other proofs of title for proper notation on the Tax List. Assessors are sometimes asked by attorneys, divorced parties, heirs or devisees etc. to change the names of property owners on the Tax List.

It is important to recognize that a Tax List is not regarded as an official statement of ownership. In fact, the law provides, "...No assessment of real or personal property shall be considered invalid because listed or assessed in the name of one not the owner thereof, or because erroneously classed as the land of an unknown..." However, because accurate Tax Lists are necessary to the orderliness of the assessment function and to correct identification of persons responsible for payment of taxes, assessors should be careful to obtain adequate authorization for such changes. The following documents may be used to support requests for name changes on a Tax List:

- (1) a new deed, properly executed;
- (2) a copy of a probated will, accompanied by a probate order;
- (3) a court order or a Surrogate's Letter of Administration;
- (4) a death certificate for the purpose of deleting the deceased's name;

- (5) a written statement of an attorney indicating ownership status and advising that change is warranted; and
- (6) a written statement by a new owner showing evidence of title and notifying the assessor of the title change.

**REFERENCES:**

**N.J.S.A. 54:4-29; 54:4-31; 54:4-54.**

**311.22 Form and Content of Real Property Tax Lists.** The Director of the Division of Taxation prescribes the form of the Real Property Tax Assessment List as authorized by law. The list is to be 14 by 17 inches in size. The height of each property line on the list should permit four lines of printing. Every page heading is to consist of the following information:

(a) Title: REAL PROPERTY TAX LIST

An identical form titled: REAL PROPERTY TAX DUPLICATE must also be prepared for all copies of the Real Property Tax List.

(b) Name and number of taxing district and county. Example, East Windsor Township 01, Mercer County 11.

In addition to the page heading, the following information must be provided for each property on the Real Property Tax List in the appropriate numbered column or field:

(1) Line Numbers Column -

- identifies every real property parcel's position on the Real Property Tax List. Each line must be numbered consecutively on each page of the List.

(2) Block & Lot Numbers, Qualification Codes & Account Number Column -

- identifies the property in relation to blocks and lots on the tax map.
- further identifies, where needed, the property by qualification code such as with duplicate block and lot numbers of condominium units.
- lists the account number if the municipality has an account numbering system to identify taxpayers.



(3) Land Dimensions, Building Descriptions, Additional Lots, Acreage,

Property Classification Column -

- shows land dimensions and size, in feet or acres.
- shows type of building construction by code:

**BUILDING DESCRIPTIONS**

Format: Stories-Structure-Style-Garage

<b>STORIES</b>		C	Apartments
S	Prefix S with number of stories	D	Dutch Colonial
<b>STRUCTURE</b>		E	English Tudor
AL	Aluminum Siding	F	Cape Cod
B	Brick	L	Colonial
CB	Concrete Block	M	Mobile Home
F	Frame	R	Rancher
M	Metal	S	Split Level
RC	Reinforced Concrete	T	Twin
S	Stucco	W	Row Home
SS	Structural Steel	X	Duplex
ST	Stone	Z	Raised Rancher
W	Wood	O	Other
<b>STYLE</b>		2	Bi-Level
A	Commercial	3	Tri-Level
B	Industrial	<b>GARAGE</b>	
		AG	Attached Garage
		UG	Unattached Garage

**NOTE:** Number of Cars is prefixed to code.

**EXAMPLE: 1.5S-ST-L-2AG MEANS:**

*1 1/2 Story Stone Colonial 2 Car Attached Garage*

- shows property classification by code:

1 = vacant land	15A = public school property
2 = residential	15B = other school property
3A = farm - regular	15C = public property
3B = farm - qualified for farmland assessment	15D = church & charitable property
4A = commercial	15E = cemeteries & graveyards
4B = industrial	15F = other exempt properties
4C = apartment	

- shows additional lots which overflow from column 2.

(4) Owner's Name and Mailing Address Column -

- gives full name and address of the owner.
- shows assigned billing codes for banks or institutions receiving duplicate tax bills.
- shows property location here also.

(5) Taxable Value of Land, Improvements and Total Taxable Value Column -

- shows the taxable value of land and the taxable value of improvements, and the total taxable value of land and improvements. The values are arranged in a "stacked" fashion for each individual line item.

(6) Exemptions Column -

- shows the dollar amount of any partial exemption reducing the taxable value of the property. A portion of this column also lists the exemption code:

P	-	Pollution Control
F	-	Blast or Radiation Fallout Shelter
W	-	Water Supply Control
H	-	Home Improvement Exemption
E	-	Automatic Fire Suppression Equipment
M	-	Multiple Family Dwelling Improvement
B	-	Class 4 Abatement

- G - Commercial Industrial Exemption
- I - Dwelling Exemption
- J - Dwelling Abatement
- K - New Dwelling/Conversion Exemption
- L - New Dwelling/Conversion Abatement
- N - Multiple Dwelling Exemption
- O - Multiple Dwelling Abatement
- U - Urban Enterprise Zone Abatement

(7) Net Taxable Value Column -

- gives the sum of the figures in Column (5) minus any figures in Column (6).

(8) Deductions Column -

- shows property tax deductions granted according to code:

- S = Senior Citizen Deduction
- V = Veteran Deduction
- W = Veteran's Widow Deduction
- D = Disabled Person Deduction
- R = Surviving Spouse Deduction

- shows the number of deductions for qualified veterans, veterans' spouses, senior citizens, disabled persons or surviving spouses and shows the total number of property owners for prorating deductions where multiple ownership occurs.

(9) Special Tax Codes Column -

- shows by code properties located in areas within the taxing district having special tax rates for services such as fire protection, sewerage disposal, lighting or water districts.

- F = Fire
- G = Garbage
- S = Sewer

L = Light

W = Water

**REFERENCES:**

**N.J.S.A. 54:4-26, 54:4-28, 54:4-35.**

**N.J.A.C. 18:12-2.1, 18:12-2.2.**

**311.23 Form & Content of Personal Property used in Business Assessment List.**

The Director of the Division of Taxation prescribes the form of the Personal Property used in Business Assessment List as authorized by law. However, since this List is usually small, the column headings and arrangement are preprogrammed into the database for production of the Real Property Tax List. Therefore, separate pages for business personalty need not be purchased from a commercial printer, but are printed automatically when the data processing system makes up the Personal Property used in Business Assessment List.

The list is to contain the following:

(a) Title: TANGIBLE PERSONAL PROPERTY OF TELEPHONE,  
PIPELINE AND MISCELLANEOUS TAX LIST

(b) Name and number of taxing district and county

In addition to the page heading, the following information must be provided for each property on the personal property tax list in the appropriate numbered column:

(1) Block & Lot Numbers, Qualification Codes & Account Numbers Column -

- identifies the location of personal property used in business in relation to tax map designations.
- lists the account numbers only if the municipality is using an account numbering system to identify taxpayers.

(2) Property Description and Class Columns -

- shows type of building construction by code.
- shows property classification code designating the type of business the personal property is being used for. The codes are:

6A Personal Property Telephone

6B Pipeline

6C Miscellaneous

(3) Owner's Name and Mailing Address Column -

- gives full name and address of the owner of the personal property used in business. Space is also provided for the location of the personal property, if not assigned a Block and Lot location in Column 1.

(4) Reported Depreciated Book Value Column -

- shows amounts taken from line 8 of Form PT-10, Return of Tangible Personal Property Used in Business, or of Form PT-10.1, Return of Machinery, Apparatus or Equipment of a Petroleum Refinery, Etc.

(5) Average Assessment Ratio Column -

- provides the Director's average weighted ratio, promulgated on October 1 of the year immediately prior to the tax year for districts which have not effected a district-wide adjustment of real property taxable valuations for the tax year at issue. If the Director's average weighted ratio exceeds the county percentage level, then the county percentage level is shown. For taxing districts which have effected a district-wide adjustment of taxable values for the tax year at issue, the county percentage level established for taxable values of real property is also used for tangible personal property.

*In no instance may the percentage figure in Column 6 exceed 100%.*

(6) Taxable Value of Tangible Personal Property Column -

- reflects amounts obtained by multiplying the figures shown respectively in Column 4 by the ratios shown in Column 5.

Amounts are those to which the tax rate is applied to develop the taxes payable by the owners of the personal property used in business, as listed.

(7) Special Tax Codes Column -

- shows the code of any special district in which the business personal property reflected on a particular line is located. Codes for special taxing districts are:

F = Fire  
G = Garbage  
S = Sewer  
L = Light  
W = Water

**REFERENCES:**

**N.J.S.A. 54:4-2.25 et seq.**

**311.24 Assessor's Affidavit.** Each assessor is required to complete and file with his Real Property Tax List and Personal Property Used in Business Tax List and their Duplicates the following affidavit:

"I, ..... as assessor of the ..... of ..... do swear (or affirm) that the foregoing list contains the valuations of all the property liable for taxation in the taxing district in which I am assessor, and that such property has been valued without favor or partiality, at its taxable value and I have allowed only such exemptions as are prescribed by law."

Where a "district-wide adjustment" of real property taxable valuations has been put into effect, the assessor must add to the affidavit the following statement:

"I do further swear (or affirm) that, for the tax year 19\_\_\_\_, I have completed and put into operation a district-wide adjustment of real property taxable valuations and such taxable valuations conform to the percentage level established for such year for expressing the taxable value of real property in the county."

**REFERENCES:**

**N.J.S.A. 54:4-36.**

**311.25 Filing the Assessment Lists.** The regular Real Property Tax List is prepared by the assessor in triplicate, with the original and the first copy being filed with the county board of taxation by January 10 of the tax year. The original is retained by the county tax board. The first copy, called the Tax Duplicate is returned to the assessor, who turns it over to the municipal tax collector for posting. The second copy of each List is retained in the assessor's office.

**REFERENCES:**

**N.J.S.A. 54:4-36.**

**311.26 Extending the Tax.** Once the county board of taxation strikes the tax rates for the taxing districts, each assessor obtains the Tax Duplicate, either from the board or the tax collector, and "extends" the tax. That is, he multiplies the taxable value of each property by the appropriate general tax rate for the district and enters it on the Duplicate List.

If special district taxes are to be levied, the assessor calculates the tax rate for special district purposes, unless the county board of taxation has already done so, by dividing the amount to be levied by the taxable value of all property within the limits of the district, and adds this rate to the rates certified by the county tax board.

After the taxes are extended, the assessor returns the Tax Duplicate to the county board of taxation which, by May 13 of the tax year, must correct and revise both the Tax List and Duplicate, and return the Duplicate to the tax collector, certified as the true record of taxes to be levied. Any extensions of taxes made prior to changes, revisions or corrections entered on the Real Property Tax List by the county board of taxation must be corrected before bills are mailed.

In current practice, the extension of taxes is accomplished automatically by computer.

**REFERENCES:**

**N.J.S.A. 54:4-9, 54:4-48, 54:4-55.**

**311.3 Exempt Property List.** All cemeteries, churches, public buildings, and other real

property exempt from taxation must be placed on an Exempt Property List, filed with the county board of taxation by January 10 of the tax year.

**REFERENCES:**  
**N.J.S.A. 54:4-27.**

**311.31 Form and Content of the Exempt Property List.**

- (a) Title: EXEMPT PROPERTY LIST  
(b) Name and Number of Taxing District and County

The Exempt Property List headings on the Columns 1, 2 and 4 are identical to those on the Real Property Tax List.

**Column 3. Name of Facility -**

- gives a descriptive word or name for each property listed, as well as the Building Description Code, Property Classification and Land Dimensions.
- Acreage is calculated based on the entry in the land dimension field.
- Codes for exempt property classes are:

15A = public school

15D = church & charitable

15B = other school

15E = cemeteries & graveyards

15C = public property

15F = other exempt

**Column 5. Identification Code -**

- has three segments for codes reflecting: type of ownership; purpose or use of the exempt property; and specific description of the exempt property.

**Column 6. Statute Under Which Exemption is Claimed -**

- cites the statute under which the property is exempted.

**Column 7. Filing Date of Statement -**

- lists filing dates of the Initial Statement claim for exemption, and every third year the Further Statement claim for continuing the exemption. Initial and Further Statements are not required of government owned exempt property.

**Column 8. Land and Improvement Value -**

- shows both the assessed value of the exempt land and the exempt improvement.

**Column 9. Total Exempt Value -**

- shows the total assessed value of exempt land plus exempt improvement.



**311.32 Filing the Exempt Property List.** The Exempt Property List is prepared in triplicate in the same manner as the regular Tax List. When filed with the county board of taxation on January 10 of the tax year, the Exempt Property List must be accompanied by copies of all Initial and Further Statements.

**REFERENCES:**

**N.J.S.A. 54:4-4.4.**

**311.4 Added Assessment List.** All added assessments of real property must be entered on an Added Assessment List filed with the county board of taxation on October 1 of the tax year.

**REFERENCES:**

**N.J.S.A. 54:4-64.5.**

**311.41 Form and Content of the Added Assessment List.** The Director of the Division of Taxation prescribes the form of the Added Assessment List. Page headings of every Added Assessment List must consist of:

- (a) Title: ADDED ASSESSMENT REAL PROPERTY TAX LIST
- (b) Name and number of the taxing district and county

In addition to the page heading, the following information must be provided for each property on the Added Assessment List in the appropriate column:

(1) Line Number Column -

- identifies the parcel of real property as to its position in the Added Assessment List. Each line must be numbered consecutively on each page of the list.

(2) Block & Lot Numbers, Qualification Codes and Account Number Column

- Block and Lot Numbers and Qualification Code - are used for identifying the property in relation to the tax map.
- Account Numbers are used in municipalities using this system to identify taxpayers.

(3) Land Dimensions, Building Description, Property Classification,

Additional Lots and Calculated Acreage Column -

- shows land dimensions and size, either in feet or acres.
- shows the type of construction by code:

**BUILDING DESCRIPTION**

Format: Stories-Structure-Style-Garage

<b>STORIES</b>		C	Apartments
S	Prefix S with number of stories	D	Dutch Colonial
<b>STRUCTURE</b>		E	English Tudor
AL	Aluminum Siding	F	Cape Cod
B	Brick	L	Colonial
CB	Concrete Block	M	Mobile Home
F	Frame	R	Rancher
M	Metal	S	Split Level
RC	Reinforced Concrete	T	Twin
S	Stucco	W	Row Home
SS	Structural Steel	X	Duplex
ST	Stone	Z	Raised Rancher
W	Wood	O	Other
<b>Style</b>		2	Bi-Level
A	Commercial	3	Tri-Level
B	Industrial	<b>GARAGE</b>	
		AG	Attached Garage
		UG	Unattached Garage

NOTE: Number of Cars is prefixed to code.

EXAMPLE: 1.5S-ST-L-2AG MEANS:

*1 1/2 Story Stone Colonial 2 Car Attached Garage*

- shows the property classification by code:

1	=	vacant land	15A	=	public school
2	=	residential	15B	=	other school
3A	=	farm - regular	15C	=	public property
3B	=	farm - qualified	15D	=	church & charitable
4A	=	commercial	15E	=	cemetaries & graveyards
4B	=	industrial	15F	=	other exempt
4C	=	apartment			

- shows additional lots which overflow from Column 2.
- shows acreage calculated from entry in land dimension field.

(4) Owner's Name & Mailing Address, Property Location & Billing Code

Column -

- gives full name and address of the owner.
- shows assigned billing codes for bank or institution receiving duplicate tax bills.
- shows property location here also.

(5) Taxable Value, Land Improvements, Exemption Amount & Code &

Net Total Column -

- identifies exemptions granted by code:

P	Pollution Control
E	Automatic Fire Suppression Equipment
M	Multiple Family Dwelling Improvement
B	Class 4 Abatement
G	Commercial Industrial Exemption
I	Dwelling Exemption
J	Dwelling Abatement
F	Fallout Shelter
W	Water Supply Control
H	Home Improvement Exemption
K	New Dwelling/Conversion Exemption
L	New Dwelling/Conversion Abatement

- N Multiple Dwelling Exemption
- O Multiple Dwelling Abatement
- U Urban Enterprise Zone Abatement

This column provides for a "stacking" of taxable values for Land, Improvements, the dollar amount of any Exemption applicable, and the Net Total of these items for each line item.

(6) Months Assessed Column -

- shows the number of whole months remaining in the calendar year following the date of assessed structure's completion or of property which ceased to qualify for exemption.

(7) Date of Completion Column -

- shows the month and day of a structure's completion or the cessation of qualification for tax exemption. This is the basis for prorating the added assessment.

(8) Prorated Assessment Column -

- shows the amount resulting from multiplying the full taxable value of the added assessment times the number of whole months remaining in the year following the date of the structure's completion and dividing this figure by 12.

(9) Total Real Property Tax Column -

- shows the amount of tax due on the added assessment calculated by multiplying the general tax rate for the year in which the added assessment is levied times the Prorated Added Assessment (Column 8).

(10) Special Tax Column -

- shows the code identifying the special district and the amount of special tax due if a property subject to added assessment is situated in a special taxing district (i.e. fire, sewer, light, etc.).

(11) Deductions Code Column -

- reflects by code any deductions which apply to the property subject to added assessment, and the amount deducted.

(12) Net Amount of Tax Column -

- contains the net added assessment tax due.

**311.42 Filing the Added Assessment List.** The Added Assessment List is prepared in triplicate, with the original and the first copy being filed with the county board of taxation on October 1 of the tax year, and the second copy being retained by the assessor. The first copy, called the assessor's Duplicate, must be returned by the county board to the municipal tax collector on or before October 10. Any corrections or revisions of the county board are entered both on the original list and on the Duplicate, and the Duplicate must be certified by the county board of taxation as the true record of the taxes to be levied.

**REFERENCES:**

**N.J.S.A. 54:4-63.5.**

**311.5 Omitted Property Assessment List.** All properties for which the county board of taxation has rendered judgment prior to October 1 that the property was omitted from assessment must be entered on the Omitted Property Assessment List which is filed with the county board on October 1 of the tax year. Also the Assessor's Omitted Property Assessment List and Duplicate containing assessments of omitted properties which the assessor himself has listed under the Alternate Method for levying an omitted assessment must be filed with the county board on October 1.

**REFERENCES:**

**N.J.S.A. 54:4-63.15, 54:4-63.17, 54:4-63.22.**

**311.51 Form and Content of the Omitted Property Assessment List.** The same forms used for the Added Assessment List may be used for the Omitted Property Assessment List by substituting the word omitted for added.

**311.52 Filing the Omitted Property Assessment List.** The Omitted Property Assessment List is prepared in triplicate in the same manner as the Added Assessment List.

**REFERENCES:**

**N.J.S.A. 54:4-53.15, 54:4-63.17**

**312. The Table of Aggregates**

**312.1** On or before May 3 of the tax year, the county boards of taxation prepare a Table of Aggregates for each taxing district, using information in the assessors' Duplicates and information on the taxable value of second class railroad property supplied by the Director of the Division of Taxation.

**REFERENCES:**

**N.J.S.A. 54:4-52.**

**312.2** **Form and Content of the Table of Aggregates.** The contents of the Table of Aggregates is prescribed in detail by law. However, the Director of the Division of Taxation may require additional information be included in the Table.

**REFERENCES:**

**N.J.S.A. 54:4-52.**

**312.3** **Disposition of the Tables of Aggregates.** The Tables of Aggregates must be signed by the members of the county board of taxation and, within three days after May 3, transmitted to the county treasurer. The county treasurer is responsible for having the Tables printed and for transmitting certified copies to the Director of the Division of Taxation, the State Auditor, the clerk of each municipality in the county, and the clerk of the board of chosen freeholders.

**REFERENCES:**

**N.J.S.A. 54:4-52.**

312.4 **The Abstract of Ratables.** When the Tables of Aggregates are printed in a consolidated form, they are known as the Abstract of Ratables. The Abstract of Ratables contains the same information for all taxing districts in the county as is found in the individual Tables of Aggregates for each of the taxing districts. All county Abstracts of Ratables are reprinted in the *Annual Report of the Division of Taxation*.

# EXHIBITS

HANDBOOK FOR NEW JERSEY ASSESSORS





EXHIBIT III-1

**RECORDS RETENTION SCHEDULE FOR NEW JERSEY ASSESSORS**

If any of the records listed below are involved in litigation, those records must be retained until the litigation is finally resolved.

<b><u>Title</u></b>	<b><u>Retention Period</u></b>
Assessor's Field Book (Workbook)	3 years
Building Permit (Assessor's copy)	1 year beyond reassessment determination
Certification of School District Requirements A4F-Form A (maintained by School Boards for 10 years)	1 year
Data Entry a. Accepted-Rejected List (Computer printout) b. Proof Book (Computer printout) c. Property Record Change Form N.J.P.T. - 19 d. Property Record Change Form Supplement N.J.P.T. - 20	after posting  after posting after posting  after posting
County Tax Board a. Appeals b. Judgments c. Stipulations d. Chapter 91 Income Statements	3 years 5 years 3 years 3 years
Exemptions and/or Abatements for New Construction, Conversion or Improvement of Residential One or Two Family, Commercial, Industrial or Multiple Dwellings. a. Form E/A-1 b. Notice of Exemption Abatement Disallowance c. Multiple Dwelling Forms	1 year beyond lapse in exemption 3 years  1 year beyond lapse in exemption
Deeds and/or Abstracts (Assessor's Copies)	as updated

EXHIBIT III-1

<p>Exempt Property</p> <ul style="list-style-type: none"> <li>a. Exempt Property Initial Statement (Form I.S.)</li> <li>b. Exempt Property Further Statement (Form F.S.)</li> </ul>	<p>1 year beyond lapse in exemption</p> <p>as updated</p>
<p>Farmland Assessment</p> <ul style="list-style-type: none"> <li>a. Farmland Assessment (Form FA-1)</li> <li>b. Denial Notice</li> <li>c. Rollback Complaint</li> <li>d. Rollback Judgment</li> <li>e. Income/Use Verification</li> </ul>	<p>3 years</p> <p>3 years</p> <p>3 years</p> <p>3 years</p> <p>3 years</p>
<p>Tax Maps (Assessor's Copies)</p>	<p>as updated</p>
<p>Property Records Cards</p>	<p>as updated</p>
<p>Return of Tangible Personal Property by Local Exchange Telephone, Telegraph Companies, etc. PT-10, PT-10.1</p>	<p>5 years.</p>
<p>Sales Ratio</p> <ul style="list-style-type: none"> <li>a. Sales Ratio Forms SR1-A</li> <li>b. Usable Non-usable Listing - Monthly</li> <li>c. Usable Non-usable Listing - Cumulative</li> <li>d. Usable Non-usable Listing - Annual</li> <li>e. Sales Ratio Change Form SR-6</li> </ul>	<p>3 years</p> <p>until cumulative listing received</p> <p>until annual listing received</p> <p>2 years</p> <p>3 years</p>
<p>State Tax Court</p> <ul style="list-style-type: none"> <li>a. Complaints</li> <li>b. Notice of Hearings</li> <li>c. Withdrawal Letter</li> </ul>	<p>3 years</p> <p>3 years</p> <p>3 years</p>
<p>Deduction Applications</p> <ul style="list-style-type: none"> <li>a. Senior Citizen, Disabled Person, or Surviving Spouse Deduction Application (PTD - May, 1996)</li> <li>b. Notice of Disallowance (P.D. - 4)</li> </ul>	<p>3 years after title transfer</p> <p>3 years after title transfer</p>
<p>Subdivision Plans</p>	<p>1 year beyond reassessment determination</p>

EXHIBIT III-1

<p>Veterans' Exemption and/or Deduction Certificates</p> <p>a. Veteran or Surviving Spouse of Veteran or Serviceperson Claim for Property Tax Deduction (V.S.S. - April 1996)</p> <p>b. Disabled Veteran or Surviving Spouse of Disabled Veteran or Serviceperson Claim for Property Tax Exemption (D.V.S.S.E. - April, 1996)</p>	<p>3 years after title transfer</p> <p>3 years after title transfer</p>
<p>NOTE * If any of the listed records are the subject of litigation they may not be destroyed even though their retention period has expired.</p>	

**RECORDS RETENTION SCHEDULE FOR NEW JERSEY COUNTY BOARDS  
OF TAXATION**

<b><u>Description</u></b>	<b><u>Retention Period</u></b>
SR-1A Forms	5 years
Municipalities and School Districts Budgets (copies)	3 years unless in litigation
Tax Lists (Regular, Added Assessment, Omitted Assessment)	permanent
Tax Duplicate	5 years
School Requirement Certificates	3 years unless in litigation
State Tax Appeal Forms Filed with County after Final Judgment	7 years after final litigation
State Tax Appeal Judgment Filed with County after Final Judgment	7 years after final litigation
County-Board Tax Appeal Forms	7 years
County Board Tax Appeal Judgments	7 years
Recordings of Hearings	'til after final litigation
Omitted Assessment and Farmland Rollback Assessments <ul style="list-style-type: none"> <li>a. Complaints</li> <li>b. Hearing Notice &amp; Proof of Service</li> <li>c. Judgments</li> </ul>	3 years unless in litigation 3 years unless in litigation 3 years unless in litigation
Exempt Property <ul style="list-style-type: none"> <li>a. Initial Statements (copies)</li> <li>b. Further Statements</li> </ul>	3 years 3 years
Table of Aggregates of Taxable & Exempt Property	permanent
Municipal Tax Maps (copies)	as updated

LN	1	2	3	4	5	6	7	8	9	10	11	12					
LN	BLOCK NO. LOT NO. QUALIFICATION ACCOUNT NO.	LAND DIMENSIONS Building Description ADDITIONAL LOTS ACREAGE	POB CITY	OWNER'S NAME ADDRESS CITY STATE PROPERTY LOCATION	BILLING CODE ZIP CODE Tax Map Page	LAND IMPROVEMENTS TOTAL VALUE	EXEMPTIONS AMOUNT	NET TAXABLE VALUE	DEDUCTIONS	SPECIAL ASSESSES	HOMESTEAD EXEMPTION	DEB AMT 1996 TAX 1997 TAX					
1	S-7 18	L19,24 .0000	15C	CITY OF ESTELL MANOR CUMBERLAND AVE ESTELL MANOR, N J GARRISON RD	09954 08319 SD 7.01	3000 0 3000	*EXEMPT*	*EXEMPT*				.00					
2	S-7 20	25X150 1LT .0861	15C	CITY OF ESTELL MANOR ESTELL MANOR, N J 15TH ST	09954 08319 SD 7.01	1000 0 1000	*EXEMPT*	*EXEMPT*				.00					
3	S-7 21	L22,23 3LTS .0000	1	KOWALSKI, REGINA & ROBERT 48A COLFA X MANOR ROSELLE PARK NJ 15TH ST	07204 SD 7.01	3000 0 3000	3000	3000				64.68 32.34					
4	S-7 25	1 LOT .0000	15C	CITY OF ESTELL MANOR ESTELL MANOR, N J 15TH & OHIO	09954 08319 SD 7.01	1000 0 1000	*EXEMPT*	*EXEMPT*				.00					
5	S-7 26	L27-29 4LTS .0300	1	DI FIORE, MAY & JOSEPH 250 NE 20TH ST S. BLOC319 BCC RATON, FL 15TH ST	33431 SD 7.01	2200 0 2200	2200	2200				27.43					
6	S-7 30	L31,32 3LTS .0000	1	JUNE, CLARENCE H P O BOX 611 OLO HYSTILS CONN KENTUCKY AVE	06372 SD 7.01	3000 0 3000	3000	3000				.00					
7	S-7 33	L32-36 4LTS .0000	1	MAURUS, A SCHMID, L 8999 BRUGG IN ALLGAU WEST GERMANY 16TH ST	10007 SD 7.01	4000 0 4000	4000	4000				64.68 32.34					
8	S-7 37	L38 2LTS .0000	1	RYBARCZIK, WALTER, IRMA 44-COMPTON AVE PERTH AMBOY, NJ 16TH ST	08861 SD 7.01	2000 0 2000	2000	2000				86.24 43.12					
9	S-7 39	1SF L40-42 4LTS .0000	2	CARNEAN, JIM & DOLORES J 161 SIXTEENTH ST MAYS LANDING, NJ 161 SIXTEENTH ST	08330 SD 7.01	18000 60700 78700		78700				1696.77 848.39					
10	S-7 43	LOT 44 .0000	1	CARMEN, JAMES & DELORES 161 SIXTEENTH ST MAYS LANDING, NJ 161 SIXTEENTH ST	08330 SD 7.01	2200 0 2200		2200				.00					
11	S-8 1	LOTS 2,3,4 .0000	15C	CITY OF ESTELL MANOR CUMBERLAND AVE ESTELL MANOR, N J ROUTE 50	09954 08319 SD 7.01	4400 0 4400	*EXEMPT*	*EXEMPT*				.00					
12	S-8 5	1SF 1LT .0300	2	THARP, MERRILY 132 ROUTE 50 & BROAD ST MAYS LANDING NJ 132 ROUTE 50	08330 SD 7.01	20000 47600 67600		67600				1457.46 728.73					
13	S-8 6	1SCB L7-13 .0000	2	BARRY, JOSEPH & LILLIAN 100 FRANCIS AVE BELCOVILLE, NJ 130 ROUTE 50	08330 SD 7.01	20000 34500 54500		54500				1175.02 587.51					
14	S-8 14	L15-19 6LTS .0000	1	GUNNESON, ALVIN O 173A NEW JERSEY AVE LAKE HOPA TCCNG, NJ ROUTE 50	07849 SD 7.01	6600 0 6600		6600				.00					
PAGE TOTALS											81000	0	223800	BLK	S-8	LOT	14

**\*\*RAILROADS\*\*  
REAL PROPERTY TAX LIST 1997**

COUNTY NO. 01 ATLANTIC

TAXING DISTRICT NO. 09 ESTELL MANOR

PAGE NO. 1

1	2	3	4	5	6	7	8	9	10	11	12
LINE NO.	BLOCK NO. LOT NO. QUALIFICATION ACCOUNT NO.	LAND DIMENSIONS Building Description ADDITIONAL LOTS ACREAGE	OWNER'S NAME ADDRESS CITY STATE PROPERTY LOCATION	LAND IMPROVEMENTS TOTAL VALUE	EXEMPTIONS AMOUNT	NET TAXABLE VALUE	DEDUCTIONS OF RENT OR CORE	SPECIAL CODES	HOMESTEAD EXEMPTION CLASSIFICATION	BLK	LOT
1	1000 1	17.9 AC 5A 17.9000	N.J. TRANSIT P.O. BOX 10009 NEWARK, N.J. RAILROAD	179000 0 179000	0	179000					
2	1000 2	3.9 AC 5A 3.9000	N.J. TRANSIT P.O. BOX 10009 NEWARK, N.J. RAILROAD	39000 0 39000		39000					
3	1000 3	17.1 AC 5A 17.1000	N.J. TRANSIT P.O. BOX 10009 NEWARK, N.J. RAILROAD	171000 0 171000		171000					
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
PAGE TOTALS				389000	0	389000					

TANGIBLE PERSONAL PROPERTY OF TELEPHONE, PIPELINE AND MESSENGER SYSTEM COMPANIES (CH. 138, P.L. 1966) PAGE NO. 798016  
 TAXING DISTRICT NO. C9 ESTELL MANOR COUNTY NO. 01 ATLANTIC  
 1997 TAX LIST  
 BLOCK NO. LOT NO. DESCRIPTION CLASS PROPERTY NAME  
 QUALIFYING ACCOUNT 999 1 6A NEW JERSEY BELL TELEPHONE CO  
 ADDRESS 1717 ARCH STREET 30TH FL 19103  
 CITY & STATE PHILA PA  
 PROPERTY LOCATION PUBLIC UTILITIES  
 REPORTED DEPRECIATED AVERAGE TAXABLE VALUE OF SPEC  
 BOOK VALUE RATIO ASSESSMT TAX CUDES  
 856332 93.19 798016

PAGE TOTALS — 856332 798016



1 BLOCK NO. LOT NO. QUALIFICATION ADDITIONAL LOTS	2 NAME OF FACILITY PROPERTY CLASSIFICATION	3 LAND DIMENSIONS ACRES	4 OWNER'S NAME ADDRESS CITY STATE PROPERTY LOCATION	5 IDENTIFICATION CODE	6 STATUTE UNDER WHICH EXEMPTION CLAIMED	7 FILING DATE OF STATEMENT	8 LAND IMPROVEMENT 100% VALUE ASSESSED VALUE	9 TOTAL EXEMPT VALUE 100% VALUE ASSESSED VALUE	10 SPECIAL TAX
1204 1	TOKOLOKA PARK 10.58 ACRES 10.5800	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ 589 HAITLAND AVE	04 09 622	54 04-03.03	INITIAL	1587000	1587000	
013495							209600	314800	
1209 31	CHURCH 2.55-B-0-2UG 160X120 .4408	15D	UNITY CHURCH OF CHRIST 735 RUTLAND AVE TEANECK NJ 735 RUTLAND AVE	23 10 040	54 04-03.06	INITIAL 10/28/70 FURTHER 11/01/95	209600	314800	
013921							56200	56200	
1211 7	CEMETERIES CEMETERY .75 ACRES .7500	15E	PROTESTANT LUTH CENTRY UNKNOWN NJ TEANECK NJ 1526 RIVER RD	23 11 106	54 04-03.09	INITIAL FURTHER	56200	56200	
011101							2630300	2654100	
1301 1	ANDREAS MEM. PARK 13-F-0 23.38 ACRES 23.3800	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ 1400 RIVER RD	04 09 622	54 04-03.03	INITIAL FURTHER	2630300	2654100	
011121							1649700	1672600	
1401 1	STADIUM 13-CB-0 12.22 ACRES 12.2200	15B	FAIRLEIGH DICKINSON UNIVERSITY 223 MONTROSS AVENUE RUTHERFORD NJ 1200 RIVER RD (REAR)	20 09 601	54 04-03.06	INITIAL 10/29/70 FURTHER 11/01/95	1649700	1672600	
011225							84100	84100	
1401 2	RIGHT OF WAY VACANT 51X292 .3419	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ 1262 RIVER RD	04 07 728	54 04-03.03	INITIAL FURTHER	84100	84100	
011231							1208000	3471200	
1401 3-31	SCHOOL 13-D-0 4.00 ACRES 4.0000	15D	GRACE EVAN LUTH CHURCH OF TEANECK 1200 RIVER ROAD TEANECK NJ 1200 RIVER RD	20 03 353	54 04-03.06	INITIAL 09/30/70 FURTHER 11/01/95	1208000	3471200	
011236							384000	465000	
1401 3-02	CHURCH 1.92 ACRE 1.9200	15D	HOPE PRESBYTERIAN CHURCH THE 344 HOFFMAN AVE NJ WEN HILFORD RD 1190 RIVER RD	20 03 353	54 04-03.06	INITIAL FURTHER	384000	465000	
1403 1	COLLEGE 23-D-0 2.98 ACRES 2.9800	15B	FAIRLEIGH DICKINSON UNIVERSITY 233 MONTROSS AVENUE RUTHERFORD NJ 1140 RIVER RD	20 03 350	54 04-03.06	INITIAL 07/10/68 FURTHER 11/01/95	596000	1421600	
011271							3800	3800	
1501 1	VACANT LAND VACANT 14X120 .0386	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ ROUTE 4 BUFFER	04 07 095	54 04-03.03	INITIAL FURTHER	3800	3800	
011276							17600	17600	
1501 7	VACANT LAND VACANT 48X125 .1377	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ ROUTE 4 BUFFER	04 07 095	54 04-03.03	INITIAL FURTHER	17600	17600	
011306							60700	60700	
1502 1	VACANT LAND VACANT 47X120 .1295	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ ROUTE 4 BUFFER	04 07 095	54 04-03.03	INITIAL FURTHER	60700	60700	
011311							24100	24100	
1503 1	VACANT LAND VACANT 25X120 .0689	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ ROUTE 4 BUFFER	04 07 095	54 04-03.03	INITIAL FURTHER	24100	24100	
011361							34600	34600	
1504 11	VACANT LAND VACANT .461 ACRES .4610	15C	TOWNSHIP OF TEANECK MUNICIPAL BUILDING TEANECK NJ PENBROKE ST	04 07 095	54 04-03.03	INITIAL FURTHER	34600	34600	
011481							3265700	11811400	

TAXING DISTRICT NO. 60 TEANECK TWP		COUNTY NO. 02 BERGEN		PAGE NO. 5	
TOTAL	8545700	TOTAL	3265700	TOTAL	11811400
TOTAL	8545700	TOTAL	3265700	TOTAL	11811400

ADDEO ASSESSMENT REAL PROPERTY TAX LIST FOR YEAR 1996

BLOCK NO. LOT NO. QUALIFICATION ACCOUNT NO.	LAND ENCUMBRANCES Building Description ADDITIONAL LOTS ACREAGE	Prop Class	ADDRESS CITY STATE PROPERTY LOCATION	OWNER'S NAME	BILLING CORP ZIP CODE DATE MAP	ZONING	TAXABLE VALUE LAND IMPROVEMENTS REDEMPTION NET TOTAL	DATE OF COMPLETION MO DAY	PRORATED ASSESSMENT	TOTAL REAL PROPERTY TAX	SPECIAL TAX AMOUNT	PAGE NO.	NET AMOUNT OF TAX
2012 14	ADDITIONS	2	RUBIN, JEHUDITH 365 W ENGLEWOOD AVE TEANECK NJ	01175 07666			118100	12 12 30	118100	354481		355401	
018476			TAUBES, LEO & RENA 336 W ENGLEWOOD AVE TEANECK, N.J.	02640 07666			7500	09 03 30	5625	16931		16931	
2103 2	ADD BATH & REMO	2	TAUBES, LEO & RENA 336 W ENGLEWOOD AVE TEANECK, N.J.	02640 07666			7500	09 03 30	5625	16931		16931	
018801			EISENBERG, CHARLES H. & TERRI S. 1309 OICKERSON ROAD TEANECK NJ	S. 01576 07666			11500	12 12 30	11500	34615		34615	
2103 34	RENOV-KIT&BATH	2	EISENBERG, CHARLES H. & TERRI S. 1309 OICKERSON ROAD TEANECK NJ	S. 01576 07666			11500	12 12 30	11500	34615		34615	
018961			ROSEMIN, NEVILLE & MARLENE 1313 OICKERSON RD TEANECK NJ	01175 07666			20300	11 01 09	18608	56010		56010	
2103 35	AOD, REMOD. KIT	2	ROSEMIN, NEVILLE & MARLENE 1313 OICKERSON RD TEANECK NJ	01175 07666			20300	11 01 09	18608	56010		56010	
018966			LACUI, AGERICO J & CONCEPCION M. 1347 TAFT RD TEANECK NJ	01175 07666			2700	08 04 19	1800	5418		5418	
2105 13	REPLACE GARAGE	2	LACUI, AGERICO J & CONCEPCION M. 1347 TAFT RD TEANECK NJ	01175 07666			2700	08 04 19	1800	5418		5418	
019291			LANDES, DAVID & FAYE 1205 W LAURELTON PKWY TEANECK NJ	00660 07666			6700	07 05 30	3908	11763		11763	
2108 1	PLUMB & BSMT FI	2	LANDES, DAVID & FAYE 1205 W LAURELTON PKWY TEANECK NJ	00660 07666			6700	07 05 30	3908	11763		11763	
019486			LUSTBERG, ROBERT & SYLVIA 1181 W LAURELTON PKWY TEANECK NJ	01576 07666			11000	12 12 30	11000	33110		33110	
2202 12	REMO KIT. & T.R.	2	LUSTBERG, ROBERT & SYLVIA 1181 W LAURELTON PKWY TEANECK NJ	01576 07666			11000	12 12 30	11000	33110		33110	
019931			EMNIS, RONALD D. & PAMELA S. 1104 MAGNOLIA ROAD TEANECK NJ	01977 07666			3800	05 07 30	1583	4765		4765	
2207 9	CENTRAL ATR	2	EMNIS, RONALD D. & PAMELA S. 1104 MAGNOLIA ROAD TEANECK NJ	01977 07666			3800	05 07 30	1583	4765		4765	
020341			KOLLIAS, HARRY G. & ELBA 1109 LAMBERT RD TEANECK, N.J.	00154 07666			5800	08 04 02	3867	11640		11640	
2208 20	REMO. BATH	2	KOLLIAS, HARRY G. & ELBA 1109 LAMBERT RD TEANECK, N.J.	00154 07666			5800	08 04 02	3867	11640		11640	
020506			FEURERSTEIN, ANDREI & SUSAN 1097 EMERSON AVE TEANECK, N.J.	00000 07666			7200	12 12 30	7200	21672		21672	
2209 2	BATHROOM	2	FEURERSTEIN, ANDREI & SUSAN 1097 EMERSON AVE TEANECK, N.J.	00000 07666			7200	12 12 30	7200	21672		21672	
020536			BEKRITSKY, STANLEY & DIANNE E. 1104 LAMBERT RD TEANECK NJ	01175 07666			6100	11 01 05	5592	16832		16832	
2209 11	REMO. BATH	2	BEKRITSKY, STANLEY & DIANNE E. 1104 LAMBERT RD TEANECK NJ	01175 07666			6100	11 01 05	5592	16832		16832	
020581			MATHER, THEODORE B. & KERRI G. 268 GROVE ST TEANECK NJ	00660 07666			2900	12 12 30	2900	8729		8729	
2302 13	ATTIC FINISH	2	MATHER, THEODORE B. & KERRI G. 268 GROVE ST TEANECK NJ	00660 07666			2900	12 12 30	2900	8729		8729	
020826			ZARETSKY, SOLOMON 280 QUEENS COURT TEANECK NJ	00000 07666			41500	04 08 30	13833	41637		41637	
2304 5	ADDS & RENOV.	2	ZARETSKY, SOLOMON 280 QUEENS COURT TEANECK NJ	00000 07666			41500	04 08 30	13833	41637		41637	
020931			LUTZE, ROBERT & PATRICIA A. 305 FARRANT TER TEANECK NJ	00000 07666			5300	06 06 30	2650	7977		7977	
2305 4	REMODEL BATH	2	LUTZE, ROBERT & PATRICIA A. 305 FARRANT TER TEANECK NJ	00000 07666			5300	06 06 30	2650	7977		7977	
021076													

NET TAXABLE VALUE	250400	PRORATED ASSESSMENT	208166	REAL PROPERTY TAX	626580	SPECIAL TAX	00	NET TAX	526580
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FOR 1997

TABLE OF AGGREGATES OF EAST ORANGE CITY

TAXABLE AND EXEMPT PROPERTY IN THE TAXING DISTRICT

(1) VALUE OF LAND IMPROVEMENTS	70,000,000	43,324,600
(2) VALUE OF LAND & IMPROVEMENTS	22,000,000	9,233,700
(3) TOTAL	325,353,700	56,855,800
(4) TAX VALUE SUBJECT TO EQUIPT OF MISCELLANEOUS	5,196,200	205,021,800

(5) EXEMPTIONS	(RS 54 4-3-50)	43,324,600
POLLUTION CONTROL	(RS 54 4-3-50)	9,233,700
FIRE SUPPRESSION	(RS 54 4-3-50)	32,016,100
FAL-OUT SHELTER	(RS 54 4-3-50)	56,855,800
WATER/SERVICES FAC.	(RS 54 4-3-50)	1,216,600
UCZ ADAPTEMENT	(RS 54 4-3-50)	53,216,600
HOME IMPROVEMENT	(RS 54 4-3-50)	205,021,800
MULTI-FAMILY	(RS 54 4-3-50)	
LL & ADAPTEMENT	(RS 54 4-3-50)	
SMALL ADAPTEMENT	(RS 54 4-3-50)	
DMRLL EXEMPTION	(RS 54 4-3-50)	
NEW DM/LL/UNIV ADATL	(RS 54 4-3-50)	
NEW DM/LL/UNIV EXEM	(RS 54 4-3-50)	
MUL DM/LL EXEM	(RS 54 4-3-50)	
MUL DM/LL ADATL	(RS 54 4-3-50)	
MUL DM/LL EXEMPTION	(RS 54 4-3-50)	
TOTAL		174,600

(6) NET VALUATION TAXABLE PER \$100 TAXABLE VALUE	174,600	174,600
(7) TAX RATE - GENL TAX RATE	174,600	174,600
(8) RATIO - AVERAGE RATIO OF TRUE VALUE TO RR PROP	174,600	174,600
(9) TRUL VALUE LL II RR PROP	174,600	174,600
(10) EQUALIZATION	174,600	174,600
(11) NET VALUE ON WHICH COUNTY TAXES ARE APPORTIONED	174,600	174,600
(12) APPORTIONMENT OF TAXES	174,600	174,600
TOTAL - COUNTY TAX - APPT	174,600	174,600
(13) ADJUSTMENTS (RS 54 2-37)	174,600	174,600
(14) CHIEF EQUAL TOT APPL (+ OR -)	174,600	174,600
(15) ADJUSTMENTS ERRORS (+ OR -)	174,600	174,600

(16) REAL PROPERTY CLASSIFICATION SUMMARY	329,375,300	329,375,300
(17) NET VALUATION TAXABLE	329,375,300	329,375,300
(18) TAX RATE - GENL TAX RATE	329,375,300	329,375,300
(19) RATIO - AVERAGE RATIO OF TRUE VALUE TO RR PROP	329,375,300	329,375,300
(20) TRUL VALUE LL II RR PROP	329,375,300	329,375,300
(21) EQUALIZATION	329,375,300	329,375,300
(22) NET VALUE ON WHICH COUNTY TAXES ARE APPORTIONED	329,375,300	329,375,300
(23) APPORTIONMENT OF TAXES	329,375,300	329,375,300
TOTAL - COUNTY TAX - APPT	329,375,300	329,375,300
(24) ADJUSTMENTS (RS 54 2-37)	329,375,300	329,375,300
(25) CHIEF EQUAL TOT APPL (+ OR -)	329,375,300	329,375,300
(26) ADJUSTMENTS ERRORS (+ OR -)	329,375,300	329,375,300

(14) MISC REVENUE FOR SUPPORT OF BUDGET	8,618,407.46	8,618,407.46
(15) APPORTIONMENT OF TAXES	8,618,407.46	8,618,407.46
(16) REAL PROPERTY CLASSIFICATION SUMMARY	8,618,407.46	8,618,407.46
(17) NET VALUATION TAXABLE	8,618,407.46	8,618,407.46
(18) TAX RATE - GENL TAX RATE	8,618,407.46	8,618,407.46
(19) RATIO - AVERAGE RATIO OF TRUE VALUE TO RR PROP	8,618,407.46	8,618,407.46
(20) TRUL VALUE LL II RR PROP	8,618,407.46	8,618,407.46
(21) EQUALIZATION	8,618,407.46	8,618,407.46
(22) NET VALUE ON WHICH COUNTY TAXES ARE APPORTIONED	8,618,407.46	8,618,407.46
(23) APPORTIONMENT OF TAXES	8,618,407.46	8,618,407.46
TOTAL - COUNTY TAX - APPT	8,618,407.46	8,618,407.46
(24) ADJUSTMENTS (RS 54 2-37)	8,618,407.46	8,618,407.46
(25) CHIEF EQUAL TOT APPL (+ OR -)	8,618,407.46	8,618,407.46
(26) ADJUSTMENTS ERRORS (+ OR -)	8,618,407.46	8,618,407.46

(17) NET VALUATION TAXABLE	183,717,200	183,717,200
(18) TAX RATE - GENL TAX RATE	183,717,200	183,717,200
(19) RATIO - AVERAGE RATIO OF TRUE VALUE TO RR PROP	183,717,200	183,717,200
(20) TRUL VALUE LL II RR PROP	183,717,200	183,717,200
(21) EQUALIZATION	183,717,200	183,717,200
(22) NET VALUE ON WHICH COUNTY TAXES ARE APPORTIONED	183,717,200	183,717,200
(23) APPORTIONMENT OF TAXES	183,717,200	183,717,200
TOTAL - COUNTY TAX - APPT	183,717,200	183,717,200
(24) ADJUSTMENTS (RS 54 2-37)	183,717,200	183,717,200
(25) CHIEF EQUAL TOT APPL (+ OR -)	183,717,200	183,717,200
(26) ADJUSTMENTS ERRORS (+ OR -)	183,717,200	183,717,200

CERTIFICATION BY COUNTY BOARD

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND COMPLETE RECORD OF THE TAXES ASSESSED FOR THE YEAR 1997 IN THE TAXING DISTRICT OF EAST ORANGE CITY, COUNTY OF ESSEX, NEW JERSEY, AND THAT \$329,375,300 IS THE NET VALUATION TAXABLE AND \$1,227,469,760 IS THE NET VALUATION TAXABLE AND \$1,227,469,760 IS THE NET VALUATION TAXABLE AND REGIONAL OR CONSOLIDATED SCHOOL TAXES ARE APPORTIONED.

ATTEST

PRESIDENT

V. PRESIDENT

COMMISSIONER

COMMISSIONER

TAX ADMINISTRATOR

SWORN AND SUBSCRIBED BEFORE ME THIS DAY OF 1997

07/29/97

TAXING DISTRICT 05 EAST ORANGE CITY COUNTY 07 ESSEX

1997 TAX LIST DISTRICT SUMMARY

CLASSIFICATION	NO. OF PARCELS	LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	BOOK VALUE OF TANGIBLES PROP	EXEMPTION AMOUNT	NET TAXABLE VALUE
1 VACANT LAND	475	4,128,900	0	4,128,900	0	0	4,128,900
2 RESIDENTIAL	8,014	51,061,100	131,856,100	183,717,200	0	0	183,717,200
3A FARM-(REGULAR)	0	0	0	0	0	0	0
3C FARM (JCALIFIED)	0	0	0	0	0	0	0
4A COMMERCIAL	626	24,116,000	37,022,300	59,740,300	174,000	0	55,565,700
4B INDUSTRIAL	38	1,700,000	3,410,200	5,110,200	0	0	5,110,200
4C APARTMENT	336	10,214,000	53,374,800	71,589,100	0	0	71,589,100
CLASS 4 TOTAL	1,000	42,092,000	94,415,300	136,507,600	174,000	0	136,233,600
RATABLE TOTAL	10,089	90,062,000	226,271,400	324,333,700	174,000	0	324,175,100

CLASS	CLASS 1 RAILROAD	CLASS 2 RAILROAD	RAILROAD TOTAL
5A	0	0	0
5B	0	0	0
RAILROAD TOTAL	0	0	0

CLASS	6A TELEPHONE	6B PETROL REFINERIES	6C MISCELLANEOUS	PUBLIC UTIL. TOTAL
6A	1	0	0	1
6B	0	0	0	0
6C	0	0	0	0
PUBLIC UTIL. TOTAL	1	0	0	1

CLASSIFICATION	NO. OF PARCELS	EXEMPTION AMOUNT	CLASSIFICATION	NO. OF PARCELS	EXEMPTION AMOUNT
15A PUBLIC SCHOOL	47	5,610,000	0100	37,714,500	43,324,600
15B OTHER SCHOOL	10	1,000,000	0100	5,146,900	9,233,700
15C PUBLIC PROPERTY	332	0,000,000	0100	32,010,100	32,010,100
15D CHARITABLE	147	0,043,000	0100	56,801,800	56,801,800
15E CEMETERY	4	1,420,000	0100	1,429,000	1,429,000
15F MISCELLANEOUS	50	5,870,000	0100	5,821,600	5,821,600
EXEMPT TOTAL	490	20,943,000	173,952,000	202,021,800	202,021,800

CLASSIFICATION	NO. OF PARCELS	DEDUCTION AMOUNT	CLASSIFICATION	NO. OF PARCELS	EXEMPTION AMOUNT
SENIOR CITIZEN	551	137,750	0100	0	0
DISABLED PERSON	51	12,750	0100	0	0
SURVIVING SPOUSE	31	31,950	0100	0	0
VETERAN	639	6,700	0100	0	0
WIDOW OF VETERAN	134	6,700	0100	0	0

TAX LIST INDEX FOR THE YEAR 1997

COUNTY NO. 01 ATLANTIC

TAXING DISTRICT NO. 09 ESTELL MANOR

NAME OF OWNER ADDITIONAL OWNERS	PAGE NO.	BLOCK NO.	LOT NO.	LOT QUALIF.	ACCOUNT NO.	CLASS	PROPERTY LOCATION
BROWN, HENRY C/D ERIE WILSON	0169	60-38	297			1	10TH ST
BROWN, KENNETH A	0048	S-61	41		06041 00047	1	1314 SHIRO AVE
BROWN, MICHAEL D & AMEE B	0105	21	41			1	1ND S
BROWN, RAYMOND F & BESSIE	0140	60-05	223			1	PENN AVE
BROWN, STEPHEN W & FERN A	0045	16	41		05624 00223	1	113 CAPE MAY AVE
BROWN, VICTORIA	0156	60-23	305			1	15TH ST
BRUCCHIERI, ANGEL ET ALS	0015	60-23	305			1	15TH ST
BRUCCHIERI, ANGEL ET ALS	0015	S-27	33			1	16TH ST
BRUCKNER, PETER	0016	S-27	33			1	ROUTE 50
BRUNO, JACQUELINE, YOTSKO, FRANCINE	0143	60-08	153			1	ROUTE 50
BRUNO, JOHN	0161	60-29	491	12.02		1	7TH ST
BUCCHIAN, NANCY M	0088	63	41		05114 00187	1	182 CUMBERLAND AVE
BUCK, HILL GUN CLUB C/O R HARPER	0102	20	31		05247 00207	2	123 HEAD OF THE RIVER RD
BUCK, GARY A & DANIEL D	0162	60-24	339		05447 00319	2	172 TUCKAHOE RD
BUDA, CAROL P & MARY LOU	0070	4	11			1	100 EIGHTH AVE
BURBAGE, TIM S & MARY LOU	0045	4	11			1	6TH ST
BURKE, THOMAS & MARGARET	0176	S-48	33			1	12TH ST
BURMAN, ROBERT & MARY JANE	0185	63	8	01		1	206 LOROS LANE
BURNS, EDGAR & LORRAINE	0073	63	8	01		1	12TH ST
BURNS, EDWARD F & CAROL A	0073	2	22	02		1	12TH ST
BURNS, EDWARD F & CAROL A	0073	2	22	01		1	12TH ST
BURNS, H J & A J	0073	2	22	01		1	12TH ST
BURRELL, MARTIN & MARY	0175	60-45	57			1	16TH ST
BURRILL, MARGARET & ISAAC	0026	12	19			1	FIFTH AVE
BURKS, SON J & WADYSLAWA	0082	23	27	03		1	FIRST AVE
BULLER, JAMES A & SMITH, VALERIE E	0113	23	27	03		1	FIRST AVE
BULLER, JAMES A & SMITH, VALERIE E	0113	23	27	03		1	FIFTH AVE
BUTNER, SAMUEL F	0081	12	52	0		1	LINWOOD AVE
BUTNER, SAMUEL F JR & MARGARET L	0081	12	52	0	03677 00232	1	12TH ST
BUZIL, ELLIOT GREENWALD	0054	29	33	01		1	SOUTH JERSEY AVE
BYRD, ALFRED & CORA	0187	S-67	26			1	15TH ST
BYRD, ALFRED & CORA	0187	60-29	567			1	15TH ST
C H MARTIN ASSOCIATES	0187	62	18		QFARM	1	VEAL RUM
C H MARTIN ASSOCIATES	0187	62	18		QFARM	1	CAPE MAY AVE
C H MARTIN ASSOCIATES	0190	64	19		QFARM	1	CAPE MAY AVE
C H MARTIN ASSOCIATES	0190	64	19			1	ROUTE 49
C/O MICHAEL JOFFE (#01TL 101-74)	0043	S-60	54			1	GARRISON RD
CAGLIARDI, ALEXANDRA & CARMEL	0043	S-48	57			1	12TH ST
CALVERT, STELLA	0080	10	36			1	CUMBERLAND AVE
CALVERT, STELLA	0080	10	36			1	13TH ST
CALZADILLA, FELIPE	0041	53	12			1	FIFTH AVE
CAMP, HOWARD G	0128	53	12			1	FIFTH AVE
CAMP, HOWARD G	0128	53	12			1	15TH ST
CAMP, HOWARD G	0128	53	12			1	15TH ST
CAMP, HOWARD G	0128	53	12			1	201 ROUTE 50
CAMP, HOWARD G	0128	53	12			1	199 ROUTE 50
CAMP, HOWARD G	0128	53	12			1	60 SOUTH RIVER ROAD
CANCEL, MENCIELES	0172	60-15	487			1	4TH ST
CANCEL, MENCIELES	0172	60-42	386			1	11TH ST
CANCEL, MENCIELES & ADA	0171	60-41	297			1	10TH ST
CANNON, DORIS E & CATHERINE	0058	2	4			1	10TH ST
CAPPACCILO, DRAGON C/O SHIRLEY CAPUANO	0025	S-4C	43			1	15TH ST
CAPUANO, VINCENT	0025	S-40	47			1	215 CUMBERLAND AVE
CARCHIO, RALPH J	0133	57	33			1	BROAD ST
CARCHIO, RALPH J	0133	57	33			1	ROUTE 50
CAREY, GORMAN RAY & LAURI C	0098	56	11		05977 00153	1	ROUTE 50
CAREY, GORMAN RAY & LAURI C	0098	19	29			1	182 FIFTH AVE
CAREY, PATRICIA	0139	60-05	90			1	1ST ST
CARLUCCI, LOUIS	0151	60-17	110			1	5TH ST

TAXING DISTRICT NO. 09 ESTELL MANOR

PROPERTY LOCATION	PAGE NO.	BLOCK NO.	LOT NO.	QUAFT.	ACCOUNT NO.	ZONE	TAX MAP	TAX CLASS	NAME OF OWNER
100 CAPE HAY AVE	0059	2	20			RV-5	TH01	2	NELSON, CARL
101 CAPE HAY AVE	0059	3	21			RV-5	TH01	1	TAGGART, DONALD & ROSE MARIE
102 CAPE HAY AVE	0059	3	22			RV-5	TH01	1	MITCHELL, PAUL J & WILMA SUE
103 CAPE HAY AVE	0059	3	23			RV-5	TH01	1	WEBB, MICHAEL R
104 CAPE HAY AVE	0063	2	24			RV-5	TH01	1	MOORE, DENISE
105 CAPE HAY AVE	0063	16	51			RV-5	TH01	1	BOUNDS, ELOYD
106 CAPE HAY AVE	0063	16	51.01			RV-5	TH01	1	BOUNDS, RICHARD J
107 CAPE HAY AVE	0063	16	52			RV-5	TH01	1	BOUNDS, ELOYD
108 CAPE HAY AVE	0063	16	53			RV-5	TH01	1	BROWN, STEPHEN M & FERN A
109 CAPE HAY AVE	0063	16	54			RV-5	TH01	1	MOORE, ELOYD
110 CAPE HAY AVE	0063	16	55			RV-5	TH01	1	MOORE, ELOYD
111 CAPE HAY AVE	0063	16	56			RV-5	TH01	1	KENNEDY, LEONARD JR & BETTE
112 CAPE HAY AVE	0063	16	57			RV-5	TH01	1	LITTLE, SUSAN
113 CAPE HAY AVE	0063	16	58			RV-5	TH01	1	KNOWLTON, ROBERT & POLENA
114 CAPE HAY AVE	0063	16	59			RV-5	TH01	1	KNOWLTON, ROBERT & RENE
115 CAPE HAY AVE	0063	16	60			RV-5	TH01	1	MCNAY, JAMES & LUBOM
116 CAPE HAY AVE	0063	16	61			RV-5	TH01	1	MCNAY, WILLY & RUTH
117 CAPE HAY AVE	0063	16	62			RV-5	TH01	1	MCNAY, WILLY & RUTH
118 CAPE HAY AVE	0063	16	63			RV-5	TH01	1	MCNAY, WILLY & RUTH
119 CAPE HAY AVE	0063	16	64			RV-5	TH01	1	MCNAY, WILLY & RUTH
120 CAPE HAY AVE	0063	16	65			RV-5	TH01	1	MCNAY, WILLY & RUTH
121 CAPE HAY AVE	0063	16	66			RV-5	TH01	1	MCNAY, WILLY & RUTH
122 CAPE HAY AVE	0063	16	67			RV-5	TH01	1	MCNAY, WILLY & RUTH
123 CAPE HAY AVE	0063	16	68			RV-5	TH01	1	MCNAY, WILLY & RUTH
124 CAPE HAY AVE	0063	16	69			RV-5	TH01	1	MCNAY, WILLY & RUTH
125 CAPE HAY AVE	0063	16	70			RV-5	TH01	1	MCNAY, WILLY & RUTH
126 CAPE HAY AVE	0063	16	71			RV-5	TH01	1	MCNAY, WILLY & RUTH
127 CAPE HAY AVE	0063	16	72			RV-5	TH01	1	MCNAY, WILLY & RUTH
128 CAPE HAY AVE	0063	16	73			RV-5	TH01	1	MCNAY, WILLY & RUTH
129 CAPE HAY AVE	0063	16	74			RV-5	TH01	1	MCNAY, WILLY & RUTH
130 CAPE HAY AVE	0063	16	75			RV-5	TH01	1	MCNAY, WILLY & RUTH
131 CAPE HAY AVE	0063	16	76			RV-5	TH01	1	MCNAY, WILLY & RUTH
132 CAPE HAY AVE	0063	16	77			RV-5	TH01	1	MCNAY, WILLY & RUTH
133 CAPE HAY AVE	0063	16	78			RV-5	TH01	1	MCNAY, WILLY & RUTH
134 CAPE HAY AVE	0063	16	79			RV-5	TH01	1	MCNAY, WILLY & RUTH
135 CAPE HAY AVE	0063	16	80			RV-5	TH01	1	MCNAY, WILLY & RUTH
136 CAPE HAY AVE	0063	16	81			RV-5	TH01	1	MCNAY, WILLY & RUTH
137 CAPE HAY AVE	0063	16	82			RV-5	TH01	1	MCNAY, WILLY & RUTH
138 CAPE HAY AVE	0063	16	83			RV-5	TH01	1	MCNAY, WILLY & RUTH
139 CAPE HAY AVE	0063	16	84			RV-5	TH01	1	MCNAY, WILLY & RUTH
140 CAPE HAY AVE	0063	16	85			RV-5	TH01	1	MCNAY, WILLY & RUTH
141 CAPE HAY AVE	0063	16	86			RV-5	TH01	1	MCNAY, WILLY & RUTH
142 CAPE HAY AVE	0063	16	87			RV-5	TH01	1	MCNAY, WILLY & RUTH
143 CAPE HAY AVE	0063	16	88			RV-5	TH01	1	MCNAY, WILLY & RUTH
144 CAPE HAY AVE	0063	16	89			RV-5	TH01	1	MCNAY, WILLY & RUTH
145 CAPE HAY AVE	0063	16	90			RV-5	TH01	1	MCNAY, WILLY & RUTH
146 CAPE HAY AVE	0063	16	91			RV-5	TH01	1	MCNAY, WILLY & RUTH
147 CAPE HAY AVE	0063	16	92			RV-5	TH01	1	MCNAY, WILLY & RUTH
148 CAPE HAY AVE	0063	16	93			RV-5	TH01	1	MCNAY, WILLY & RUTH
149 CAPE HAY AVE	0063	16	94			RV-5	TH01	1	MCNAY, WILLY & RUTH
150 CAPE HAY AVE	0063	16	95			RV-5	TH01	1	MCNAY, WILLY & RUTH
151 CAPE HAY AVE	0063	16	96			RV-5	TH01	1	MCNAY, WILLY & RUTH
152 CAPE HAY AVE	0063	16	97			RV-5	TH01	1	MCNAY, WILLY & RUTH
153 CAPE HAY AVE	0063	16	98			RV-5	TH01	1	MCNAY, WILLY & RUTH
154 CAPE HAY AVE	0063	16	99			RV-5	TH01	1	MCNAY, WILLY & RUTH
155 CAPE HAY AVE	0063	16	100			RV-5	TH01	1	MCNAY, WILLY & RUTH
156 CAPE HAY AVE	0063	16	101			RV-5	TH01	1	MCNAY, WILLY & RUTH
157 CAPE HAY AVE	0063	16	102			RV-5	TH01	1	MCNAY, WILLY & RUTH
158 CAPE HAY AVE	0063	16	103			RV-5	TH01	1	MCNAY, WILLY & RUTH
159 CAPE HAY AVE	0063	16	104			RV-5	TH01	1	MCNAY, WILLY & RUTH
160 CAPE HAY AVE	0063	16	105			RV-5	TH01	1	MCNAY, WILLY & RUTH
161 CAPE HAY AVE	0063	16	106			RV-5	TH01	1	MCNAY, WILLY & RUTH
162 CAPE HAY AVE	0063	16	107			RV-5	TH01	1	MCNAY, WILLY & RUTH
163 CAPE HAY AVE	0063	16	108			RV-5	TH01	1	MCNAY, WILLY & RUTH
164 CAPE HAY AVE	0063	16	109			RV-5	TH01	1	MCNAY, WILLY & RUTH
165 CAPE HAY AVE	0063	16	110			RV-5	TH01	1	MCNAY, WILLY & RUTH
166 CAPE HAY AVE	0063	16	111			RV-5	TH01	1	MCNAY, WILLY & RUTH
167 CAPE HAY AVE	0063	16	112			RV-5	TH01	1	MCNAY, WILLY & RUTH
168 CAPE HAY AVE	0063	16	113			RV-5	TH01	1	MCNAY, WILLY & RUTH
169 CAPE HAY AVE	0063	16	114			RV-5	TH01	1	MCNAY, WILLY & RUTH
170 CAPE HAY AVE	0063	16	115			RV-5	TH01	1	MCNAY, WILLY & RUTH
171 CAPE HAY AVE	0063	16	116			RV-5	TH01	1	MCNAY, WILLY & RUTH
172 CAPE HAY AVE	0063	16	117			RV-5	TH01	1	MCNAY, WILLY & RUTH
173 CAPE HAY AVE	0063	16	118			RV-5	TH01	1	MCNAY, WILLY & RUTH
174 CAPE HAY AVE	0063	16	119			RV-5	TH01	1	MCNAY, WILLY & RUTH
175 CAPE HAY AVE	0063	16	120			RV-5	TH01	1	MCNAY, WILLY & RUTH
176 CAPE HAY AVE	0063	16	121			RV-5	TH01	1	MCNAY, WILLY & RUTH
177 CAPE HAY AVE	0063	16	122			RV-5	TH01	1	MCNAY, WILLY & RUTH
178 CAPE HAY AVE	0063	16	123			RV-5	TH01	1	MCNAY, WILLY & RUTH
179 CAPE HAY AVE	0063	16	124			RV-5	TH01	1	MCNAY, WILLY & RUTH
180 CAPE HAY AVE	0063	16	125			RV-5	TH01	1	MCNAY, WILLY & RUTH
181 CAPE HAY AVE	0063	16	126			RV-5	TH01	1	MCNAY, WILLY & RUTH
182 CAPE HAY AVE	0063	16	127			RV-5	TH01	1	MCNAY, WILLY & RUTH
183 CAPE HAY AVE	0063	16	128			RV-5	TH01	1	MCNAY, WILLY & RUTH
184 CAPE HAY AVE	0063	16	129			RV-5	TH01	1	MCNAY, WILLY & RUTH
185 CAPE HAY AVE	0063	16	130			RV-5	TH01	1	MCNAY, WILLY & RUTH
186 CAPE HAY AVE	0063	16	131			RV-5	TH01	1	MCNAY, WILLY & RUTH
187 CAPE HAY AVE	0063	16	132			RV-5	TH01	1	MCNAY, WILLY & RUTH
188 CAPE HAY AVE	0063	16	133			RV-5	TH01	1	MCNAY, WILLY & RUTH
189 CAPE HAY AVE	0063	16	134			RV-5	TH01	1	MCNAY, WILLY & RUTH
190 CAPE HAY AVE	0063	16	135			RV-5	TH01	1	MCNAY, WILLY & RUTH

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**TABLE OF AGGREGATES -- 19<sub>97</sub>**  
**of Taxable and Exempt Property in the Taxing District of EWING TOWNSHIP**

1. Taxable Value		
A. Land	\$ <u>576,750.900</u>	
B. Improvements	<u>1,134,633,200</u>	
2. Total Taxable Value of Land & Improvements		\$ <u>1,711,384,100</u>
3. Less Total Partial Exemptions		<u>860,600</u>
4. Net Taxable Value		<u>1,710,523,500</u>
5. Taxable Value of Machinery, Implements & Equipment of Telephone, Telegraph & Messenger System Cos. (Ch. 138, L. 1966)		<u>25,199,699</u>
6. Net Valuation Taxable (4 + 5)		\$ <u>1,735,723,199</u>
7. General Tax Rate	\$ <u>2.81</u>	
8. County Equalization Table Ratio	<u>98.02 %</u>	
9. True Value Class II Railroad (Ch. 139, L. 1966)		\$ <u>47,917</u>
10. Equalization (R.S. 54:3-17; R.S. 54:3-19)		\$ <u>84,346,506</u>
A. Amount Deducted (Ch. 168, L. 1974)	\$ _____	
B. Amount Added	\$ <u>84,346,508</u>	
I. Real Property	<u>34,552,505</u>	
II. Personal Property of Telephone, Telegraph & Messenger Systems Cos.	_____	
III. Assumed Fair Value - Business Personal Property Replacement Rev.	<u>49,794,001</u>	
11. Net Valuation on Which County Taxes are Apportioned (6 + 9 + 10)		\$ <u>1,820,117,622</u>
12. Apportionment of Taxes		
A. County Taxes		
I. Total County Taxes Apportioned (Including Adjustments)	\$ <u>10,059,801.56</u>	
II. Adjustments Resulting From		
a. County Equalization Table Appeals	_____	
b. Appeals & Corrected Errors	<u>-96,574.09</u>	
III. Net County Taxes Apportioned (I ± IIa ± IIb)		\$ <u>9,963,227.47</u>
B. a. County Library Taxes		<u>1,285,769.37</u>
c. County Open Space Tax		<u>180,321.44</u>
C. Local Taxes to be Raised For		
I. District School Purposes		<u>31,715,335.00</u>
a. As required by District School Budget		_____
b. Regional, Consolidated & Joint School Budgets		_____
c. As required by Local Municipal Budget		<u>5,553,136.27</u>
II. Local Municipal Purposes		\$ <u>48,697,789.55</u>
D. Total Tax Levy (12AIII + 12Ba + 12Bc + 12CI + 12CII)		
13. Property Exempt From Taxation		
A. Public School Property	\$ <u>33,848,100</u>	
B. Other School Property	<u>154,761,100</u>	
C. Public Property	<u>347,195,600</u>	
D. Church & Charitable Property	<u>22,655,600</u>	
E. Cemeteries & Graveyards	<u>5,579,100</u>	
F. Other Exemptions	<u>21,065,600</u>	
G. Total Amount of Exempt Property (A + B + C + D + E + F)		\$ <u>585,105,100</u>



TABLE OF AGGREGATES - 1997, Continued

14. Amount of Miscellaneous Revenues for the support of the Local Budget

A. Surplus Revenue Appropriated	\$ 1,500,000.00	
B. Miscellaneous Revenues Anticipated	21,172,828.94	
C. Receipts from Delinquent Taxes & Liens	<u>1,371,000.00</u>	
D. Total Miscellaneous Revenues (A + B + C)		\$ 24,043,828.94

15. Deductions Allowed (Ch. 73, L. 1976)

A. Senior Citizen; Disabled; Surviving Spouse (Ch. 129, L. 1976)		\$ 220,000.00
B. Veterans Deductions		<u>\$ 111,650.00</u>

APPORTIONMENT OF TAXES & ALLOCATIONS OF TAX RATES PER \$100 VALUATION

<u>Item</u>	<u>Amount of Tax</u>	<u>Rate</u>
Net County Taxes	\$ 9,963,227.47	\$ .570
County Library Tax	<u>1,285,769.37</u>	<u>.080</u>
County Open Space Tax	<u>180,321.44</u>	<u>.010</u>
District School Tax	31,715,335.00	1.830
Local Municipal Purpose Tax	<u>5,553,136.27</u>	<u>.320</u>
Total Tax Levy	\$ 48,697,789.55	\$ 2.810

REAL PROPERTY CLASSIFICATION SUMMARY

<u>Class</u>	<u>No. of Line Items</u>	<u>Taxable Value</u>
1. Vacant Land	<u>698</u>	\$ 19,828,400
2. Residential	<u>9,969</u>	<u>1,219,823,900</u>
3a. Farm (Regular)	<u>1</u>	<u>461,700</u>
3b. Farm (Qualified)	<u>6</u>	<u>72,000</u>
4a. Commercial	<u>548</u>	\$ 371,043,000
4b. Industrial	<u>27</u>	<u>31,255,600</u>
4c. Apartment	<u>18</u>	<u>68,038,900</u>
Total Class 4a, 4b, 4c	<u>593</u>	<u>470,337,500</u>
TOTAL	<u>11,267</u>	\$ 1,710,523,500

STATE OF NEW JERSEY MERCER COUNTY ss.

I, \_\_\_\_\_ Assessor of the Taxing District of \_\_\_\_\_ do swear (or affirm) that the foregoing list contains the valuations made by me, to the best of my ability, of all the property liable to taxation in the taxing district in which I am the Assessor and that I have valued it, without favor or partiality and have made such deductions only for debts and exemptions as are prescribed by law.

Sworn and subscribed before me, this 21<sup>st</sup> day of JUN/JULY, 1997.

Theodore M. Yim  
 NOTARY PUBLIC THEODORE M. YIM  
 NOTARY PUBLIC OF NEW JERSEY  
 My Commission Expires April 20, 2000

Attest: JUNE 24, 1997

Martin M. Kuhl  
 TAX ADMINISTRATOR

William G. Blake  
 ASSESSOR

Herbert E. Donnelly

Herbert E. Donnelly  
 TAX BOARD COMMISSIONERS

1997 TAX RATE DATA - EWING TOWNSHIP

MERCER COUNTY BOARD OF TAXATION

NET VALUATION TAXABLE	TRUE VALUE CLASS II R.R. (Ch. 139, L. 1986)		EQUALIZATION (R.S. 64:3-17 & 3-19 As Amended) Amounts Added/Deducted	EQUALIZED VALUATION
	APPORTIONED RATE	AMOUNT		
\$ 1,735,723,199.	\$ 47,917.		\$ 84,346,506.	\$ 1,820,117,622.
TAX			NET AMOUNT TO BE RAISED	ACTUAL RATE
COUNTY Adjustment	.55270063	10,059,801.56 - 96,574.09	9,963,227.47	.57401016
LIBRARY Adjustment	.07133204	1,298,327.03 - 12,557.66	1,285,769.37	.07407687
OPEN SPACES Adjustment	.01000000	182,011.76 - 1,690.32	180,321.44	.01038884
SCHOOL			31,715,335.00	1.82721156
LOCAL			5,553,136.27	.31993213
TOTALS			48,697,789.55	2.80561956

Certified Tax Rate \$2.810 per \$100.00 Valuation



# ABSTRACT OF RATABLES

## GLOUCESTER COUNTY

1997



### GLOUCESTER COUNTY BOARD OF TAXATION

JACQUELINE A. CLARK  
*President*

EDITH K. PATTERSON  
*Commissioner*

FRANCIS A. Mc DEVITT  
*Commissioner*

DOLORIS R. LINDSAY  
*County Tax Administrator*



**(COUNTY PERCENTAGE LEVEL OF TAXABLE VALUE OF REAL PROPERTY IN EFFECT - 100%)**

TAXING DISTRICTS	1 Taxable Value		2 Taxable Value of Land and Improvements (Col. 1A + 1B)	3 Total Taxable Value Partial Exemptions And Abatements (Assessed Value)	4 Net Taxable Value of Land + Improv (Col 2 - 3)	5 Taxable Value Communication Equipment	Net Valuation Taxable (Col 4 + 5)
	(A) Land	(B) Improvements (Includes Partial Exemptions and Abatements)					
1. CLAYTON BOROUGH	66,245,100	173,360,200	239,605,300	708,325	238,896,975	1,994,751	240,891,726
2. DEPTFORD TOWNSHIP	402,776,800	848,738,700	1,251,517,500		1,251,517,500	5,386,400	1,256,903,900
3. EAST GREENWICH TOWNSHIP	76,852,900	195,380,100	272,233,000		272,233,000	1,330,895	273,563,895
4. ELK TOWNSHIP	59,122,900	87,877,900	147,000,800	60,100	381,263,000	1,023,185	148,023,985
5. FRANKLIN TOWNSHIP	93,529,600	287,793,500	381,323,100	498,700	590,617,500	13,403,428	604,020,928
6. GLASSBORO BOROUGH	192,096,100	399,020,100	591,116,200	52,800	681,451,300	770,544	682,221,844
7. GREENWICH TOWNSHIP	95,161,100	586,343,000	681,504,100		385,021,900	3,074,938	388,096,838
8. HARRISON TOWNSHIP	112,831,100	272,190,800	385,021,900		434,986,690	3,248,762	438,235,452
9. LOGAN TOWNSHIP	89,776,900	35,209,790	434,986,690	965,100	556,408,700	6,499,410	562,908,110
10. MANTUA TOWNSHIP	163,639,500	393,734,300	557,373,800		980,802,200	12,729,836	993,532,036
11. MONROE TOWNSHIP	265,442,100	715,360,100	980,802,200		93,477,500	188,462	93,665,962
12. NATIONAL PARK BOROUGH	24,442,400	69,035,100	93,477,500		58,772,700	519,111	59,291,811
13. NEWFIELD BOROUGH	12,958,000	45,814,700	58,772,700		232,738,250	2,596,024	235,334,274
14. PAULSBORO BOROUGH	38,536,300	194,201,950	232,738,250	182,900	370,611,600	912,402	371,524,002
15. PITMAN BOROUGH	106,784,700	264,009,800	370,794,500	190,200	122,736,500	872,405	123,608,905
16. SOUTH HARRISON TOWNSHIP	37,130,000	85,796,700	122,926,700		69,053,000	3,919,028	72,972,028
17. SWEDESORO BOROUGH	17,705,400	51,347,600	69,053,000	5,940,797	2,041,427,203	11,457,707	2,052,884,910
18. WASHINGTON TOWNSHIP	650,125,500	1,397,242,500	2,047,368,000		129,956,100	432,634	130,388,734
19. WENONAH BOROUGH	47,793,100	82,163,000	129,956,100	15,064,000	1,237,501,000	4,059,120	1,241,560,120
20. WEST DEPTFORD TOWNSHIP	347,855,300	904,709,700	1,252,565,000		162,739,100	687,856	163,426,956
21. WESTVILLE BOROUGH	40,246,000	122,493,100	162,739,100	974,600	376,275,000	7,064,709	383,339,709
22. WOODBURY CITY	118,766,700	258,482,900	377,249,600		125,943,100	965,954	126,909,054
23. WOODBURY HEIGHTS BOROUGH	29,554,800	96,388,300	125,943,100		140,552,700	1,590,235	142,142,935
24. WOOLWICH TOWNSHIP	46,353,700	94,199,000	140,552,700	24,637,522	11,081,983,318	89,199,676	11,171,182,994
COUNTY TOTALS	3,135,728,000	7,970,892,840	11,106,620,840				

TAXING DISTRICTS	7 General Tax Rate Per \$100	8 County Equal Ratio	9			10 Equalization		11 Net Valuation For County Tax Apportionment Col 6-9A+9B-10A+10B	12 Sec A (I) Total County Taxes Apportioned
			(A) True Value UEZ Abate Expired	(B) True Value of Class II Railroads	(A) Amounts Deducted	(B) Amounts Added			
1. CLAYTON BOROUGH	2.630	101.33			1,415,704		239,476,022	1,367,416.35	
2. DEPTFORD TOWNSHIP	2.200	107.41			78,947,748		1,177,956,152	6,726,170.27	
3. EAST GREENWICH TOWNSHIP	2.160	98.80				4,883,536	278,447,431	1,589,944.44	
4. ELK TOWNSHIP	2.390	109.89			12,480,792		135,543,193	773,956.31	
5. FRANKLIN TOWNSHIP	3.690	65.68				201,543,819	587,278,699	3,353,381.63	
6. GLASSBORO BOROUGH	2.940	99.82				9,520,635	613,541,563	3,503,343.49	
7. GREENWICH TOWNSHIP	2.110	102.67				1,712,286	683,934,130	3,905,287.48	
8. HARRISON TOWNSHIP	2.370	98.85				6,167,446	394,264,284	2,251,262.66	
9. LOGAN TOWNSHIP	2.090	93.59				33,631,948	471,867,400	2,694,379.13	
10. MANTUA TOWNSHIP	2.640	97.83				14,706,958	577,615,068	3,298,201.97	
11. MONROE TOWNSHIP	2.680	97.48				3,778,945	97,444,907	556,413.78	
12. NATIONAL PARK BOROUGH	2.860	96.36				6,391,391	65,683,202	375,053.35	
13. NEWFIELD BOROUGH	2.420	91.47				77,679,597	313,013,871	1,787,320.00	
14. PAULSBORO BOROUGH	3.350	76.10			150,381		371,373,621	2,120,556.19	
15. PITMAN BOROUGH	2.910	101.19					125,537,144	716,821.42	
16. SOUTH HARRISON TOWNSHIP	2.080	99.33				1,928,239	81,616,259	466,031.65	
17. SWEDESBORO BOROUGH	2.420	93.50					2,126,658,573	12,143,293.82	
18. WASHINGTON TOWNSHIP	2.510	96.73			1,703,918		128,684,816	734,794.74	
19. WENONAH BOROUGH	2.670	101.45				78,497,244	1,320,057,364	7,537,573.09	
20. WEST DEPTFORD TOWNSHIP	2.400	95.42				1,775,623	165,202,579	943,312.43	
21. WESTVILLE BOROUGH	2.920	99.91				27,526,250	410,865,959	2,346,058.80	
22. WOODBURY CITY	3.190	94.53				30,159,336	157,068,390	896,865.93	
23. WOODBURY HEIGHTS BOROUGH	3.390	81.50				14,806,224	156,949,159	896,184.70	
24. WOOLWICH TOWNSHIP	2.180	92.24					11,704,022,120	66,830,369.68	
COUNTY TOTALS					94,698,543	627,537,669			

APPORTIONMENT OF TAXES

Taxing Districts	Section A County Taxes				Section B					Section C Local Taxes to be Raised for				Section D	
	ADJUSTMENTS RESULTING FROM				III Net County Taxes Appropriated	IV Municipal Budget State Aid	V Net County Taxes Apporin. Less State Aid	(A) County Library Taxes Appropriated	(B) County Health Service Taxes Appropriated	(C) County Open Space Taxes Appropriated	(I) DISTRICT SCHOOL PURPOSES			(II) Local Municipal Budget	Total Levy on Which Tax Rate is Computed
	- Equal Table Appeals -		- Appeals & Corrections -								(A) District School	(B) Reg. Const. & Joint School	(C) Local School		
	Deduct Over- payment	Add Under- payment	Deduct Over- payment	Add Under- payment											
CLAYTON BOROUGH			3,719.47		1,363,696.88		87,291.13		23,947.60	2,768,953.00		2,081,000.00	6,314,868.61		
DEPTFORD TOWNSHIP			135,165.39		6,591,004.88				117,795.62	14,663,849.00		6,163,365.00	27,536,014.90		
EAST GREENWICH TOWNSHIP			641.95		1,589,302.49		113,398.81		27,844.74	2,733,193.00	1,192,807.15	242,601.00	5,899,207.19		
ELK TOWNSHIP			7,656.77		766,299.54		54,676.14		13,554.32	993,764.00	817,871.60	881,000.00	3,527,155.50		
FRANKLIN TOWNSHIP			8,151.52		3,344,230.11				58,727.87	3,440,433.50	3,784,100.49	3,570,118.15	14,197,610.12		
GLASSBORO BOROUGH			14,039.49		3,469,904.00				61,354.16	8,779,429.50		5,133,000.00	17,711,640.05		
GREENWICH TOWNSHIP			828.24		3,904,459.24		276,587.40		68,393.41	8,015,202.00		4,071,561.78	14,338,203.83		
HARRISON TOWNSHIP			2,632.28		2,248,630.38		160,438.55		39,426.43	3,408,249.00	2,305,265.55	927,645.15	9,168,555.06		
LOGAN TOWNSHIP			688.90		2,693,690.23		192,196.68		47,186.74	5,865,169.00		350,500.00	9,149,044.65		
MANTUA TOWNSHIP			3,016.19		3,295,183.78		235,112.02		57,761.51	4,408,346.00	4,065,965.45	2,797,968.77	14,860,337.53		
MONROE TOWNSHIP			25,077.24		5,821,668.81				102,394.23	13,431,441.00		7,245,000.00	26,500,504.04		
NATIONAL PARK BOROUGH			170.40		556,243.38		39,688.73		9,744.49	810,171.00	739,509.27	515,500.00	2,870,856.87		
NEWFIELD BOROUGH			289.34		374,764.01		26,739.51		6,568.32	600,000.00		421,311.07	1,429,382.91		
PAULSBORO BOROUGH			2,736.51		1,784,583.49				31,381.39	3,470,004.00		2,585,000.00	7,870,888.88		
PITMAN BOROUGH			1,274.07		2,119,282.12		151,210.61		37,137.36	5,818,533.85		2,674,223.56	10,900,387.50		
SOUTH HARRISON TOWNSHIP			1,659.16		715,163.26		51,027.94		12,553.71	1,140,933.00	528,774.93	121,364.52	2,569,857.41		
SWEDSBORO BOROUGH			266.47		465,765.18		33,232.36		8,161.63	468,291.03	335,713.08	452,431.18	1,761,594.46		
WASHINGTON TOWNSHIP			18,412.58		12,124,881.24				212,665.86	30,588,030.00		8,439,475.92	51,365,063.02		
WENOMAH BOROUGH			1,405.73		733,389.01		733,389.01		12,868.48	1,082,316.00	923,749.31	717,106.81	3,469,429.81		
WEST DEPTFORD TOWNSHIP			48,003.01		7,489,570.08				132,005.74	15,183,679.00		6,975,366.72	29,790,621.54		
WESTVILLE BOROUGH			703.20		942,609.23				18,520.26	1,228,266.00	1,093,452.97	1,487,353.00	4,768,201.46		
WOODBURY CITY			13,250.05		2,332,808.75				41,086.60	6,290,319.00		3,552,648.55	12,218,862.90		
WOODBURY HEIGHTS BOROUGH			1,180.72		895,685.21		63,908.51		15,708.84	1,222,843.60	1,092,060.41	1,003,604.48	4,293,848.95		
WOOLWICH TOWNSHIP					896,184.70		63,944.22		15,594.69	907,187.12	570,059.77	638,600.00	3,091,870.50		
COUNTY TOTALS			292,369.68		66,538,000.00		1,810,407.00		1,170,027.00	135,321,932.50	17,529,389.93	63,027,665.66	285,397,817.09		



TAXING DISTRICTS	13 REAL PROPERTY EXEMPT FROM TAXATION										14 AMOUNT MISCELLANEOUS REVENUES TO SUPPORT LOCAL BUDGET				15 DEDUCTIONS ALLOWED	
	(a) Public School	(b) Other School	(c) Public Property	(d) Church & Charitable	(e) Cemeteries & Graveyards	(f) Other Exempts	(g) Total Amount of Exempts (13A+B+C+D+E+F)	(a) Surplus Revenue	(b) Miscellaneous Revenues Anticipated	(c) Receipts From Delinquent Tax	(d) Total of Misc. Revenues (Col 14A+B+C)	(a) Sen. Cit., Disable & Sur. Spouse	(b) Veterans & Widows			
CLAYTON BOROUGH	21,180,000		9,776,000	6,187,900	478,400	7,079,900	44,702,200	332,923.11	1,999,068.28	450,000.00	2,781,991.39	48,250.00	14,850.00			
DEPTFORD TOWNSHIP	23,785,400	37,736,400	54,378,600	19,575,300	576,300	13,326,300	149,378,300	1,730,000.00	5,058,838.59	1,045,000.00	7,833,838.59	233,750.00	85,300.00			
EAST GREENWICH TOWNSHIP	3,403,900	7,024,000	8,029,400	4,628,700	1,533,400	554,200	25,173,600	309,900.00	2,510,636.00	190,000.00	3,010,536.00	18,000.00	16,150.00			
ELK TOWNSHIP	2,641,600		4,880,600	3,554,400	59,300	891,900	12,027,800	245,689.41	710,441.55	323,000.00	1,279,130.96	28,250.00	9,350.00			
FRANKLIN TOWNSHIP	21,766,700		3,762,800	8,263,200	58,500	5,712,900	39,564,100	554,802.00	3,096,505.90	1,388,911.22	5,040,219.12	105,000.00	33,750.00			
GLASSBORO BOROUGH	26,311,300	119,315,700	27,482,700	20,633,600	2,257,400	21,321,500	217,322,200	1,029,660.01	4,051,197.28	840,000.00	5,920,857.29	84,750.00	34,150.00			
GREENWICH TOWNSHIP	12,861,700	773,100	6,305,500	4,151,000	25,000	1,479,000	25,595,300	1,186,870.00	1,869,983.34	50,000.00	3,106,853.34	51,800.00	23,250.00			
HARRISON TOWNSHIP	23,460,300	2,003,100	3,316,800	5,526,900		2,579,600	36,886,700	473,482.00	1,195,057.85	275,000.00	1,943,539.85	20,250.00	12,500.00			
LOGAN TOWNSHIP	1,916,900		2,243,800	1,893,400	38,400	3,388,600	9,481,100	1,450,000.00	3,357,186.32	155,260.68	4,962,447.00	13,750.00	9,050.00			
MANTUA TOWNSHIP	10,681,000	1,936,200	10,997,800	9,628,200	338,500	6,262,900	39,844,600	1,650,000.00	2,309,768.49	475,000.00	4,434,768.49	61,325.00	35,950.00			
MONROE TOWNSHIP	22,557,700		21,701,400	14,967,000	240,900	1,636,100	61,103,100	1,299,945.60	7,124,916.80	1,900,000.00	10,324,862.40	210,250.00	71,600.00			
NATIONAL PARK BOROUGH	3,494,800		11,246,200	1,722,100		1,929,800	18,392,900	130,296.77	700,500.50	175,000.00	1,005,797.27	37,500.00	12,000.00			
NEWFIELD BOROUGH	1,182,500		939,900	2,216,400	93,400	14,000	4,446,200	200,000.00	311,806.47	70,000.00	581,806.47	18,000.00	3,400.00			
PAULSBORO BOROUGH	9,831,500	1,439,900	5,599,500	4,001,300		746,400	21,618,600	819,890.46	1,371,168.76	355,000.00	2,546,059.24	59,500.00	18,900.00			
PITMAN BOROUGH	24,283,600		13,236,300	20,109,700		1,793,000	59,422,600	678,500.00	1,602,666.48	410,000.00	2,691,166.48	48,000.00	25,800.00			
SOUTH HARRISON TOWNSHIP	2,200,100		4,293,700	750,300		26,800	7,270,900	451,000.00	787,568.46	230,000.00	1,468,568.46	9,250.00	4,300.00			
SWEDESORO BOROUGH	2,253,500		2,068,200	3,294,200		141,500	7,757,400	150,000.00	522,052.00	209,000.00	881,052.00	15,000.00	4,000.00			
WASHINGTON TOWNSHIP	48,349,300	2,266,600	51,150,100	41,005,100	1,181,900	4,345,400	148,298,400	1,680,785.00	5,745,430.77	1,130,000.00	8,556,215.77	136,500.00	89,650.00			
WENDENAH BOROUGH	1,878,400		5,276,500	4,644,500		208,300	12,007,700	229,000.00	420,618.18	30,000.00	679,618.18	4,500.00	6,850.00			
WEST DEPTFORD TOWNSHIP	23,217,300	1,489,200	52,993,700	5,516,700	663,800	7,725,400	91,606,100	1,362,890.50	4,450,708.26	628,959.00	6,440,557.76	107,000.00	57,550.00			
WESTVILLE BOROUGH	3,994,200		3,824,000	6,075,700		1,971,500	15,865,400	19,185.00	1,310,882.00	193,700.00	1,523,767.00	45,500.00	13,900.00			
WOODBURY CITY	15,081,500	1,746,300	39,252,600	54,087,900	106,800	12,882,600	123,157,700	892,500.00	2,551,390.03	539,000.00	3,973,890.03	64,000.00	26,350.00			
WOODBURY HEIGHTS BOROUGH	15,638,100		3,136,100	4,493,000		728,300	23,995,500	278,922.00	649,330.07	100,000.00	1,028,252.07	26,250.00	10,600.00			
WOOLWICH TOWNSHIP	9,657,700		1,601,700	361,100	435,900	1,126,600	13,183,000	612,341.00	676,447.41	220,000.00	1,502,788.41	6,250.00	2,750.00			
COUNTY TOTALS	331,629,000	175,730,500	347,493,900	247,287,600	8,087,900	97,872,500	1,208,101,400	17,768,582.86	54,378,169.82	11,371,830.90	83,518,583.58	1,452,625.00	621,950.00			

County Percentage Level of Taxable Value of Real Property - 100%	
Total Amount of Miscellaneous Revenues (including Surplus Revenues Appropriated) for the support of the County Budget .....	\$ 25,866,530.62
Rate Per \$100 To Be Applied To Col. 11 For Apportionment Of County Taxes .....	\$ .57100345
Rate Per \$100 To Be Applied To Col. 11 For Apportionment Of County Library Taxes .....	\$ .04074203
Rate Per \$100 To Be Applied To Col. 11 for Apportionment Of Open Space Taxes .....	\$ .01000000
Net County Taxes Apportioned (12AIII) .....	\$ 66,830,369.68
Adjustments .....	\$ 292,369.68
Total County Taxes Apportioned (including Adjustments - Total 12AD) .....	\$ 66,538,000.00
<i>Net Overpayments are added to the Net Taxes Apportioned and Net Underpayments are deducted.</i>	
(C) Clearview Regional High School .....	\$ 6,451,231.00
(G) Gateway Regional High School .....	\$ 3,848,771.96
(K) Kingsway Regional High School .....	\$ 2,627,414.98
(S) Southern Regional High School .....	\$ 4,601,971.99
	\$ 17,529,389.93

**- ADDITIONAL FIRE TAX RATES PER \$100. ASSESSED VALUATION -  
IN THE FOLLOWING DISTRICTS**

District	Valuation	Appropriation	Rate
Deptford Township .....	\$ 1,256,903,900	\$ 1,621,220.00	\$ .13
Franklin Township:			
Franklinville .....	104,429,008	205,900.00	.20
Malaga .....	83,974,414	133,823.00	.16
Janvier .....	61,862,200	89,981.00	.15
Grove .....	90,003,132	114,586.00	.13
Star Cross .....	45,466,126	83,302.35	.19
Harrison Township .....	388,096,838	396,262.09	.11
Washington Township .....	2,052,884,910	2,242,614.19	.11
Westville Borough .....	163,426,956	240,203.57	.15

**- ADDITIONAL SOLID WASTE TAX RATES PER \$100. ASSESSED VALUATION -  
IN THE FOLLOWING DISTRICTS**

District	Valuation	Appropriation	Rate
Swedesboro Borough .....	\$ 72,972,028	\$ 197,024.00	\$ .27
Washington Township .....	2,052,884,910	4,927,483.00	.25

JACQUELINE A. CLARK, President  
 EDITH K. PATTERSON, Commissioner  
 FRANCIS A. Mc DEVITT, Commissioner  
**GLOUCESTER COUNTY BOARD OF TAXATION**

Attest:  
 DOLORIS R. LINDSAY, County Tax Administrator

*I hereby certify this to be a true copy of the Abstract of Ratables and Exemptions for the County of Gloucester, State of New Jersey, for the year 1997 as filed with me by the Gloucester County Board of Taxation.*  
 JEAN L. DUBOIS, County Treasurer

# 1997 GLOUCESTER COUNTY TAX ASSESSORS

CLAYTON BOROUGH .....	CHRISTINE WAHL ROBERT CHECCHIA	Borough Hall Clayton, NJ 08312	881-2882
DEPTFORD TOWNSHIP .....	JOSEPH M. HARASTA	Municipal Building Deptford, NJ 08096	845-5300
EAST GREENWICH TOWNSHIP .....	NICHOLAS J. MONAHAN	Municipal Building Clarksboro, NJ 08020	423-0654
ELK TOWNSHIP .....	BRUCE E. COYLE	P.O. Box 261 Monroeville, NJ 08343	881-6525
FRANKLIN TOWNSHIP .....	JOSEPH M. HARASTA	Municipal Building Franklinville, NJ 08322	694-1234
GLASSBORO BOROUGH .....	MICHAEL J. SHERIDAN FRANCIS FLYNN	Borough Hall Glassboro, NJ 08028	881-9230
GREENWICH TOWNSHIP .....	FRANK P. LEONE HORACE J. SPOTO	Municipal Building Gibbstown, NJ 08027	423-1793
HARRISON TOWNSHIP .....	E. CHRISTOPHER KLOSS	114 Bridgeton Pike Mullica Hill, NJ 08062	478-4111
LOGAN TOWNSHIP .....	HORACE J. SPOTO	73 Main Street Bridgeport, NJ 08014	467-3424
MANTUA TOWNSHIP .....	SANDRA L. ELLIOTT	Municipal Building Mantua, NJ 08051	468-3898
MONROE TOWNSHIP .....	BRUCE E. COYLE	Municipal Building Williamstown, NJ 08094	728-9817
NATIONAL PARK BOROUGH .....	JAMES H. JONES	Borough Hall National Park, NJ 08063	845-3891
NEWFIELD BOROUGH .....	MICHAEL D. JONES STEPHEN NOTHNICK	P.O. Box 62 Newfield, NJ 08344	697-1100
PAULSBORO BOROUGH .....	ROBYN GLOCKER-HAMMOND ROBERT A. GLOCKER	Borough Hall Paulsboro, NJ 08066	423-1500
PITMAN BOROUGH .....	RONALD FIJALKOWSKI CHRISTOPHER KLOSS DIANE HESLEY	110 S. Broadway Pitman, NJ 08071	589-3522
SOUTH HARRISON TOWNSHIP .....	W. KIRK HORNER	P.O. Box 108 Harrisonville, NJ 08039	478-4218
SWEDESBORO BOROUGH .....	HORACE J. SPOTO	Borough Hall Swedesboro, NJ 08085	467-0202
WASHINGTON TOWNSHIP .....	LEO L. MIDURE LINDA B. KALUSA	P.O. Box 1106 Turnersville, NJ 08012	589-0520
WENONAH BOROUGH .....	ROY A. DUFFIELD	1 W. Cherry Street Wenonah, NJ 08090	468-5228
WEST DEPTFORD TOWNSHIP .....	ALICIA L. MELSON LINDA OWEN	Municipal Building Thorofare, NJ 08086	853-4575
WESTVILLE BOROUGH .....	JAMES H. JONES	Borough Hall Westville, NJ 08093	456-0030
WOODBURY CITY .....	HORACE J. SPOTO	City Hall Woodbury, NJ 08096	845-1300
WOODBURY HEIGHTS BOROUGH .....	HARRY ELTON, SR. JOSEPH M. HARASTA	Borough Hall Woodbury Heights, NJ 08097	848-2832
WOOLWICH TOWNSHIP .....	BRUCE KOMITO	Township Hall Swedesboro, NJ 08085	467-2666

**GLOUCESTER COUNTY BOARD OF TAXATION**  
C.C. BUDD BOULEVARD • PO BOX 337 • WOODBURY, NJ 08096  
Telephone: (609) 384-6945

## CHAPTER IV

### TAX DEDUCTIONS AND EXEMPTIONS

#### 401. Constitutional and Statutory Authority

- 401.1 Tax deductions and exemptions are granted only by provision of the New Jersey Constitution or by general law. At present, deductions and exemptions granted by constitutional provision concern property of war veterans and their surviving spouses; senior citizens, disabled persons and their surviving spouses; property of urban renewal corporations and property in blighted areas needing rehabilitation. Other exemptions are granted by general law and except for those exemptions granted prior to 1947 to non-profit religious, educational, charitable, and cemetery organizations, may be altered or repealed at any time by the State Legislature.

#### REFERENCES:

N.J. Constitution, Art. VIII, Sec. 1, Par. 2, 3, 4, 5, 6 & Sec. 3, Par. 1

N.J.S.A. 54:4-3.6; 54:4-3.9; 54:4-3.30; 54:4-8.10; 54:4-8.40

N.J.S.A. 54:4-4.4

N.J.S.A. 8A:1-1 *et seq.*

#### 402. Deduction - Senior Citizens, Disabled Persons, Surviving Spouses

- 402.1 The New Jersey Constitution authorizes an annual deduction from the real property taxes on a dwelling house owned and occupied by a person, 65 years of age or older or permanently and totally disabled; or the qualified surviving spouse of a senior citizen or disabled person; where annual income is \$10,000 or less after permitted exclusions. General laws have been enacted to implement this constitutional provision, and regulations issued by the Director of the Division of Taxation.

#### REFERENCES:

N.J. Constitution, Art. VIII, Sec. 1, Par. 4

N.J.S.A. 54:4-8.40 *et seq.*

N.J.A.C. 18:14-1.1. *et seq.*

**402.2 Eligibility.** To qualify for the annual \$250 real property tax deduction, a claimant must meet requirements of citizenship, property ownership, residency, income, timely application, and age or disability or widowhood/widowerhood as follows:

**402.21 Citizenship.** An applicant for the real property tax deduction must be a citizen of New Jersey as of October 1 of the pretax year, i.e., the year prior to the tax year for which the deduction is requested. Per a ruling of the Attorney General's office this does not mean United States citizenship. If all other requirements are met, the assessor or collector should assume the applicant is a citizen of New Jersey.

**REFERENCES:**

**N.J.S.A. 54:4-8.41 & 8.44**

**N.J.A.C. 18:14-1.1 & 2.6**

**A. G. Opinion 1961-No. 34**

**402.22 Property Ownership.** A real property tax deduction applicant must own the dwelling for which the deduction is claimed on October 1 of the pretax year. Proof of legal title may be required of the applicant. Considered as **qualifying ownership** are: Executory contract for the purchase of property; a dwelling owned by a deduction claimant and assessed as real property, but situate on land owned by another; shares held by residents of co-operative or mutual housing associations per a 1988 voter-approved referendum; property owned by a partnership of which a deduction claimant is a member on his interest; property held by a guardian, trustee, committee, conservator, or other fiduciary for a deduction claimant; an interest arising from a will or the intestate laws of this State where the deduction claimant has legal title to such property, whether individually, jointly or as a life tenant and finally a life estate, life rights or life tenancy in a dwelling.

**402.221 Partial or Multi-Ownership and Prorated Deductions.** Where title to a dwelling is shared by a claimant with other owners, he is eligible for the real property tax deduction on his share of the real

estate tax bill. Unless some other situation is shown to exist, each owner is assumed to hold an equal ownership interest in the property. Regardless of the number of claimant-owners, the total deduction on such dwelling may not be more than \$250 for 1983 and thereafter. Per N.J.S.A. 54:4-8.46 "Where title to property...is held by claimant and another or others...claimant shall not be allowed a deduction in an amount in excess of his proportionate share of the taxes assessed against said property..." See also Section 402.29 on Aggregate Deduction.

*Example: 2 owners*

1 Senior Citizen	\$125.00
1 Disabled Person	<u>+\$125.00</u>
Deduction	\$250.00

*Example: 3 owners*

1 Senior Citizen	\$ 83.33
1 Disabled Person	\$ 83.33
1 Surviving Spouse	<u>+\$ 83.33</u>
Deduction	\$249.99

*Example: 4 owners*

4 Senior Citizens	\$ 62.50
or Disabled	\$ 62.50
Persons or	\$ 62.50
Surviving Spouses	<u>+\$ 62.50</u>
Deduction	\$250.00

<i>Example:</i> 1 Senior Citizen w/75% ownership	\$187.50
1 Senior Citizen w/25% ownership	<u>+\$ 62.50</u>
Deduction	\$250.00

*Example:* Total annual taxes - \$800.00

4 property owners w/equal ownership interest where  
only one owner is deduction claimant.

$\$800 \div 4 = \$200$  deduction, amount restricted by  
proportionate tax payment

**402.222 Ineligible Ownership.** A real property tax deduction is not permitted on a dwelling in which the claimant has only an estate for a term of years, a leasehold interest or an interest of any other nature less than an estate in fee. Property owned by a corporation is not entitled to a deduction.

**REFERENCES:**

N.J.S.A. 54:4-8.44 & 8.46

N.J.A.C. 18:14-1.1, 18:14-2.8; 18:14-3.2 & 3.3

Warren v. Jackson Twp., 1 N.J. Tax 536 (1980)

West Jersey Grove Camp Assoc. v. City of Vineland, 80 N.J. Super 361, 193 A.2d 785 (A.D. 1963)

Guidelines for Implementation of Chapter 129, P.L. 1976, pp. 9 & 10

**402.23 Residence.** A senior citizen, disabled, or widowed/widowed (surviving spouse) real property tax deduction applicant must meet two residence requirements as of October 1 of the pretax year. A third condition of residency is required of a surviving spouse deduction applicant.

(1) **Residence in New Jersey.** A real property tax deduction claimant must have been domiciled in New Jersey for at least one year immediately preceding October 1 of the pretax year. An applicant need not have resided in the same dwelling for which the deduction is claimed, nor in the same municipality or county during that time, as long as he was domiciled in this State for one year immediately prior to pretax year October 1.

*Example:* State residence begins June 1, 1996. Residence in claimed dwelling October 1, 1997 pretax year equals deduction for tax year 1998.

*Example:* State residence begins November 1, 1996. Residence in claimed dwelling October 1, 1997 equals ineligible for deduction 1998. Residence in claimed dwelling October 1, 1998 pretax year equals deduction for tax year 1999.

Seasonal or temporary residence, regardless of duration, does not constitute **domicile** for purposes of this deduction. Absence from this State for 12 months is considered prima facie evidence of abandonment of domicile.

**Domicile Defined.** A domicile is any place you regard as your permanent home - the place to which you intend to return after a period of absence (as on vacation abroad, business assignment, educational leave, etc.). A person has only one domicile, although he may have more than one place to live. Once established, your domicile continues until you move to a new location with the intent to make it your permanent home and to abandon your New Jersey domicile. Moving to a new location, even for a long time, does not change your domicile if you intend to return to New Jersey. Some proofs of domicile are New Jersey voter registration, New Jersey motor vehicle registration and driver's license, resident tax return filing.

- (2) **Residence in the Dwelling House.** A real property tax deduction applicant must reside in the dwelling for which the deduction is claimed on October 1 of the pretax year. "**Dwelling house**" means the dwelling where the claimant makes his principal and permanent home. For example, where an apartment is the claimant's principal place of residence and a cottage or bungalow is occupied during vacations, the vacation residence is not eligible for a deduction.
- (3) **Residence as a Surviving Spouse.** A surviving spouse of a deceased senior citizen or disabled person real property tax deduction recipient must reside in the same dwelling for which the deduction was originally granted, and the survivor's property tax deduction may apply only to that dwelling.
- (4) **Partial Occupancy.** Where a claimant owns property but resides in or occupies only a portion of it, the real property tax deduction is



applied to the taxes due from that portion of the property occupied as the dwelling.

- (5) **Residences of Husband and Wife.** A claimant may receive only one real property tax deduction on the dwelling owned and used as the principal place of residence. A husband and wife, both meeting all eligibility requirements, even if they own more than one property, are granted only one deduction for their principal residence.

**REFERENCES:**

**N.J.S.A.** 54:4-8.40, 8.41a, 8.44 & 8.46

**N.J.A.C.** 18:14-1.1, 18:14-2.2, 2.3 & 2.7

**402.24 Income.** A real property tax deduction applicant must establish that his anticipated income from all sources for the tax year for which the deduction is claimed will not exceed \$10,000 after excluding income under ONE of the following three income categories:

- (1) The Federal Social Security Act and all its amendments and supplements; *or*
- (2) Any other Federal government program or Federal law which provides benefits in whole or in part in lieu of Social Security benefits or for persons excluded from Social Security coverage, including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs; *or*
- (3) Pension, disability or retirement programs of any state or its political subdivisions or agencies, for persons not covered under (1) Social Security, provided that the total benefit excludable under (2) or (3) is not in excess of the maximum benefit excludable in similar circumstances under (1) Social Security.

**402.241 "Income" Defined:** Income includes but is not limited to: salaries, wages, bonuses, commissions, tips, and other compensations before payroll deductions, all dividends, interest, \*realized capital gains, royalties, income from

rents, business income and, in their entirety, pension, annuity and retirement benefits. Dividends, interest, \*realized capital gains, pensions, annuities and retirement benefits must be included in full, without deductions, even though they may be wholly or partially exempt for Federal income tax purposes.

\*Realized capital gain from the sale or exchange of real property owned and used by a claimant as his principal residence, and on which he received a senior citizen, disabled person or surviving spouse property tax deduction is not to be included as income when calculating the \$10,000 income limit.

**"Business Income"** means gross income derived from a business, trade, profession or from the rental of property after deductions of the ordinary and necessary expenses of the business, trade, profession or property rental as allowed under the Federal Internal Revenue Code and regulations.

**"Disability Income"** is excludable by law when calculating deduction income limits for benefits received under a Federal, state or political subdivision program to the extent of the maximum benefits available under the Federal Social Security Act. Any other disability income than that received under a Federal, state or political subdivision program is to be evaluated based on its proper treatment for Federal income tax purposes.

**"Marital and Family Income"** Where both husband and wife are entitled to Social Security benefits, government retirement pensions or government disability pensions, each is permitted their own exclusion from one of the categories of excludable income subject to the maximum limitations provided by law. Income received by a real property tax deduction claimant and spouse is combined in establishing eligibility for the deduction unless they are living apart in a state of separation whether under judicial decree or otherwise. **"State of separation"** means a permanent

and indefinite period of separation and does not include temporary periods of separation such as separate vacations, business trips, hospitalizations, etc.

In determining a claimant's income, family members' incomes, other than a spouse, are not to be combined with the income of the claimant.

**"Federal Internal Revenue Code Income Definition**

**Applicable."** Except as otherwise indicated, the definition of income under Federal Internal Revenue Code and regulations is the basis for computing income levels for purposes of determining deduction entitlement.

**"Income Guidelines"** Guidelines to aid in determining income eligibility are issued annually by the Division of Taxation, Property Administration. (See Exhibit IV-1).

**REFERENCES**

**N.J. Constitution, Art. VIII Sec. 1 Par. 4**

**N.J.S.A. 54:4-8.40 (a) , 8.41 & 8.44**

**N.J.A.C. 18:14-1.1**

**Guidelines for Implementation of Chapter 129, Laws of 1976, p. 2**

**Local Property and Public Utility News, September-October, 1977, p. 1**

**402.25 Timely Application - No Retroactive Claims; Personal Deduction.**  
Claimants must apply for the deduction on Form PTD, "Claim for Real Property Tax Deduction on Dwelling House of Qualified New Jersey Resident Senior Citizen, Disabled Person or Surviving Spouse" supplied by each municipality. Forms may be filed with the assessor from October 1 through December 31 of the pretax year, i.e., the year prior to the calendar tax year or with the tax collector from January 1 through December 31 of the calendar tax year. For example, for a property tax deduction claimed for tax year 1998, the pretax year filing period would be October 1 - December 31, 1997 with the assessor. The tax year filing period would be January 1 - December 31, 1998 with the collector.

**NOTE:** No application for a previous tax year is to be permitted by the assessor, tax collector or governing body.

An executor, administrator etc. may not apply for deduction on behalf of a decedent who died without having filed PTD application since this deduction is deemed to be a personal one. See also Section 402.30 on Application Procedures.

**REFERENCES:**

**N.J.S.A. 54:4-8.42, 8.43 & 8.47**

**N.J.A.C. 18:14-2.1. 81:14-3.1**

**402.26** Age. Age requirements for the real property tax deduction differ among Senior Citizens, Disabled Persons and Surviving Spouses.

- (1) Senior Citizen. A senior citizen must be 65 or more years of age as of December 31 of the pretax year. Proof of age should be attached to the application in the form of an original or photocopy of a birth certificate, baptismal record, family bible page, official census record, marriage certificate, court record, social security record, military discharge or other record, immigration document, insurance policy, or some similar record. Where photocopying of an original immigration document is not permitted, the assessor or collector should abstract the appropriate information and attach the abstract to the application.
- (2) Disabled Person. There is no age requirement to be met by a disabled person.
- (3) Surviving Spouse. A surviving spouse must be at least 55 years of age on or before December 31 of the pretax year and had to have been at least age 55 at the time of death of the deceased spouse. Proof of age or date of birth should be documented with an original or photocopy of a birth, baptismal or marriage certificate, or any other similar official record.

**REFERENCES:**

**N.J.S.A. 54:4-8.41, 8.41a & 8.44**

**N.J.A.C. 18:14-2.2, 18:14-2.3 & 2.9**

**402.27 Permanent and Total Disability.** "Permanently and totally disabled" means total and permanent inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, including blindness as of December 31 of the pretax year. "Blindness" means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye having limited field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees is considered as having a central visual acuity of 20/200 or less.

Acceptable proofs to be retained with the application are: physician's certificate; various Social Security Award Certificates, in addition to Social Security Award Form SSA-30, or Report of Confidential Social Security Benefits Information Form No. SS-2458 and Social Security Third Party Query Response Form TPQY, provided they verify permanent and total disability in accordance with the Federal Social Security Act and clearly indicate the individual is, in fact, awarded such benefits based on disability; a certificate from the New Jersey Commission for the Blind verifying blindness.

**REFERENCES:**

**N.J.S.A. 54:4-8.40(b), 8.41 & 8.44**

**N.J.A.C. 18:14-1.1 18:14-2.4**

**Guidelines for Implementation of Chapter 129, P.L. 1976, pp. 5, 8**

**Local Property and Public Utility News, May-June, 1977**

**402.28 Surviving Spouse.** A surviving spouse is the unremarried widowed or widowed partner of a marriage, who was at least 55 years of age as of December 31 of the pretax year and at time of the deceased spouse's death, where the decedent spouse during his or her life received either a senior citizen or disabled person's real property tax deduction. A qualified surviving spouse is eligible for a deduction on the same dwelling for which the deceased spouse received a property tax deduction.

Proofs on file should include a copy of a death certificate of the decedent spouse, documentation of survivor's age.

**REFERENCES:**

**N.J.S.A. 54:4-8.41a**

**N.J.A.C. 18:14-1.1, 18:14-2.3, 18:14-2.5**

**Guidelines For Implementation of Chapter 129, P.L. 1976, pp. 5, 7, 8**

**402.29 Aggregate Real Property Tax Deduction Limited.** By law, the aggregate real property tax deduction from taxes levied on a dwelling may not be more than \$250 for 1983 and thereafter. Statute does not preclude more than one owner - claimant, whether title is held as tenancy in common or joint tenancy, from requesting the deduction, but no more than one full real property tax deduction per property is allowed in any year. An individual senior/disabled/widow(er) deduction claimant who also qualifies as a veteran deduction claimant is entitled to both the \$250 real property tax deduction and the \$50 veteran's property tax deduction. Where title to a dwelling house is held by both a real property tax deduction claimant as a senior citizen, disabled person, or surviving spouse and by a veteran property tax deduction claimant or his surviving spouse either as tenants by the entirety, joint tenants or as tenants in common, the \$250 property tax deduction claimant and the \$50 veteran property tax deduction claimant are each entitled to their applicable deduction, even if the aggregate amount exceeds \$250, provided that it does not exceed each claimant's proportionate share of the total taxes assessed against the property.

*Examples:*

<u>1 owner</u>	<u>2 owners</u>
\$250 Senior Citizen Deduction	\$125 Senior Citizen Deduction
+ <u>50</u> Veteran Deduction	125 Senior Citizen Deduction
\$300 Aggregate Amount	+ <u>50</u> Veteran Deduction
	\$300 Aggregate Amount

2 or 3 owners

\$250 Senior Citizen Deduction

50 Veteran Deduction

+50 Veteran Deduction

\$350 Aggregate Amount

In addition, a recipient of a real property tax deduction may also receive any homestead rebate or credit provided by law.

**REFERENCES:**

N. J. Constitution, Art. VIII, Sec. 1, Par. 4

N.J.S.A. 54:4-8.41 & 8.46

N.J.A.C. 18:14-2.11, 18:14-3.6

Moe Rose v. Boro. of Highland Park, Division of Tax Appeals, 1965

D. A. G. ltr. dtd. 5/3/72 to Chief Clerk, Camden County Tax Board

Guidelines For Implementation of Chapter 129, P.L. 1976, p. 14

**402.30 Applying for Real Property Tax Deduction.**

- 402.301 Application Claim Forms Used.** Real property tax deduction claim forms for senior citizens, permanently and totally disabled persons and their surviving spouses currently in use are:
- Form PTD** (May 1996) "Claim for Real Property Tax Deduction on Dwelling House of Qualified New Jersey Resident Senior Citizen, Disabled Person or Surviving Spouse". (See Exhibit IV-2.)
- Form PD 4** (September, 1986) "Notice of Disallowance of Claim For a Tax Deduction". (See Exhibit IV-3.)
- Form PD 5** (April 1996) "Annual Post Tax Year Income Statement of Qualified New Jersey Resident Senior Citizen, Disabled Person, or Surviving Spouse Required to Continue Receipt of Real Property Tax Deduction on Dwelling House". (See Exhibit IV-4.)
- 402.302 Municipality Supplies Claim Forms; Reproducible; Cost State Reimbursed.** Each taxing district is required to

provide application forms for the use of claimants. However, pursuant to P.L. 1997, c.30, the State will annually reimburse each district an additional 2% over the cost of the actual deductions to offset administrative expenses. The forms are promulgated by the Director, Division of Taxation and may be reproduced for distribution, but may not be altered without prior approval.

**REFERENCES:**

**N.J.S.A. 54:4-8.42**

**N.J.A.C. 18:14-2.1**

**Guidelines For Implementation of Chapter 129, P.L. 1976, p.6**

**402.303**      **Filing Claim Forms; Under Oath.** Claimants applying for the real property tax deduction for the first time must file "Claim for Real Property Tax Deduction on Dwelling House of Qualified New Jersey Resident Senior Citizen, Disabled Person, or Surviving Spouse," Form PTD, with the assessor on or after October 1 and not later than December 31 of the pretax year or with the tax collector between January 1 and December 31 of the calendar tax year. After approval of initial application, claimants must timely submit "Annual Post-Tax Year Income Statement of Qualified New Jersey Resident Senior Citizen, Disabled Person or Surviving Spouse", Forms PD5, by March 1 every year thereafter to retain the deduction. Assessors and tax collectors and their assistants are authorized to administer the oath which may be required of applicants but no charge may be made for this. All declarations of



deduction claimants are considered as if made under oath and subject to penalties for perjury if falsified.

**REFERENCES**

**N.J.S.A. 54:4-8.43, 54:4-8.47 & 8.48**

**N.J.A.C. 18:14-2.1 & 2.2**

**Guidelines For Implementation of Chapter 129, P.L. 1976, p.5**

- 402.304      Accepting Claim Forms.** All applications for real property tax deduction should be accepted, if filed within the prescribed time periods, whether or not the claimant appears qualified. This allows a claimant to file an appeal if he feels his application is denied incorrectly.
- 402.305      Processing Claim Forms.**
- By Assessors.** Assessors should maintain complete files of all approved and disapproved PTD applications and their supporting documents, and note approved claims in the records. Supporting documents remain the property of each assessor's office. Tax collectors should note contingent tax liabilities for each claimant's deduction amount should it later be disallowed based on excess income, change of ownership or residence or failure to meet any other prerequisites.
- By Collectors.** Where a PTD application is filed with and a deduction allowed by the tax collector, he is to determine the amount of the claimant's tax reduction and offset the amount against the tax then unpaid. The tax collector should transmit the application, together with all attachments or photocopies, to the assessor. The assessor is then to review the application and, if approved by him, it will have the same force as if originally filed with him.

**REFERENCES:**

**N.J.S.A. 54:4-8.43**

**402.31 Continuing Deduction.** A real property tax deduction, once granted, continues in force from year to year without further applications as long as a recipient remains eligible. Each assessor may, at any time, inquire into a recipient's right to continue the deduction and require a new application or such proof as he considers necessary to determine continued entitlement. Also, every deduction recipient, by law, is to inform the assessor of any change which might affect his ongoing entitlement to the deduction.

However, every year after initial application is approved, a deduction recipient must file with the tax collector by March 1 an Annual Post-Tax Year Income Statement, PD5, verifying his income for the preceding tax year did not exceed the maximum allowed and that the income he anticipates for the ensuing tax year will not exceed it. Each collector may require such proof as he considers necessary to verify the statement.

**REFERENCES:**

**N.J.S.A. 54:4-8.42; 54:4-8.44a, 54:4-8.45**

**N.J.A.C. 18:14-2.1(c) & 2.10**

**402.32 Post-Tax Year Income Statement Required.** On or before March 1 of the post-tax year, that is, the year following the calendar tax year, a deduction recipient must file with the tax collector, Form PD5, a statement of his income for the tax year. If the statement is not timely filed or satisfactorily documented or if the income exceeds the permitted maximum, deduction must be disallowed. The deduction amount previously granted would then be payable by its recipient to the taxing district by June 1 of the post-tax year. If not paid by that date, the taxes become delinquent, a lien on the property and a personal debt of the homeowner.

**402.33 Post-Tax Year Income Statement Filing Deadline Extended.** Where a tax collector is satisfied that failure to file an income statement by

March 1 was due to a claimant's illness or medical problem, he may grant a filing extension to no later than May 1 of the post-tax year. The claimant must provide the collector with a physician's statement that the claimant was physically incapacitated and unable to file by the original March 1 filing deadline. If the real property tax deduction is then disallowed for untimeliness, income etc. taxes in an amount equal to the deduction must be paid on or before June 1 or where filing extension to May 1 was granted no later than 30 calendar days after the Notice of Disallowance was mailed. If unpaid, the taxes become delinquent, a lien on the property and a personal debt.

**REFERENCES:**

**N.J.S.A. 54:4-8.44a**

**N.J.A.C. 18:14-2.10**

**Guidelines for Implementation of Chapter 120, P.L. 1976. p. 10**

**402.34 Disallowing Claim Forms.** If application for real property tax deduction is disapproved, a Notice of Disallowance, Form PD 4, must be sent to the claimant by regular mail giving the reason or reasons for denial and advising the claimant of his right to appeal to the County Board of Taxation on or before April 1.

**(1) Application Denied By Assessor.**

Where an initial application for property tax deduction, Form PTD, is denied by the assessor, he must forward a Notice of Disallowance, Form PD 4, to the claimant on or before June 1 of the tax year.

**(2) Application Denied By Collector.**

Where an initial application for property tax deduction, Form PTD, is denied by the tax collector, he must forward a Notice of Disallowance, Form PD 4, to the claimant within 30 days of receipt of the application.

**(3) Application Denied By Collector Per Post-Tax Year Statement.**

Where the deduction is denied by the tax collector because the claimant failed to timely file the post-tax year income statement or

because claimant's annual income exceeded/will exceed the \$10,000 limit, he must forward a Notice of Disallowance, Form PD 4, to the claimant on or before April 1 of the post-tax year or, where filing extension to May 1 has been granted, not later than June 1 post-tax year.

**REFERENCES:**

**N.J.S.A. 54:4-8.44a**

**N.J.A.C. 18:14-3.10**

**Guidelines For Implementation of Chapter 129, P.L. 1976, pp. 17, 18**

**402.35 Change in Ownership or Residence; Tax Liability Proration, Lien.**

Where a real property tax deduction recipient transfers ownership, sells or ceases to occupy his dwelling as his principal residence during the tax year, a post-tax year income statement must be filed to verify deduction entitlement for that portion of the tax year prior to the sale, transfer or change in residence. Any tax liability is to be prorated by the tax collector based on the number of days during the tax year that entitlement to the property tax deduction ceased.

*For example:* Qualified property tax deduction recipient sells the claimed dwelling house on May 3 of the tax year. Annual property taxes are \$3,650. Proration of the \$250 deduction is calculated as:

(May 4 to December 31)

$$\frac{242 \text{ days of nonownership}}{365 \text{ days in year}} \times \$250 \text{ equals } \$165.75$$

\$165.75 Deduction to be repaid to municipality

\$ 84.25 Prorated Deduction amount allowed

Failure to timely file or document the income statement or if income exceeded the allowable annual \$10,000 maximum, the full property tax deduction for that tax year is to be denied and taxes in an amount equal to said deduction must be paid on or before June 1 of the post-tax year or, where filing extension has been granted no later than 30 calendar days

after the Notice of Disallowance was mailed. If unpaid, the taxes become delinquent, a lien on the property and a personal debt.

**REFERENCES:**

**N.J.S.A. 54:4-8.44a**

**N.J.A.C. 18:14-3.9**

**Guidelines For Implementation of Chapter 129, P.L. 1976, p.16**

402.4

**Death of a Property Tax Deduction Claimant/Recipient.** The Director of the Division of Taxation has promulgated the following guidelines:

- (1) Where a qualified claimant applies for property tax deduction during October 1 - December 31 of the pretax year and dies prior to January 1 of the ensuing tax year, the deduction for such tax year should be disallowed.
- (2) Where a qualified claimant applies for a deduction between October 1 - December 31 of the pretax year and dies on January 1 of the tax year or thereafter, the deduction for such tax year should be allowed. There is no need for proration nor filing of Post-Tax Year Income Statement, except as noted below.
- (3) Where a qualified claimant applies for deduction during the tax year, is granted deduction, and dies during that tax year, there is no need for proration nor filing of Post-Tax Year Income Statement, except as noted below.
- (4) Where an established qualified claimant who has been receiving deductions dies after December 31 of the pretax year (i.e. during tax year or thereafter) and prior to filing a Post-Tax Year Income Statement, the deduction should be allowed for the tax year if all prerequisites have been met as of October 1 of the pretax year. There is no need for proration and no Post-Tax Year Income Statement need be filed, except as noted below.
- (5) Where a qualified claimant dies after filing a Post-Tax Year Income Statement, there is no need for proration and no Post-Tax Year Income Statement need be filed during the year following such tax year, except as noted below.

**EXCEPTION:** If the surviving spouse, heirs-at-law, successors, or assigns of the deceased deduction recipient sell or transfer title to the dwelling house during the tax year of recipient's death, the deduction ceases as of the sale or transfer date and the tax collector should prorate the deduction based on the number of days

remaining in the tax year following the date of sale or transfer. The prorated amount constitutes a lien against the dwelling.

**REFERENCES:**

**N.J.A.C. 18:14-3.7**

**Guidelines For Implementation Of Chapter 129, P.L. 1976, p. 15**

**Director's Ltr. to Assessor's, Collector's, County Tax Commissioner's 11-19-1974**

- 402.5 **Appeals.** An aggrieved claimant may appeal the denial of a real property tax deduction in the same manner as appeals from assessments generally. If a claimant's deduction is disallowed by an assessor or collector at a date too late to permit the filing of an appeal with the county board of taxation on or before April 1 of the current year, then, the claimant would be entitled to appeal at any time before April 1 of the succeeding year. If the appeal is filed in time to permit it to be calendared and heard by the county tax board during the year immediately following the year to which the appeal relates, the board may hear and decide the appeal for that tax year. The appeal should indicate the nature and location of the property, the reasons for complaint and the relief sought.

**REFERENCES:**

**N.J.S.A. 54:4-8.49**

**N.J.A.C. 18:14-3.11**

**Guidelines For Implementation of Chapter 129, P.L. 1976, p. 18**

402.6 **Tax Deduction Applied To Added and Omitted Assessments**

- 402.61 **Added Assessments.** A real property tax deduction may be applied to an added assessment levied on a dwelling house where all deduction prerequisites, including having legal title to the improved property as of pretax year October 1, have been met and the aggregate amount of the deduction claimed against the total taxes on the entire property does not exceed \$250 for 1983 and thereafter. The amount of deduction is

subtracted from the amount of taxes on the Added Assessment List after apportioning the assessment as provided by law.

**REFERENCES:**

**N.J.A.C. 18:14-3.4**

**Guidelines for Implementation of Chapter 129, P.L. 1976, p. 13**

**402.62 Omitted Assessments.** A real property tax deduction may also be applied to an omitted assessment levied on a dwelling house where all deduction requirements have been met. Only one deduction may be received on the dwelling which constitutes the principal residence. The deduction may not be divided between two or more residences.

**REFERENCES:**

**N.J.A.C. 18:14-3.5**

**403. Deduction - Veterans, Veterans' and Servicepersons' Surviving Spouses**

**403.1** New Jersey's Constitution provides for a deduction of up to \$50 from taxes levied on real and personal property owned by: qualified war veterans, their surviving spouses, and the surviving spouses of servicepersons who served in time of war and died on active duty. General laws have been enacted to implement the constitutional provisions.

**REFERENCES:**

**N. J. Constitution, Art. VIII, Sec. 1, Par. 3**

**N.J.S.A. 54:4-8.10 et seq.**

**403.2 Eligibility.** To qualify for the \$50 veteran's property tax deduction, a claimant must meet requirements of citizenship, residency, active wartime service in United States Armed Forces, honorable discharge, real or personal property ownership, timely application, and surviving spouse where warranted as follows:

403.21 **Citizenship.** The veteran applicant must be a citizen of New Jersey as of October 1 of the pretax year, i.e., the year prior to the tax year for which deduction is requested. The Constitutional and statutory language requiring a veteran and a veteran's surviving spouse to be "citizens of this State" means New Jersey citizenship not United States citizenship.

**REFERENCES:**

**N. J. Constitution, Art. VIII, Sec. 1. Par. 3**

**N.J.S.A. 54:4-8.10; 54:4-8.11**

**A. G. Opinion 1961 - No. 34**

403.22 **Residence in New Jersey.** The veteran property tax deduction applicant must be a legal or domiciliary resident of New Jersey as of October 1 of the pre-tax year. **Domicile Defined.** Domicile is any place you regard as your permanent home - the place you intend to return to after a period of absence (as on vacation abroad, business assignment, educational leave, etc.). A person has only one domicile, although he may have more than one place to live. Your domicile, once established, continues until you move to a new location with the intent to make it your permanent home and to abandon your New Jersey domicile. Moving to a new location, even for a long time, does not change your domicile if you intend to return to New Jersey. Some proofs of domicile are N. J. voter registration, New Jersey motor vehicle registration and resident tax return filing. Seasonal or temporary residence in this State is not sufficient. Absence from this State for twelve months or more is prima facie evidence of abandonment of domicile. In Roxbury Twp. v. Heydt, the Tax Court of New Jersey held that duration of a military serviceperson's residence in New Jersey was not a significant factor in determining domicile in view of



duty reassignment practices of the Armed Forces. The burden of proving legal domicile is on the deduction claimant.

**REFERENCES:**

**N. J. Constitution, Art. VIII, Sec. 1, Par. 3**

**N.J.S.A. 54:4-8.10; 54:4-8.11**

**Roxbury Twp. v. Heydt, 6 N.J. Tax 73 (1983)**

**403.23 Active Service in the United States Armed Forces.** A veteran property tax deduction applicant must have served full-time active duty in the Armed Forces of the United States in time of war. The Armed Forces of the United States includes:

- (1) Air Force
- (2) Army
- (3) Army Transport Command
- (4) Coast Guard
- (5) Marine Corps
- (6) Navy
- (7) Women's Army Corps (As of July 1, 1943)
- (8) Regularly established women's auxiliary units of the Coast Guard, Marine Corps, and Navy, together with Nurses, when on active duty with any of the above listed military service branches.

**Reserve Unit Personnel** of the following units when detailed for and on active duty with the above listed service branches are also included:

- (1) Air Force Enlisted Reserve
- (2) Air National Guard of the United States
- (3) Coast Guard Regular Reserve
- (4) Coast Guard Reserve
- (5) Dental Reserve Corps of the Navy
- (6) Enlisted Reserve Corps
- (7) Marine Corps Reserve
- (8) Marine Corps Reserve Force

- (9) Medical Reserve Corps of the Army
- (10) Medical Reserve Corps of the Navy
- (11) National Naval Volunteers
- (12) National Guard of the United States
- (13) Naval Auxiliary Reserve
- (14) Naval Militia
- (15) Naval Reserve
- (16) Naval Reserve Force
- (17) Officers' Reserve Corps of the Air Force
- (18) Officers' Reserve Corps of the Army
- (19) Officers' Reserve Corps of the Navy
- (20) Organized Reserve
- (21) Public Health Service
- (22) Regular Army Reserve
- (23) Reserve Corps of the Public Health Service
- (24) Reserve Officers Training Corps
- (25) Students' Army Training Corps
- (26) United States Maritime Service or Merchant Marines (during World War II only)
- (27) United States Army Transport Service (Transportation Corps during World War II)
- (28) United States Naval Transportation Service (during World War II)

**Maritime Service - Merchant Marines**

On January 19, 1988, the "American Merchant Marine in Oceangoing Service during the Period of Armed Conflict, December 7, 1941, to August 15, 1945," was determined to be "active duty" under Public Law 95-202 for all laws administered by the Veterans Administration.

Although not part of the United States Merchant Marine, Civil Service crew members aboard U.S. Army Transport Service and Naval

Transportation Service vessels in oceangoing service or foreign waters are also in this approved group.

An "active duty" determination was also made regarding eligibility for New Jersey's veterans' property tax benefits. To qualify for the New Jersey property tax deduction or exemption, the following is required:

- (1) Employment by the War Shipping Administration or Office of Defense Transportation or their agents as merchant seamen documented by the U. S. Coast Guard or Department of Commerce (Merchant Mariner's Document/Certificate of Service), or by the U. S. Army Transport Service (later redesignated U. S. Army Transportation Corps, Water Division) or the Naval Transportation Service as a civil servant; *and*
- (2) Satisfactory service as a crew member during the period of armed conflict, December 7, 1941; to August 15, 1945, aboard
  - (a) merchant vessels in oceangoing, i.e., foreign, intercoastal, or coastwise service (46 USCA 10301 & 10501) and "near foreign" voyages between the United States and Canada, Mexico, or the West Indies via ocean routes, *or*
  - (b) public vessels in oceangoing service or foreign waters.

403.24 **Ineligible Service.** "Active duty for training" or "field training" as a member of a Reserve Component of the Armed Forces of the United States during the pendency of the Vietnam conflict is not considered "active duty" or "active service in time of war," and such military service is not eligible military service for purposes of receiving Veterans Tax Deductions and Exemptions.

In a 1973 Deputy Attorney General opinion, excerpting the Military and Veterans Law, N.J.S.A. 38A1-1(i) "Active duty" is defined as full time duty in the active military service of the United States, other than active duty for training.

"Active duty for training" is defined as "full time duty in the active military service of the United States with or without pay for training purposes, including the initial period of training required by 10 U.S.C. 511(d) for enlisted members of the Army National Guard of the United States and Army Reserve and, with respect to the Army Reserve annual training, attendance at Army service schools...field training exercises or maneuvers under 10 U.S.C. 672(b), 672(d) or 673."

"Annual training" is defined by the Army Regulation to mean "a period of full time training duty for members of the Army National Guard and a period of active duty for training for members of the Army Reserve required to be performed each calendar year, including duty performed at summer encampments, and field exercises and maneuvers." The provisions of 10 U.S.C. 511(d), Reserve Enlistment Program of 1963, state that each person enlisted in a reserve component program shall perform an initial period of active duty for training of not less than four months to commence, so far as practicable, within 180 days after the date of enlistment. See also: 32 U.S.C. 502.

Duty performed by a member of the organized militia other than active duty or active duty for training is characterized as "inactive duty training." N.J.S.A. 38A:1-6 provides "Federal laws and regulations relating to and governing the Armed Forces of the United States shall insofar as the same are applicable and not inconsistent with the State Constitution, apply to and govern the military forces of this State."

The following organizations are not considered Armed Forces of the United States:

- (1) American Red Cross
- (2) New Jersey State Guard
- (3) New Jersey State Militia
- (4) Salvation Army
- (5) Women's Army Auxiliary Corps (Prior to July 1, 1943)
- (6) YMHA, YM-YWCA

Civilian employees of the United States and civilians serving in civil defense units, such as air raid precautions, auxiliary police and fire service, and coast guard reserves, are not eligible for the veteran's property tax deduction.

A tax deduction cannot be granted based on a disenrollment certificate or any form of release terminating temporary service in a military or naval branch of the Armed Forces on a voluntary or part-time basis without pay.

A release from or deferment of induction into active air, military, or naval service, such as a "Discharge from Draft" form used in World War I, does not indicate active duty in the Armed Forces of the United States.

**REFERENCES:**

**N.J.S.A. 54:4-8.10, 54:4-8.11**

**A. G. Opinion No. 24, July 13, 1955, Discharge from Draft**

**Assistant A. G. ltr. to Director, Division of Taxation, February 23, 1973**

**403.25 Active Wartime Service.** The veteran property tax deduction applicant must have served in the Armed Forces of the United States in "time of war". "Time of war" has been defined as the following periods:

<u>MISSION</u>	<u>INCEPTION DATE</u>	<u>TERMINATION DATE</u>
Operation "Desert Shield/ Desert Storm" Mission	August 2, 1990	Ongoing;
Panama Peacekeeping Mission	December 20, 1989	January 31, 1990;
Grenada Peacekeeping Mission	October 23, 1983 <small>(extended from October 25, 1983)</small>	November 21, 1983
Lebanon Peacekeeping Mission	September 26, 1982	December 1, 1987; <small>(extended from February 26, 1984)</small>
Vietnam Conflict	December 31, 1960	May 7, 1975;
Korean Conflict	June 23, 1950	January 31, 1955;
World War II	September 16, 1940	December 31, 1946;
World War I	April 6, 1917	November 11, 1918.
United States military forces in Russia - April 6, 1917-to April 1, 1920.		
Spanish-American War - April 21, 1898 to August 13, 1898.		
Civil War - April 15, 1861 to May 26, 1865.		

**403.26 Site And Length of Wartime Service**

**Missions:** Military service must have occurred in the Arabian peninsula, in Panama, Grenada, or Lebanon or on board ship actively engaged in patrolling the Persian Gulf or the territorial waters of Panama, Grenada, or Lebanon. The service must be 14 days continuous or in aggregate commencing on or before the date of termination of the mission. The 14 day prerequisite is, however, waived where service injury is incurred.

**Wars and Conflicts:** In Donnenwirth v. Edison Twp. a marine who sustained service connected 100 % total and permanent disability stateside during the Vietnam conflict was entitled to property tax benefits. The court held that statute does not limit the place where injuries may be sustained. No specific length of time is prescribed. Any active service in the Armed Forces of the United States in time of war, no matter how brief, is sufficient.

**REFERENCES:**

**N.J.S.A. 54:4-8.10, 54:4-3.33a**

**Donnenwirth v. Edison Twp., Div. Tax Appeals (1967)**

**403.27 Honorable Discharge.** A veteran claimant must have been honorably discharged or released under honorable circumstances from full-time active duty during a period of war. All discharges, except those designated as "dishonorable," "undesirable," "bad conduct," by sentence of "general court martial," "by sentence of summary court martial," or other similar indicator that the discharge or release was not under honorable conditions, qualifies the claimant as a veteran.

There is no provision for deduction for military personnel on active duty in the Armed Forces, prior to discharge, even in time of war. Members of the Armed Forces of the United States having continuous military service and who are still in the service do not qualify for deduction as confirmed by Attorney General Opinion No. 31 - 1951. An honorable discharge or release under honorable circumstances is required. However, an honorably discharged U. S. war veteran does not lose his deduction by reentering into the military service.

**Records.** The National Archives and Records Administration, National Personnel Records Center, 9700 Page Boulevard, St. Louis, MO 63132-5100 is responsible for storing and maintaining veterans' service and health records.

An Armed Forces Discharge Certificate may be obtained by filling out a DD Form 2168 and sending it to one of the following offices:

Merchant Marine:	Commandant (GMVP-1/12) United States Coast Guard Washington, DC 20593-0001
Army Transport Service:	Commander U.S. Army Reserve Components Personnel & Administrative Center (PAS-EENC) 9700 Page Boulevard St. Louis, MO 63132-5200
Naval Transportation Service:	Naval Military Personnel Command (NMPC-3) Navy Department Washington, DC 20370-5300

Forms are available from Veterans Administration Offices, Merchant Marine veterans organizations, and from the offices listed above. Additional assistance may also be obtained from N.J. Department of Military and Veterans' Affairs, Division of Veterans' Services, Eggert Crossing Road, Trenton, New Jersey 08625.

**REFERENCES:**  
**N.J.S.A. 54:4-8.10**

- 403.28 Property Ownership.** A veteran claimant must have legal title, i.e., full or partial ownership interest, in the property for which the deduction is claimed. The ownership criteria is met by:
- (1) An executory contract for the sale of land under which the veteran claimant takes possession.
  - (2) Partnership property to the extent of the veteran claimant's ownership interest as a partner up to a tax levy of \$50.

- (3) Shareholders of co-ops or mutual housing corporations to the extent of the veteran claimant's proportionate share of taxes assessed against the real property.
- (4) Property held by a guardian, trustee, committee, conservator, or other fiduciary for any person otherwise eligible.
- (5) Joint tenants, tenants in common, or tenants by the entirety on their interest, but the tax deduction for any one claimant may not exceed the taxes due on his proportionate share. The interests of joint tenants and tenants in common are equal unless the deed provides otherwise. If property is held by husband and wife, as tenants by entirety, each is considered to own a full interest. For example, if a husband and wife hold title to a property and both are veterans, a double deduction, or \$100, is permitted.
- (6) Property in which the claimant has an estate for life, life tenancy or life time rights.
- (7) Interest arising from a will or the intestate laws of this State provided care is taken to ensure that the claimant is a legal owner of full or fractional interest in such property.

**Ineligible Ownership.** Corporate property is not eligible.

**REFERENCES:**

**N.J.S.A. 54:4-8.10, 54:4-8.15, 54:4-8.17, 54:4-8.18**  
**Sheppard v. Willingboro Twp., 1 N.J. Tax 530 (1980)**

- 403.29 Ownership Change After October 1 Does Not Affect Entitlement.**  
Eligibility for a veteran's property tax deduction is established as of October 1 of the pretax year. Once established as of October 1st a deduction prevails for the whole of the ensuing tax year despite any change in title to the property which may occur between October 1 and December 31 of the pretax year or at any time during the calendar tax year.
- 403.30 Death of Veteran Deduction Recipient.** Where a deduction claim has previously been filed and a claimant veteran, surviving spouse of a veteran



or serviceperson dies after October 1 of the pretax year, the deduction should be allowed for the whole of the ensuing tax year if all other prerequisites were met as of October 1.

**403.31 Timely Application - No Retroactive Claims.** Claimants must apply for the deduction on Form V.S.S. "Property Tax Deduction Claim By Veteran or Surviving Spouse of Veteran or Serviceperson" supplied by each municipality. Forms may be filed with the assessor by December 31 of the pretax year or with the tax collector between January 1 and December 31 of the calendar tax year. For example, for veteran deduction claimed for tax year 1998, pretax filing would be made through December 31, 1997 with the assessor and January 1 - December 31, 1998 with the collector.

**NOTE:** No application for a previous tax year is to be permitted by the assessor, tax collector or governing body. See also Section 403.5 on Application Procedures.

**403.32 Eligibility of Surviving Spouses of Veterans and Servicepersons.** To qualify for a property tax deduction as the surviving spouse of a veteran or serviceperson, the surviving spouse must have been married to the veteran or serviceperson at the time of death, and at death the veteran or serviceperson himself or herself must have met all of the requirements for deduction. **EXCEPTION:** Although required of the deceased veteran, property ownership (legal title) by the deceased serviceperson need not have existed at death. In addition, the surviving spouse, as of October 1 of the pretax year;

- (1) must not have remarried;
- (2) must be a legal resident of New Jersey;
- (3) must have full legal title or a fractional ownership interest in the property;

- (4) must prove that the deceased was a citizen and resident of New Jersey at death; and
- (5) must timely apply for the tax deduction.

**REFERENCES:**

**N.J.S.A. 54:4-8.10 (j), 54:4-8.11 & 54:4-8.12**

**403.33 Surviving Spouse Defined.** "Surviving spouse" means a resident of this State who is the surviving wife or husband (i.e. widow or widower) of:

- (1) a citizen and resident of this State who dies while on active duty in time of war in any branch of the Armed Forces of the United States; *or*
- (2) a citizen and resident of this State who has had active service in time of war in any branch of the Armed Forces of the United States and who dies while on active duty [not necessarily wartime] in a branch of the Armed Forces of the United States; (Brackets added for clarity.) *or*
- (3) a citizen and resident of this State who has been honorably discharged or released under honorable circumstances from active service in time of war in any branch of the Armed Forces of the United States.

The status of surviving spouse ceases upon remarriage. Subsequent divorce does not restore surviving spouse status. However, annulment of a second marriage would restore status as a surviving spouse.

**REFERENCES:**

**N.J.S.A. 54:4-8.10;**

**403.34 Surviving Spouses Who are Veterans.** A qualified surviving spouse of a deceased veteran or deceased serviceperson who is also a qualified veteran himself/herself is eligible for a \$50 property tax deduction under each status, or \$100. See also Section 403.4 on Aggregate Deduction.

**REFERENCES:**

**N.J.S.A. 54:4-8.17**

**403.35 Ineligible Surviving Spouses - Surviving Spouses of Non-Resident Veterans and Servicepersons.** Constitutional and statutory provisions granting veterans' property tax deductions limit eligibility to veterans or servicepersons who are legal residents of this State. Accordingly, the surviving spouse of a veteran or serviceperson, though himself/herself a New Jersey resident, is not entitled to a deduction if the deceased veteran or serviceperson, at the time of death, was not a legal resident of this State.

**REFERENCES:**

**N. J. Constitution, Art. VIII, sec. 1, Par. 3**  
**N.J.S.A. 54:4-8.10(j), 54:4-8.11, 54:4-8.12, 54:4-8.15**

**403.4 Aggregate Veteran's Property Tax Deduction.** A veteran tax deduction of \$50 in the aggregate is allowed per individual claimant. While the deduction may be applied to property in any taxing district and may be divided among two or more properties, the total veteran's deduction per person may not be more than \$50. An exception is made for surviving spouses of veterans who are veterans themselves where a double deduction totaling \$100 is permitted. In the case of multi-owned property, each veteran claimant is eligible for his full \$50 deduction provided their proportionate share of taxes paid is \$50 or more. The tax deduction granted to veterans and their surviving spouses is in addition to all other deductions and exemptions for which the claimant may qualify.

*Example:*

4 owners  
1/4 ownership interest each  
all qualified veterans  
total property taxes equal \$2,000  
eligible for 4 veteran deductions totaling \$200.

**REFERENCES**

**N.J.S.A. 54:4-8.11, 54:4-8.17**

**403.41 Continuing Deduction.** Once granted, a veteran's property tax deduction continues in force from year to year, without further applications, as long

as a claimant remains eligible. However, the assessor may inquire into a claimant's right to continue the deduction at any time. Annually as of October 1, the assessor should examine all deduction claims for changes in:

- (1) NJ domicile or legal residence in this State;
- (2) property ownership;
- (3) marital status of surviving spouse claimants.

The assessor may require such proof as he considers necessary to determine a claimant's continued entitlement. A claimant must by law inform the assessor of any change in status which would affect his continued right to the deduction.

**REFERENCES:**  
**N.J.S.A. 54:4-8.16**

**403.5 Applying for Veteran Property Deduction.**

**403.51 Application Claim Form Used, Municipality Supplies Claim Forms; Reproducible; Cost State Reimbursed.** Form V.S.S. (April 1996)  
"Property Tax Deduction Claim by Veteran or Surviving Spouse of Veteran or Serviceperson." V.S.S. applications are to be supplied by the municipality for claimants' use. However pursuant to c.30 P.L. 1997 the State will annually reimburse municipalities 2% above the actual deduction amounts for administrative costs. V.S.S. forms are promulgated by the Director, Division of Taxation and may be reproduced for distribution but may not be altered without prior approval.  
(See Exhibit IV-5.)

**403.52 Filing Claim Forms - No Retroactive Applications.** Veteran Property Tax Deduction claimants must make written application for the deduction. V.S.S. applications should be filed with the assessor by December 31 of the pretax year or with the tax collector between January 1 and

December 31 of the calendar tax year.

- 403.53 Overpayment Refunded.** If the resulting reduction in the property taxes due exceeds the taxes already paid, the municipal governing body may, at its discretion, permit a refund, without interest, upon the request of the deduction claimant.

**REFERENCES:**

**N.J.S.A. 54:4-8.12 & 8.13**

- 403.54 Accepting Claim Forms.** All applications for veterans' property tax deductions should be accepted, if filed within the prescribed time periods, regardless of whether or not the claimant appears qualified. This allows a claimant to file an appeal if he feels his application is denied incorrectly.
- 403.55 Processing Claim Forms.** If initially filed with the collector, the application and accompanying documents or their photocopies then must be forwarded to the assessor for review and approval. Approval by the tax collector does not relieve the assessor of examining the application and determining whether the deduction should be allowed. No application for a previous tax year is to be permitted by the assessor, tax collector or governing body.
- 403.56 Disposition of Claim Forms.** Assessors should maintain complete files of all approved and disapproved applications, together with supporting documents. Supporting documents remain the property of each assessor's office.

**REFERENCES:**

**N.J.S.A. 54:4-8.12**

- 403.57 Proofs - Veteran.** Form V.S.S. must be accompanied by a copy of the veteran's certificate of honorable discharge or release under honorable

circumstances including the service record portion of the discharge, DD Form 214 showing:

- (1) the veteran served active duty in the Armed Forces of the United States;
- (2) the service was during wartime;
- (3) the veteran was honorably discharged or released from active duty under honorable conditions.

Proof of property ownership such as a real property deed and of State residence or legal domicile via motor vehicle or voter registration etc. may also be required.

**NOTE:** The Veterans' Administration can certify marital status, residency and service periods. Accordingly, the certificate received from the Veterans' Administration may be used to verify one or more eligibility conditions.

**REFERENCES:**  
**N.J.S.A. 54:4-8.12**

**403.58 Proofs - Surviving Spouse of a Veteran or Serviceperson.** The same documentation required for a veteran's tax deduction is required for surviving spouses. Additionally a marriage license or death certificate of the decedent may be requested. For surviving spouses of servicepersons the following must be documented:

- (1) the death of the serviceperson while on active duty per U. S. Veteran's Administration Certificate. Past proof that a serviceperson died during time of war such as a photostatic copy of the War Department telegram or an official letter notification etc. is no longer necessary;
- (2) that the service was in the Armed Forces of the United States;
- (3) that the serviceperson had served during time of war.

**NOTE:** The Veteran's Administration can certify marital status, residency and service periods.

403.6 **Appeals.** An aggrieved claimant may appeal the denial of a deduction as a veteran, as the surviving spouse of a veteran or serviceperson in the same manner as for appeals from assessments generally. However, where an application for a veteran's property tax deduction is disallowed by the assessor or collector at a date too late to permit the claimant to file an appeal with the county board of taxation on or before April 1 of the current year, then, the claimant would be entitled to file an appeal at any time on or before April 1 of the succeeding year. If the appeal is filed in time to permit it to be calendared and heard by the county tax board during the year immediately following the year to which the appeal relates, the board may hear and decide the appeal for that tax year. The appeal should include the nature and the location of the property, the reasons for complaint and the relief sought.

**REFERENCES:**

**N.J.S.A. 54:4-8.21**

**NOTE:** The statutory authorities for veterans' deductions and veterans' exemptions N.J.S.A. 54:4-8.10 and 54:4-3.30 are read together "in pari materia."

403.7 **Tax Deduction Applied to Added or Omitted Assessment.** The veteran's property tax deduction may be applied to taxes due on an added or omitted assessment.

**REFERENCES:**

**Local Property Tax Bureau News, May-June, 1963**

**A. G. Opinion No. 20, 1954**

**404. Exemption - Disabled Veterans, Surviving Spouses of Disabled Veterans and Surviving Spouses of Servicepersons**

404.1 Qualified New Jersey resident war veterans having certain service-connected disabilities described in the law or having been declared totally or 100% permanently disabled by the United States Veterans' Administration are granted full tax exemption on their dwelling house and the lot or curtilage on which it's located, as of the date the

veteran acquires the property, or as of the date his total or 100% permanent disability is declared.

The surviving spouse of such New Jersey resident disabled veteran, who at time of death was lawfully entitled to exemption, is eligible, on making proper claim, for the same exemption as the deceased spouse, while widowed or widowered, a State resident and the legal owner and actual occupant of the dwelling house to be exempted or any other dwelling thereafter acquired, and used as the principal residence.

The surviving spouse of a disabled veteran or serviceperson who would have become eligible had he or she lived is qualified to receive the exemption based on the broadening of the tax exemption on January 10, 1972.

**REFERENCES:**

**N.J.S.A. 54:4-3.30**

**Roxbury Twp. v. Heydt, 6 N.J. Tax 73 (1983)**

404.2

**Eligibility.** To qualify for real estate tax exemption, the disabled war veteran must meet all requirements of New Jersey citizenship, legal or domiciliary New Jersey residence, principal or permanent residence in the claimed dwelling, full property ownership, active wartime service in the United States Armed Forces, honorable discharge and VA certified 100% permanent and total disability. (See corresponding sections for Veteran Deductions.)

**404.21 Disability.** A service-connected disability as declared by the United States Veterans Administration from:

- (1) paraplegia, sarcoidosis, osteochondritis resulting in permanent loss of the use of both legs or permanent paralysis of both legs and lower parts of the body;
- (2) hemiplegia involving permanent paralysis of one leg and one arm on either side of the body, resulting from injury to the spinal cord, skeletal structure, or brain, or disease of the spinal cord not resulting from any form of syphilis;



- (3) total blindness;
- (4) amputation of both arms or both legs, or both hands or both feet, or the combination of a hand and foot;
- (5) other service-connected disability declared by the Veterans' Administration to be a total or 100% permanent disability and not so evaluated because of hospitalization or surgery and recuperation.

The disability must have been sustained through:

- (1) enemy action;
- (2) accident; or
- (3) disease contracted while in active service "in time of war."

**NOTE:** Paraplegia or hemiplegia resulting from locomotor ataxia, or other forms of syphilis of the central nervous system, or from chronic alcoholism, or other forms of disease resulting from the veteran's own misconduct are not grounds for a disabled veteran's tax exemption.

#### **REFERENCES:**

**N.J.S.A. 54:4-3.30 & 54:4-3.34**

**Robert D. Donnewirth and Susan Donnewirth v. Twp. of Edison,**

**Division of Tax Appeals, July 1969**

**Local Property Tax Bureau News, August - September 1969, p.2**

#### **404.22 Property Ownership and Occupancy.**

##### **(A) Ownership.**

- (1) A disabled veteran must have full ownership of the property for which exemption is claimed.
- (2) A disabled veteran and spouse, taking property title as tenants by the entirety, meet the full ownership requirement.
- (3) A disabled veteran possessing a dwelling as a vendee under executory contract for purchase of the land where the dwelling on the land is his principal residence is regarded as having full ownership. The executory contract is deemed to be a mortgage for the unpaid balance of the purchase price.

- (4) A disabled veteran who owns a dwelling unit in a condominium property meets the full ownership prerequisite.
- (5) A disabled veteran having a life estate, life tenancy or lifetime rights to a property fulfills the ownership requirement.

**Multi-Unit Property**

- (6) A multi-unit building such as a duplex must be fully owned by the veteran, but only that portion utilized as the vet's dwelling unit would be exempted.

**(B) Occupancy.**

- (1) The disabled veteran must occupy the dwelling as his or her legal or domiciliary residence in New Jersey.
- (2) Full exemption applies to a one-family owner occupied building or structure, together with its lot or curtilage and the necessary out-houses or appurtenances.

**Multi-Unit Property**

- (3) Where part of a multiple-unit building or structure is occupied by a veteran, the assessment on the lot or curtilage and veteran-occupied portion of the building or structure is to be aggregated to exempt that percentage of assessment in proportion to or as compared with the assessed value of the entire building or structure. For example, if a disabled veteran occupies one-half of a two-family dwelling and the aggregate assessment on the lot or curtilage and building or structure is \$140,000, the exemption allowed is 50% of the aggregate assessment or \$70,000.

**(C) Ineligible Ownership.**

- (1) Property in which a claimant has only a fractional interest as a joint tenant or tenant in common is not exempt.

- (2) Mutual housing corporations and cooperative dwelling units do not qualify for exemption.

**REFERENCES:**

N.J.S.A. 54:4-3.31, 54:4-3.33

Jackson v. Neptune Twp., 15 NJ Tax 498 (1996)

Sheppard v. Willingboro Twp., 1 NJ Tax 530, 176 NJ Super 637, 424 A.2d 478 (1980)

A. G. Opinion December 21, 1995 - life estate

A. G. Opinion January 8, 1975 - fractional interest

- 404.23 **Exemption Prorated.** Partial or prorated exemption is permitted for the remainder of any taxable year as of the date of property ownership or the date of 100% permanent and total disability rating provided all other eligibility requirements are met. For example, where a dwelling house is acquired on February 14th of the tax year, the assessed value is to be prorated so that 44/365th's of the total assessment would be taxable and 321/365th's would be exempt.

**REFERENCES:**

N.J.S.A. 54:4-3.31

- 404.24 **Curtilage.** "Curtilage" means the enclosed space of ground and buildings immediately surrounding a dwelling house. The State Division of Tax Appeals (1971) held that 51 acres owned by a disabled veteran across the road from where he resided with his family was not includable in the "curtilage". This land was used by the veteran to raise and train horses. The Division cited Italian-American Building and Loan Association v. Russo, 131 N.J. eq. 319, to the effect that a "curtilage is a piece of ground within the common enclosure belonging to a dwelling house and enjoyed with it for its more convenient occupation." This interpretation was reaffirmed in McTague v. Monroe Twp. where 2

acres of a 40 acre parcel were exempted as reasonable for the fair enjoyment of the residence.

**REFERENCES:**

McTague v. Monroe Township, 1 N.J. Tax 66 (1980)  
Gotwein v. Township of Hopewell, Division of Tax Appeals, April 5, 1971

**404.25 Ownership or Occupancy Change.** A disabled veteran's right to property tax exemption ceases by reason of change in ownership or occupancy in the dwelling house as of the first day of the month following the date of such change. The same is true for the surviving spouse of a disabled veteran. If the disabled veteran acquires ownership of another dwelling house, then that dwelling and the lot or curtilage is eligible for the tax exemption in the same manner as his former home, upon proper application, but no more than one exemption at a time is allowed. If a surviving spouse moves from the claimed dwelling and acquires ownership of another principal residence, he or she is entitled to exemption on the new dwelling. The tax exemption on the former residence ceases the first day of the month following the change.

**REFERENCES:**

N.J.S.A. 54:4-3.31

**404.3 Surviving Spouses.** A deceased disabled war veteran, qualified for a property tax exemption at the time of death, eligibility status inures to the surviving spouse if the survivor meets all of the following requirements:

- (1) Widow or widower must not be remarried;
- (2) Widow or widower must be a citizen and resident of New Jersey;
- (3) Widow or widower's principal or permanent residence must be the claimed dwelling;
- (4) Widow or widower must be full legal owner of the dwelling;
- (5) Widow or widower must apply for the exemption with the municipal assessor;

- (6) Widow or widower must verify the deceased veteran was declared by the United States Veterans' Administration to have had a qualifying service-connected 100 % permanent and total disability as described in statute;
- (7) Widow or widower must verify that the deceased veteran was entitled to a property tax exemption at the time of death, meeting all criteria of active wartime service, honorable discharge, residency, ownership etc. or would have been entitled had the broadening of the definition of disability via (c.398, P.L.1971) to include total or 100 % permanent disability been in effect during the veteran's lifetime.

404.31 **Statute Broadened.** Although it was formerly necessary for the disabled veteran to have been receiving the property tax exemption on the dwelling house while living for the surviving spouse to qualify, such is no longer true. If the deceased veteran would have been entitled to exemption then the surviving spouse is entitled to the exemption.

**REFERENCES:**

N.J.S.A. 54:4-3.30, 54:4-3.31

Guidelines Governing Administration of the Veteran Property Tax Deduction As It Affects Vietnam War Veterans, (Chapter 166, Laws of 1972)

promulgated November 3, 1972

Phyllis Garma v. Lakewood Twp., 14 NJ Tax 1 (1994)

Borough of Wrightstown v. Medved, 193 N.J. Super 398 (A.D. 1978)

404.32 **Ownership Exception for Surviving Spouse of a Serviceperson.** The widow or widower of a citizen and New Jersey resident serviceperson who died on active wartime duty in the Armed Forces of the United States is entitled to property tax exemption on a dwelling house used as a principal residence. It has been ruled that a qualified surviving spouse is entitled to

exemption despite that the deceased serviceperson did not own legal title to the dwelling house.

**REFERENCES:**

**N.J.S.A. 54:4-3.30, 54:4-3.31**

**Ltr. To: All Assessors and County Tax Board Administrators from Sidney Glaser, Director, Division of Taxation, May 1, 1982**

**Local Property and Public Utility News, May-June, 1982**

- 404.33 Municipality supplies D.V.S.S.E. Claim Forms; Reproducible.**  
D.V.S.S.E. Forms are prescribed by the Director, Division of Taxation and were revised in April 1996. Forms are to be supplied by the municipality and are reproducible but may not be altered without permission of the Director. (See Exhibit IV-6)
- 404.34 Filing and Disposition of D.V.S.S.E. Application.** All claims for disabled veterans and surviving spouses property tax exemption must be made in writing to the municipal assessor who determines the validity of the claim. If valid, the assessor should notify the tax collector of its approval and include the following information:
- (1) property owner's name
  - (2) property description
  - (3) property's assessed value
  - (4) date property ownership acquired or date of total or 100% permanent disability rating by Veterans Administration, whichever is later; i.e. qualifying date of exemption.
- Assessors should maintain files of all approved applications, together with attached supporting documents.
- 404.35 Proofs.** D.V.S.S.E. Claim Forms should be accompanied by:
- (1) Report of Separation Form DD214; (See Exhibit IV-7)
  - (2) Certificate of Honorable Discharge;

- (3) Veteran Administration's Certification of Disability (Property tax exemption letter); (See Exhibit IV-8)
- (4) Proof of Ownership, e.g. Property Deed;
- (5) Death Certificate if surviving spouse;
- (6) If surviving spouse of serviceperson, a certificate from the Veterans' Administration confirming that the surviving spouse has not remarried; that the deceased serviceperson died while on wartime active duty in the United States Armed Forces; the date of death of the deceased serviceperson; and that his/her home of record at the time of death was New Jersey.

**404.4 Taxes Refunded.** The governing body of each municipality, at its discretion, may, by resolution, refund all taxes collected on any property which would have been exempt from taxation if proper claim in writing had been timely made.

For qualified veterans having certain service-connected disabilities described in the law (generally characterized as paralysis or loss of limbs), no refund of taxes may be made for any year prior to the tax year 1948.

For qualified veterans who have been declared by Veterans Administration to be service connected totally or 100% permanently disabled pursuant to statutory amendment for tax year 1972 and thereafter, no tax refunds may be made for any year prior to tax year 1972.

**REFERENCES:**

**N.J.S.A. 54:4-3.31, 54:4-3.32**

**404.5 Appeals.** An aggrieved claimant may appeal the denial of a property tax exemption as a disabled veteran, as a surviving spouse of a disabled veteran or deceased serviceperson in the same manner as for appeals from assessments generally. However, if an application for the property tax exemption is disallowed by an assessor at a date too late to permit the claimant to appeal to the county board of taxation on or before April 1 of the current year, then, the claimant is entitled to file an appeal at any time on or before April 1 of the succeeding year. If the appeal is

filed by the claimant in time to permit it to be calendared and heard by the county tax board during the year immediately following the year to which the appeal relates, the board may hear and decide such appeal for that tax year. The appeal should explain the nature and location of the property, the reasons for complaint and the relief sought.

**REFERENCES:**

**N.J.S.A. 54:4-8.21, 54:3-21 & 54:51A-1 & A-3**

**405. Public/Government Property Exemption**

405.1

**General.** The fundamental approach of New Jersey statutes is that all property bear its just share of the public burden of taxation. Statutes granting tax exemption represent a departure from that approach. Therefore, exemptions from the local property tax are to be strictly construed and the burden of proof is on the taxpayer claiming exemption. At the same time, exemption statutes must also be construed reasonably so as not to defeat their legislative intent. However, local property tax exemptions favoring government entities are given a more liberal construction. N.J.S.A. 54:4-3.3 reads, in part, "Except as otherwise provided [(in 54:4-1 et seq.)] the property of the State of New Jersey; and the property of the respective counties, school districts and taxing districts used for public purposes...shall be exempt from taxation...."

In an Opinion of the Attorney General's Office, dated June 25, 1979, the above statute was explained as follows: "The statute provides for a twofold approach regarding publicly owned property. On the one hand, property owned by the State of New Jersey is exempt from the Local Property Tax Law. On the other hand, property owned by a public body other than the State (school districts, counties and municipalities) is entitled to tax exempt status for local property tax purposes only if such property is used for 'public purposes.' Thus, the statute provides that State property is exempt regardless of use while the property owned by a lesser public entity must not only be owned by such entity but also used for public purposes." A basic test of public property exemption, therefor, is whether the property is used for



government or public purposes, that is, does the use relieve the burden of government?

405.2 **Federal.** Prior to 1944, N.J.S.A. 54:4-3.3 provided tax exemption for real and personal property of the United States. The provision was repealed in 1944 and State law today contains no tax exemption for Federal Government property. Any such exemption must now be found in Federal law. The "supremacy clause" of the United States Constitution and the doctrine of "sovereign immunity" precludes the levying of local property taxes on the Federal Government and, as a general rule, most Federal property is tax exempt. But immunity cannot be granted simply because a tax has an effect on the United States. Exemption is limited to taxes falling directly on the United States, i.e., the Federal Government or an entity so closely connected to that Government the two cannot be viewed as separate. In exempting a private contractor, the contractor "must actually stand in the Government's shoes." Use of Federal property by a contractor in a for-profit business can be a taxable use. Where Federal property is leased to private enterprise, the leasehold is subject to taxation under New Jersey law. Federally owned property may be taxed locally only with the consent of the Government as expressed by some act of Congress. For instance, for real property owned by the Reconstruction Finance Corporation and the Farmers Home Administration permission to tax has been granted. Where possible assessors should access the United States Code for the particular entity to see if Congress has waived immunity to allow taxation. For example, Title 12 U.S.C. S1768 permits real property of Federal credit unions to be taxed by the State, territory, locality "to the same extent as other similar property is taxed". Title 12 U.S.C. S1825 & S1725 also waives tax immunity for real property of the Federal Deposit Insurance Corporation (FDIC) and the Federal Savings and Loan Insurance Corporation (FSLIC). By contrast, the National Credit Union Administration's property tax immunity has not been waived by Congress and remains tax exempt under the Supremacy Clause of the United States Constitution. Again, generally speaking, Federally owned personal property whether leased to or used by private

persons is probably not taxable. Competent legal advice should be obtained before taxing any real or personal property of the Federal Government.

405.21 **Taxable Property Acquired by Federal Government - Start of Exemption - No Application Required.** Federal property is exempt immediately upon acquisition. The Federal Government is not required to file applications for exemption with the assessor. The appearance of the United States Government as grantor or grantee on abstracts of deeds routinely provided assessors by county registrars or clerks would serve to give the assessor notice.

**REFERENCES:**

N.J.S.A. 54:4-3.3  
Property Taxation, Institute of Property Taxation, Washington, D.C. 1987  
Rainhold Holding Co., U.S. Postal Service, and Raintree Assoc. v. Freehold Twp., 14 N.J. Tax 266 (1994)  
U.S.A. and F.M.C. Corp. v. Plainsboro Twp., Super-App. Div. March 1977  
Thiokol Chemical Corp. v. Morris County Tax Board, 41 N.J. 405, 197 A2d 176 (1964)  
Todd Shipyards Corp. v. Weehawken, 45 N.J. 336, 212 A.2d 364 (1965)  
United States and Borg-Warner Corp. v. City of Detroit, 355 U.S. 466  
City of Detroit v. The Murray Corp. of America, 355 U.S. 489  
Continental Motors Corp. v. Twp. of Muskegan, 355 U.S. 484  
Sidney Glaser, "New Developments Affecting the Exemption of Federal Property from Local Ad Valorem Taxation," Proceedings of the Seventh Annual Conference for Assessing Officers: 1960 (New Brunswick: Bureau of Government Research, Rutgers, The State University, May 1961), pp. 48-9  
Local Property and Public Utility News, January-February 1978

405.3 **State.** Property owned by the State of New Jersey is exempt from the local property tax. The constraints of public use are not imposed upon it. In the absence of a clear expression by the Legislature that a particular category of State property should be taxed, that property will be exempt. However, State owned property leased to a private entity for nonpublic purpose is taxable to the lessee under the Leasehold Tax Act, N.J.S.A. 54:4-2.3 to 2.13.

**405.31 Taxable Property Acquired by State Government.** If State government acquires property after January 1 of the year either by purchase or condemnation from a non-exempt owner, the State is required to pay the property taxes for the remainder of the year. The Report of Eminent Domain Revision Commission of New Jersey (April 1965) recommended, as follows: "When municipalities adopt their annual budget and establish their local tax rate, they anticipate the payment of taxes which they have assessed. The taking of ratables during the year by tax exempt agencies who do not assume liability for such taxes for the period subsequent to the taking, severely disturbs the local municipal finance. The lost revenue must be reflected in the tax rate of the succeeding year. The Commission feels that this is an injustice and that payment of taxes for the entire year during which the taking occurs should be assessed to the municipality."

**REFERENCES:**

**N.J.S.A. 54:4-3.3b.**

**City of East Orange v. Dwight R. G. Palmer, John A. Kerrick and**

**New Jersey Highway Department, 47 N.J. 307 (1966)**

**Local Property Tax Bureau News, July-August 1966**

**405.32 Taxable Real Property Acquired by State; Start of Exemption - No Application.** Real property acquired by the State, a State agency, or an authority created by the State, by purchase, condemnation or otherwise, becomes tax exempt on January 1 of the calendar year following the date of acquisition, provided the municipal assessor is given written notice of the acquisition by certified mail on or before January 10 of that year. And, if real property is acquired between January 1 and January 10 in the tax year and the prescribed notice is given on or before January 10 that year, it becomes tax exempt as of the date acquired. Initial and Further Statement Exemption Applications need not be filed by State Government.

The acquisition of land valued, assessed and taxed under the Farmland Assessment Act of 1964, by purchase, eminent domain or otherwise, is not exempt from the rollback taxes. (Section 3 of Chapter 243, Laws of 1970, approved October 28, 1970). However, if the land is acquired by the State pursuant to a Green Acres Bond Act and is assessed in accordance with the provisions of the "Farmland Assessment Act of 1964" at the time of acquisition by the State, rollback taxes may not be applied. This only applies to State owned property. Where the county or municipality owns land bought with Green Acres Trust dollars given by the State, rollback taxes can be assessed. The right of possession, subject to Chapter 214, Laws of 1970, or vesting of title, whichever occurs first is to be the acquisition date for such real property.

**REFERENCES:**

N.J.S.A. 54:4-3.3a - 54:4-3.3f  
N.J.A.C. 15-12.1

**405.33 States' Liability for Taxes after Acquisition.** If the former owner paid taxes for the current tax year, in full or in part, beyond the date of acquisition by the State, its agencies, or authorities, the owner is to be reimbursed for the taxes he paid beyond that date. If the taxes for the remainder of the year have not been paid by the owner, the State, its agencies or authorities is to pay the municipality taxes due for the real property it acquired.

**REFERENCES:**

N.J.S.A. 54:4-3.3a - 54:4-3.3f

**405.34 "In lieu" of Property Taxes Paid to Municipality.** The presence of certain tax exempt State-owned property in a municipality may qualify that municipality for "in lieu" of tax payments for local services provided those properties. Some State-owned properties which could qualify the

municipality for "in lieu" of payments are: State offices, hospitals, institutions, schools, colleges, universities, garages, inspection stations, warehouses, barracks and armories. Vacant land abutting these properties and held for future development for such uses also qualifies. However, State-owned property which would not qualify for "in lieu" of tax payments includes that used or held for future use for highway, bridge or tunnel purposes or property qualified under State law for any other State payment "in lieu" of taxes.

- (1) To receive "in lieu" of property tax payments assessors must file on September 15 each year a listing of State-owned properties eligible for "in lieu" of payments in their municipality, together with their assessed values. In practice, this list is run by State computer and mailed to each assessor for his review and approval.
- (2) The assessor next reviews and revises, i.e., adds to or deducts from, the list of State owned exempt property, and returns it to the Director of the Division of Taxation. The Director, in turn, reviews and revises the listing, and, as required, on or before November 15 notifies both the county board of taxation and the affected taxing district of any change he makes. Revisions by the Director are final and not subject to appeal except to correct typographical and mathematical errors.
- (3) The Director then computes the State's "in lieu" of property tax liability by multiplying the effective local purpose tax rate of each respective municipality by the aggregate assessed value of eligible State-owned property located in each respective municipality. The total of these calculations constitutes the State's liability.
- (4) Municipalities in which the "in-lieu" payments are less than \$1000 are not eligible to receive payment. A ceiling of "in-lieu" payments to any municipality is placed at 35% of the local purpose property tax levy for the year for which the calculation is made.

(5) In any year that the State appropriation for "in-lieu" payments is insufficient to make full payment, the amount due each municipality will be reduced by the same percentage that the State appropriation bears to the amount required for full funding.

(6) "In lieu" payments are to be made in two equal annual installments on July 5 and November 1.

**NOTE:** As of the time of this writing, "in lieu" payments have been incorporated into other municipal aid funding using 1994 as base year.

**REFERENCES:**

**N.J.S.A. 54:4-2.2a et seq.**  
**L.1990 c. 16 as amended**

**405.4 Local Government Property.**

**405.41 County, Municipal & School District Property.** Most property owned by counties, school districts, and municipalities used for public purposes or for the preservation or exhibit of historical data, records, or property, is exempt from local property tax. Applications for exemption, Initial and Further Statements, Forms I.S. and F.S., need not be filed for properties owned by county, or municipal governments or any subdivision thereof. As with federally owned property, deed abstracts would apprise the assessor of government ownership.

**REFERENCES:**

**N.J.S.A. 54:4-3.3**

**405.5 Authority Property.** Each authority is created and defined under separate legislation which establish these entities as "public bodies corporate and politic" and determine their tax status for various taxes. Assessors should index each authority for the applicable statute and confirm exempt/nonexempt standing.

405.51 **New Jersey Turnpike Authority.** Property owned by the New Jersey Turnpike Authority and used for "turnpike projects" is exempt from taxation. Turnpike Authority property not used for "turnpike projects" may be assessed and taxed locally. "Turnpike project" includes the main highway, all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, toll houses, service areas, service stations, service facilities, communication facilities, and administration, storage, and other buildings which the Authority considers necessary for the operation of the project.

**REFERENCES:**

N.J.S.A. 27:23-3, 27:23-4 & 27:23-12

N.J. Turnpike Authority v Twp Of Monroe 2 N.J. Tax 371 (1981)

N.J. Turnpike Authority v Washington Twp, Mercer County, 16 N.J. 38, 106, A214 (1954)

Local Property Tax Bureau News, June-July, 1954, pp. 1-3

405.52 **Turnpike Roads.** Turnpike roads of any turnpike company used by the public without payment of tolls, are exempt from taxation. Initial and Further Statement applications for exemption must be filed.

**REFERENCES:**

N.J.S.A. 54:4-3.18, 54:4-4.4

405.53 **New Jersey Highway Authority.** Property owned by the New Jersey Highway Authority, the operator of the Garden State Parkway, used for "projects" of the Authority is exempt from taxation. Property not used for "projects" may be assessed and taxed locally. "Projects" includes all of the facilities listed above for turnpikes as well as traffic circles, grade separations, and such adjoining park or recreational areas and facilities as the Authority, and the Department of Environmental Protection find necessary to promote the public health and welfare and find feasible for development. The courts have ruled that the lessees of lands and buildings operated as restaurants located on the Garden State Parkway are

exempt from local property taxation under the provision of N.J.S.A.

54:4-2.3 et seq.

**REFERENCES:**

N.J.S.A. 27:12B-3, 27:12B-4 & 27:12B-16

N.J. Highway Authority v. Town of Bloomfield, 8 N.J. Tax 637 (1987)

Walter Reade, Inc. v. Twp of Dennis, et al, (36 N.J. 435, 177 A.2d 752 (1962))

Bloomfield v. Division of Tax Appeals, et al, (84 N.J. Super. 19)

City of East Orange v. Palmer, 47 N.J. 307, 220 A.2d 679 (1966)

Local Property Tax Bureau News, June-July, 1954, pp. 1-3

**405.54 Taxable Property Acquired by New Jersey Highway Authority.**

Taxable property acquired by N.J. Highway Authority becomes exempt on January 1 of the calendar year following date of acquisition not as of the date of acquisition.

**REFERENCES**

East Orange v. Palmer, 47 N.J. 307, 220 A.2d 679 (1966)

Hudson County Improvement Authority v. Town of Kearny, 244 N.J. Super 619, 583 A2d 370 (A.D. 1980) 10 N.J. Tax 589 (1989) A.2d November 1990

**405.55 County and Municipal Authorities.** The real and personal property of county or municipal sewerage, utilities, parking, and incinerator authorities is exempt from the property tax when used for public purpose.

**REFERENCES:**

N.J.S.A. 40:11A-19, 40:14A-31, 40:14B-63, 40:36A-38, 40:37A-85

N.J.S.A. 40:66A-24

Morris County MUA v. Morris Twp., 14 N.J. Tax 81. (1994)

City of Jersey City v. Jersey City Parking Authority, (App. Div. Jan. 1976)

**405.56 Interstate Authorities and Commissions.** A number of interstate authorities and commissions hold title to real and personal property in New Jersey. In most cases, the authorizing acts for such organizations as the Port of New York Authority, the Delaware River Port Authority, the Delaware River Joint Toll Bridge Commission and others grant exemption to property used by the organization for its stated purposes. If the tax



status of the property of interstate authorities and commissions is uncertain, the assessor should secure competent legal advice.

**REFERENCES:**

Port of New York Authority, N.J.S.A. 32:1-1 et seq.  
Delaware River Port Authority, N.J.S.A. 32:3-1 et seq.  
Delaware River Joint Toll Bridge Commission, N.J.S.A. 32:8-1 et seq.  
Palisades Interstate Park, N.J.S.A. 32:14-1 et seq.  
Delaware River Basin Water Commission (INCODEL) N.J.S.A. 32:20-1 et seq.  
Moonachie v. Port of N.Y. Authority, 38 N.J. 414, 185A2d (1962)

405.57 **Passaic Valley Sewerage Commission.** All real and personal property acquired by the Passaic Valley Sewerage Commission for use as part of or in connection with a main intercepting or trunk sewer, its branches or appurtenances, in the Passaic Valley sewerage district, is exempt from local property taxation.

**REFERENCES:**

N.J.S.A. 54:4-3.4

405.58 **Watershed Land.** Land of counties, municipalities, and other municipal and public agencies of this State used for the purpose and protection of a public water supply is subject to tax by the respective taxing districts where located, but all other property, buildings and improvements is exempt from taxation.

**REFERENCES**

N.J.S.A. 54:4-3.3

N.J.S.A. 13:8-1 et seq.

405.59 **Foreclosed Properties.** Properties acquired by municipalities through tax title foreclosures or by deed in lieu of foreclosure, if used for a public purpose, are exempt from taxation. Property bought in for debts or on

foreclosure of mortgages given to secure loans out of public funds is taxable if not for public use.

**REFERENCES:**  
**N.J.S.A. 54:4-3.3**

**406. Leasing of Exempt Property**

**406.1 Taxable Leases, Assessment Procedure.** Usually tax exempt real property leased to an individual whose property is not exempt, is listed as the property of the lessee, rather than the owner, and the leasehold estate is assessed as taxable real estate as of the effective date of the lease. Leasehold estates beginning during the year should be entered on the next Added Assessment List filed after the effective lease date. Any such assessment is to be that proportion of the full amount of the assessment that the number of days the lease is in effect in the tax year bears to 365.

**REFERENCES:**  
**N.J.S.A. 54:4-2.3, 54:4-2.4 & 2.5**  
**Borough of Moonachie v. Port of New York Authority, 38 N.J. 414 (1962)**  
**Thiokol Chemical v. Morris County Board of Taxation, 76 N.J. Super 232, 184 A.2d 75 (L.1962) affirmed 41 N.J. 405**

**406.2 Leases Terminated.** Where a taxable leasehold estate of previously exempt property terminates during a tax year, the lessee, after verifying termination to the municipal governing body, is entitled to a cancellation of the proportionate assessment and a refund of any taxes paid in excess of the amount required.

**REFERENCES:**  
**N.J.S.A. 54:4-2.9**

**406.3 Exempt Leases.** Certain exempt properties remain exempt even when leased to a nonexempt lessee:

- (1) property leased to or by any interstate agency under an interstate compact between the State of New Jersey and any other state

- (2) property owned by a municipality and leased to some other person or interest for public purpose
- (3) property owned by public housing authorities and various other housing and redevelopment agencies and leased for use as housing projects, when used for public purpose
- (4) property owned by the New Jersey Highway Authority and operated as concessions
- (5) cultural centers leased by the governing body of any city of the first class
- (6) certain property owned by school districts when leased to another school district or governmental agency, or for terms of less than 4 months to nonexempt users

**REFERENCES:**

- N.J.S.A. 40:60-49.1, 54:4-2.12, 54:4-3.3, 54:4-3.6(d)  
NJ Highway Authority v. Town of Bloomfield, 8 NJ Tax 637 (1987)  
Howard D. Johnson Co. and Howard Johnson, Inc., v. Twp. of Wall, 36 N.J. 443, A2d756 (1962)  
Bergen County v. Leonia Borough, 14 NJ Tax 142 (1994)  
Walter Reade, Inc. v. Twp. of Dennis, et al., 36 NJ 435, 177 A.2d 752 (1962)  
Town of Bloomfield v. Division of Tax Appeals, et al., 84 Super 19, 200 A.2d 793 (A.D. 1964)  
Todd Shipyards Corp. v. Weehawken Township, 45 NJ 336, 212 A.2d 364 (1965)  
Martin v. Collingswood, 36 NJ 447 (1962)

**407. Tax Exempt Real Property; Activity Conducted for Profit;**

**Tax Liability of Private Party**

When tax exempt real property is used by a private party in connection with a for-profit activity and the use does not render the real property taxable pursuant to N.J.S.A. 54:4-2.3, i.e., the Leasehold Act or otherwise, the real property is to be assessed and taxed as real property of the private party. The private party is liable for taxation as though he owned the property or any portion of it, unless the owner

consents to its taxation. "Use" means the right or license, express or implied, to possess and enjoy the benefits from any real property, whether or not that right or license is actually exercised.

**REFERENCES:**  
**N.J.S.A. 54:4-1.10**

**408. Educational, Religious, and Charitable Organizations**

408.1 **General.** Per N.J.S.A. 54:4-3.6 and the Courts, real property tax exemption for educational, religious, and charitable entities is generally determined by: purpose of the organization; use of the property; absence, presence, degree and use of profit; timely ownership of the property; incorporation of the organization or its authorization to operate; extant buildings; and timely application.

408.2 **Exempt Buildings.** The following buildings are exempt from property taxation:

- (1) All buildings actually used for colleges, schools, academies or seminaries, provided that if any portion of such buildings are leased to profit-making organizations or otherwise used for purposes which are not themselves exempt from taxation, said portion shall be subject to taxation and the remaining portion only shall be exempt;
- (2) All buildings actually used for historical societies, associations or exhibitions, when owned by the State, county or any political subdivision thereof or when located on land owned by an educational institution which derives its primary support from State revenue;
- (3) All buildings actually and exclusively used for public libraries, religious worship or asylum or schools for feeble-minded or idiotic persons and children;
- (4) All buildings used exclusively by any association or corporation formed for the purpose and actually engaged in the work of preventing cruelty to animals;

- (5) All buildings actually and exclusively used and owned by volunteer first-aid squads, which squads are or shall be incorporated as associations not for pecuniary profit;
- (6) All buildings actually used in the work of associations and corporations organized exclusively for the moral and mental improvement of men, women and children, provided that if any portion of a building used for that purpose is leased to profit-making organizations or is otherwise used for purposes which are not themselves exempt from taxation, that portion shall be subject to taxation and the remaining portion only shall be exempt;
- (7) All buildings actually and exclusively used in the work of associations and corporations organized exclusively for religious or charitable purposes;
- (8) All buildings actually used in the work of associations and corporations organized exclusively for hospital purposes, provided that if any portion of a building used for hospital purposes is leased to profit-making organizations or otherwise used for purposes which are not themselves exempt from taxation, that portion shall be subject to taxation and the remaining portion only shall be exempt;
- \*\*\*As amended by L. 1993, c. 166, "hospital purposes" includes health care facilities for the elderly, such as nursing homes; residential health care facilities; assisted living residences; facilities with a Class C license pursuant to P.L. 1979, c. 496 (C.55:13B-1 et al.), the Rooming and Boarding House Act of 1979; similar facilities that provide medical, nursing or personal care services to their residents; and that portion of the central administrative or service facility of a continuing care retirement community that is reasonably allocable as a health care facility for the elderly.
- (9) All buildings owned or held by an association or corporation created for the purpose of holding the title to such buildings as are actually and exclusively used in the work of two or more associations or corporations organized exclusively for the moral and mental improvement of men, women and children;
- (10) All buildings owned by a corporation created under or otherwise subject to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey

Statutes and actually and exclusively used in the work of one or more associations or corporations organized exclusively for charitable or religious purposes, which associations or corporations may or may not pay rent for the use of the premises or the portions of the premises used by them;

- (11) The buildings not exceeding two, actually occupied as a parsonage by the officiating clergymen of any religious corporation of this State, together with the accessory buildings located on the same premises;
- (12) All property owned and used by any nonprofit corporation in connection with its curriculum, work, care, treatment and study of feeble-minded, mentally retarded, or idiotic men, women, or children shall also be exempt from taxation, provided that such corporation conducts and maintains research or professional training facilities for the care and training of feeble-minded, mentally retarded, or idiotic men, women, or children.

**REFERENCES:**

N.J.S.A. 54:4-3.6

Grace & Peace Church v. Cranford Twp., 4 NJ Tax 391 (1982)

Paper Mill Playhouse v. Millburn Twp., 7 NJ Tax 78 (1984)

Salvation Army v. Alexandria Twp., 2 NJ Tax 292 (1981)

Hackensack v. Hackensack Med. Ctr., 7 NJ Tax 460 (1988)

408.3

**Exempt Land.** The land the exempt buildings are erected on, up to 5 acres per building, is also exempt from taxation, provided it's necessary for the fair enjoyment of the property and devoted to the same purposes as the buildings. The relationship of land acreage to building number has had differing legal interpretations depending on the individual character of the property. For example, several buildings could be located on 5 or fewer acres or they could be situated such that 5 acres would be necessary for each. With the exception of cemeteries, graveyards, burial grounds and privately owned recreational or conservation land, (see pertinent sections in this chapter) vacant land is not exempted even though titled to an otherwise exempt

association or corporation. In the absence of buildings used for one of the exempt purposes specified by statute, land cannot be exempted.

**REFERENCES:**

N.J.S.A. 54:4-3.6

Borough of Allendale v. The Church of the Guardian Angel, Division of Tax Appeals, Case No. 1, Calendar 1/28/63

Pingry Corp. v. Hillaide Twp., 46 NJ 457 217, A.2d 868 (1966)

Boys' Club of Clifton, Inc. v. Jefferson Twp., 72 NJ 389, 271 A.2d 22 (1977)

Fairleigh Dickinson University v. Florham Park Boro, 5 NJ Tax 343 (1983)

Greater Emmanuel Etc. Tabernacles v. Montclair, 4 NJ Tax 618 (1982)

408.4 **Contiguous Land.** Land may be exempt where contiguous to land on which exempt buildings are located.

**REFERENCES:**

City of Hackensack v. Hackensack Medical Center, 228 NJ Super 310, 549 A.2d 869 (A.D. 1988) cert den, 114 NJ 498, 555 A.2d 619

St. Ann's Catholic Church v. Borough of Hampton, 14 NJ Tax 88 (1994)

Planned Parenthood v. Hackensack City, 12 NJ Tax 598 (1992)

Congregation B'Nai Yisrael v. Millburn Twp., 35 NJ Super 67, 113 A2d182 (1955)

408.5 **Eligibility.** To qualify for exemption each organization must meet all of the following criteria. Wherever there is doubt as to eligibility, the burden of proof is on the applicant.

408.51 **Existing Buildings.** The property must include buildings. The intention of an eligible organization to construct a building at a future date does not qualify vacant land for exemption, nor does the open-air use of land even if for an organization's stated purposes.

408.52 **October 1 Ownership.** The property must be owned by the organization on the statutory assessing date - October 1 of the pretax year. This

requirement has been interpreted to mean full legal title to the property,  
not merely an equitable interest.

**REFERENCES:**

- Emmanuel Missionary Etc. Church v. Newark, 1 NJ Tax 264 (1980)  
Atlantic County New School, Inc. v. City of Pleasantville, 2 NJ Tax 192  
(1981)  
Catholic Relief Services, U.S.C.C. v. South Brunswick Twp., 9 NJ Tax 25  
(1987) affirmed 9 NJ Tax 650  
Holy Cross Etc. Church v. Trenton City, 2 NJ Tax 352 (1981)  
Jersey City v. N.J. Baptist Convention, 18 N.J. Misc. 209, 12A2d, 150  
(1940)

408.53 **Exception to October 1 Ownership.** An owner of tax exempt real property under N.J.S.A. 54:4-3.6 and 54:4-3.26 who acquires another property which is exempt under N.J.S.A. 54:4-3.3 through 54:4-4.4, upon application by the new owner, shall be allowed to continue the exemption on the newly acquired property even though he did not own it on October 1 of the pretax year. For example, purchasers of exempt property who are already owners of property granted exemption as a: college, school, academy, seminary; historical society owned by the state, county or a political subdivision; public library, church, parsonage, asylum, school for feeble minded; first aid squad; building for prevention of cruelty to animals; building used for moral and mental improvement of men, women and children; religious or charitable purpose buildings; hospitals; property used in work of a fraternal organization.

**REFERENCES:**

N.J.S.A. 54:4-3.6B

408.54 **Exempt Use Test - Reasonable Necessity.** The accepted test for determining whether property is used in the work of an entity organized for an exempt purpose is whether the property is "reasonably necessary" for such purpose. Rather than just a convenience the use must be an integral part of the operation of the exempt organization and reasonably



necessary for the proper and efficient operation of the exempt organization.

**REFERENCES:**

Jersey Shore Medical Center v. Neptune Twp., 14 NJ 49 (1994)  
Clinton Twp. v. Camp Brett-Endeavor, Inc., 1 NJ Tax 54 (1980)

408.55 **Actual Use.** With respect to "actual use," Grace & Peace Fellowship Church, Inc. v. Cranford Twp., 4 N.J. Tax 391 (1982), concluded, "For local property tax exemption to apply, there must be actual public use of building in accordance with exemption statute or building must be ready to provide such public use and mere intention to use for exempt purpose at some time in future will not suffice." Here the property was under construction and though utilized for occasional prayer that was deemed incidental use and exemption was disallowed. Holy Cross Precious Zion Glorious Church of God, 2 N.J. Tax 352 (1981), determined a fire damaged property under renovation ineligible for exemption with the explanation "where taxpayer had never occupied or used property for its exempt purposes, fact that its intent as of assessing date was to use the subject property exclusively for religious purposes would not qualify it for exemption for property 'actually and exclusively' used for various religious purposes." This interpretation of "actual use" is of longstanding; Institute of Holy Angels v. Fort Lee, 80 N.J.L. 545, 77 A. 1035 (1910), Longport v. Bamberger Seashore Home, 91 N.J.L. 330, 102 A. 633 (1917), YMCA v. Orange, 3 N.J. Misc. 404, 128 A. 580 (Sup. Ct. 1915); all set forth the same understanding held in Grace & Peace. All properties in the above cases where their stated exempt use had never begun or had ceased were found to be ineligible. In Paper Mill Playhouse v. Millburn Twp., 7 N.J. Tax 78 (1984), though the property was destroyed by arson fire, exemption was retained. The following distinction was made, "The issue here, however, is not an exemption predicated upon construction of a new building on property

which had not previously been exempt. Rather, the issue concerns the exemption of a theater building in the course of reconstruction on property which had been exempt prior or its destruction by fire...(T)here is no such indication of an abandonment of the exempt use...Further, the prompt manner in which the Paper Mill acted to reconstruct its theater, and Paper Mill's continuing activities in support of its offsite presentations of the children's theater activities, all join in support of the proposition that its exemption was not lost as a result of an arsonist's activity."

408.56 **Exclusive Use and Incidental Nonexempt Use.** An exclusive use requires that the "principal or primary" use of the property be the exempt use. An occasional or incidental nonexempt use or activity does not, by itself, void a property tax exemption.

In Ironbound Educational and Cultural Center v. City of Newark, 220 N.J. 346 (1987), the State Superior Court said of N.J.S.A. 54:4-3.6 "That statute clearly contemplates that associations and corporations organized exclusively for religious and charitable purposes are exempt only when 'actually and exclusively used in the work' of the associations and corporations. [P]roperty is actually and exclusively used in the work of an association or corporation if the property is reasonably necessary for one of the purposes enumerated in N.J.S.A. 54:4-3.6. "Merely because an association leases a portion of its property, does not necessarily mean that it is no longer exclusively used for one of the purposes enumerated in N.J.S.A. 54:4-3.6...If the property being leased is not used for a purpose enumerated in the act, then the corporation or association loses its tax exempt status. However, if the property leased is used for one of the purposes in the act, then the lessor - corporation is entitled to maintain its exemption and the lessee shoulders the tax burden." In Ironbound a nonprofit corporation's lease of 35% of its building to a for-profit restaurant business did not entitle it to partial property tax exemption; no

traditional charitable or religious purpose was served by operation of the restaurant facility in the building.

408.57 **Multi-Use.** In 1994, the N.J. Tax Court remarked as follows relative to the amendment of 54:4-3.6, "There is absolutely no suggestion that, when the Legislature separated the pertinent portion of N.J.S.A. 54:4-3.6 into three parts, one for entities formed for moral and mental improvement purposes, another for hospital purposes, and another for religious or charitable purposes, it intended to eliminate the preexisting exemption for multipurpose entities. The sole purpose of the 1985 amendment to N.J.S.A. 54:4-3.6 was to permit a partial exemption for entities organized for moral and mental improvement purposes. As the intent of the Legislature in 1983 and 1985 was to make it easier to qualify for the hospital and moral and mental improvement exemptions, it would defy common sense to conclude that, with no explanation, the Legislature simultaneously intended to make it more difficult to qualify by limiting the exemption to single purpose entities...(statutory construction will not turn on 'literalisms, technisms or the so-called formal rules of interpretation; it will justly turn on the breadth of the objectives of the legislation and the commonsense of the situation')."

#### REFERENCES:

N.J.S.A. 54:4-3.6  
Camp Alpine of Greater N.Y. Councils v. Boro of Norwood, 1 N.J. Tax 223 (1981) affirmed N.J. Super 13, 443 A2d. 213  
Jersey Shore Med. Ctr. v. Neptune Twp., 14 N.J. Tax 49 (1994)

408.58 **Non-Profit Use.** Neither the buildings, the land they're situated on, nor the owner-organization may be operated for profit. If any part of a building is used for profit, the entire building loses its exempt status, except for those buildings cited below:

- (1) Where a building property tax exempt as a college, school, academy or seminary is leased, in part, to a nonexempt profit-making

organization, the leased portion of the building is subject to tax. The portion of the building used for college, school, academy or seminary purposes continues to be exempt.

*Exception:* A college, school, academy or seminary may lease out part of its property or building without losing even a portion of its tax exempt status if the lease arrangement meets these conditions:

- (a) income derived from the lease agreement must be used for the exempt purposes of the educational organization;
  - (b) income derived from the lease agreement cannot result from a primarily profit-seeking transaction, and must be of a "de minimus" nature, not materially affecting the exempt purpose of the educational entity;
  - (c) the lease cannot be more than 4 consecutive months in duration.
- (2) Buildings used in the work of associations and corporations organized exclusively for hospital purposes may be leased, in part, to profit making organizations, but the leased portions are taxable, while the remainder of the buildings are exempt.
- (3) Buildings used in the work of associations and corporations organized exclusively for moral and mental improvement purposes may be leased to profit-making organizations; the leased portions are taxable and the remaining building exempt.

#### **REFERENCES:**

**N.J.S.A. 54:4-3.6 & 3.6d (as amended by c.204, L.1983, c.224, L.1983 & c.395, L.1985)**

- (4) Where a charitable, religious, or benevolent organization derives a portion of its income from fees and charges resulting from the use of its property, exemption should be granted provided:
- (a) the entire income is devoted to the authorized purposes of the organization, and
  - (b) the building is wholly controlled by the charitable organization.

As concerns profit, paraphrasing Kimberley School v. Town of Montclair, 2 NJ 28, 65 A.2d 500 (1949), the past and present operation of each institution must be examined to determine its eligibility, not with regard to whether its income exceeds the cost of operation in any year or years, but rather whether charges are fixed with the intention of yielding a profit. **In applying the test**, look at the background and nature of the school's organization; the character and nature of the membership of its board of trustees or governing body, particularly where former private owners are represented; the amount of its income compared with its operating costs; the amount of any excess income over costs, and the actual and possible use of such excess; the existence and extent of its accumulated surplus and its intended purpose; the tuition charged compared with that of similar schools; the salaries of its teachers and officials compared with similar schools, public and private; and any other factors bearing upon the dominant motive in the conduct of the school. Kimberley School was deemed nonprofit because tuition rates were not excessive, excess income over expenses was not unreasonable, salaries were low, property owners were not compensated and assets upon corporate dissolution went to other nonprofit educational institutions. In City of Trenton v. Division of Tax Appeals, 65 N.J. Super. 2 (App. Div., 1960), it was held that intent to have an operating surplus or profit rather than a loss does not necessarily constitute a profit motive. The key question here is, what happens to the money. If the funds go back into the operation of the educational facility and cannot be diverted to noninstitutional uses, exemption is permissible; if the monies, other than just compensation for services rendered, benefit an individual personally, exemption is not warranted, despite the nonprofit organization and educational function of the facility.

**408.59 Incorporation.** The organization must be incorporated or otherwise organized under the laws of New Jersey or any other state, and authorized to carry out the purposes for which exemption is claimed. Once a corporation is authorized to operate in this State, even though not incorporated under New Jersey law, it is considered to have met the corporate/organizational criteria for exemption. Incorporation or

registration to do business is done through the Secretary of State's Office in the Department of State, Telephone No. (609) 530-6400.

**REFERENCES:**

N.J.S.A. 54:4-3.6

WHYY, Inc. v. Borough of Glassboro, et al, 91 N.J. Super. 269 (1966), 50

N.J. 6 (1967), 390 U.S. 979 (1968)

Memorandum Opinion to Samuel Temkin, Superintendent, Local Property and Public Utility from D. A. G. Harry Haushalter, June 16, 1983

**408.60 Application.** Organizations must apply for real property tax exemption with the assessor on forms supplied by the municipality as prescribed by the Director, Division of Taxation in accordance with the following procedure. Separate applications must be filed for each parcel of property.

**408.601 Initial Statement.** An "Initial Statement", Form I. S., must

be filed in duplicate with the assessor on or before November 1 of the pretax year. The Initial Statement

establishes eligibility under the requirements of the various exemption statutes - N.J.S.A. 8A:5-10,

N.J.S.A. 54:4-3.6 & 3.6a, N.J.S.A. 54:4-3.10,

N.J.S.A. 54:4-3.13, N.J.S.A. 54:4-3.15, N.J.S.A. 54:4-3.18,

N.J.S.A. 54:4-3.24, N.J.S.A. 54:4-3.25, N.J.S.A. 54:4-3.26,

N.J.S.A. 54:4-3.27, N.J.S.A. 54:4-3.35, N.J.S.A. 54:4-3.52,

N.J.S.A. 54:4-3.64. See sample form EXHIBIT IV-9. .

**408.602 Further Statement.** "Further Statement", Form F.S., must

be filed in duplicate with the assessor not later than November 1 of every third succeeding year. The Further

Statement reaffirms that an exemption, granted for past years, should remain in effect. Further Statements show:

- (a) whether there was any change of use of the property, initially determined as tax exempt, during any 3-year period which would defeat the exemption; and

- (b) whether any new or additional property was acquired for which a tax exemption is claimed showing initially the new or additional property's right to the exemption. See sample form EXHIBIT IV-10.

**REFERENCES:**

N.J.S.A. 54:4-3.6, 54:4-4.4  
Blair Academy v. Blairstown, 95 NJ Super. 583 (1967)  
Newark v. Essex County Board, 110 NJ Super. 93 (1970)  
Kate Macy Ladd Fund v. Peapack-Gladstone, Division of Tax Appeals,  
October 27, 1971

408.6

**Disposition of Forms, Copy to County Tax Board.** Every Initial and Further Statement should be checked carefully by the assessor. The assessor should:

- (1) review Initial and Further Statement applications, Forms I. S. and F. S., as to which statute exemption is requested under.
- (2) review Initial and Further Statement applications, Forms I. S. and F. S., for explanation of organization's purpose(s).
- (3) review organization's certificate of incorporation, articles of association, charter or bylaws for statement of goals, objectives etc.
- (4) use of property should coincide with stated purpose(s) on application forms and in charter or bylaws and use should be a permitted one per statute under which exemption is requested.
- (5) review financial data e.g. federal income tax returns etc. relative to nonprofit/profit status.
- (6) review purchase, acquisition dates in light of October 1 pretax year ownership criteria.

Each assessor may, at any time, inquire as to whether exemption should be continued and may require a Further Statement or such proofs as he considers necessary to determine the claimant's exemption standing. In the event of a claimant's failure to comply with the legal requirements, or where doubt as to entitlement exists the assessor should deny exemption and remove the property from the Exempt Property List. One copy of each approved form should be forwarded, together with the

Exempt Property List, to the county board of taxation by January 10 of the year for which exemption is granted. The other copy should be retained by the assessor.

**NOTE:** Applications for exemption need not be filed on behalf of properties owned by Federal, State, county, or municipal governments or by any subdivision thereof.

408.7

**Failure to File Further Statement.** While statute at N.J.S.A. 54:4-4.4, does suggest the necessity of the Further Statement by stating "...not later than November 1 of every third succeeding year, said assessor shall obtain a "further statement" under oath from each owner of real property for which tax exemption is claimed,..." the significance of the directive is unclear since the courts have repeatedly held that failure to file the Further Statement is of no consequence to eligibility for exemption. As noted in Emanuel Missionary Baptist Church v. Newark, 1 N.J. Tax 264 (1980), "The language of N.J.S.A. 54:4-4.4 does not permit the construction that the statement thereby contemplated is a condition precedent to the allowance of an exemption under N.J.S.A. 54:4-3.6. While exemption statutes are strictly construed against the exemption claimants, Princeton Univ. Press v. Princeton, 35 N.J. 209, 172 A.2d420 (1961), the principle of strict construction must never be allowed to defeat the evident legislative design. Princeton Twp. v. Tenacre Foundation, 69 N.J. Super. 559, 563, 174, A.2d 601 (App. Div. 1961), quoted approvingly in Boys Club of Clifton, Inc. v. Jefferson Twp., 72 N.J. 389, 398, 371 A.2d. 22 (1977). The evident legislative design is set forth with great particularity in N.J.S.A. 54:4-3.6." N.J.S.A. 3.6c also allows leeway where an application is not timely filed.

**REFERENCES:**

West Orange Twp. v. Hebrew Academy, 13 N.J. Tax 48 (1993)  
Atlantic County New School v. City of Pleasantville, 2 N.J. Tax 192 (1981)

408.8

**Property Tax Refunded by Governing Body.** The governing body of a municipality may, by ordinance, where good cause is shown why a timely application was not filed, return all taxes collected on one or more properties owned by associations or corporations organized exclusively for charitable or religious purposes which would



have been exempt under N.J.S.A. 54:4-3.6 if a timely claim had been made. No refund is to be made if more than 3 years have passed since the last date of filing a timely application. No interest is to be paid by the municipality on any refund of this type.

**REFERENCES:**  
**N.J.S.A. 54:4-3.6c**

**409. Property Acquired by Exempt Organizations**

- 409.1 Taxable Property Purchased After October 1 Remains Taxable.** Property must be eligible for exemption as of the pretax year October 1 assessing date. If an exempt organization purchases taxable property after the October 1 assessing date, no exemption can be granted until the next following tax year. For example, real property owned by a nonexempt taxpayer on October 1, 1997 is liable for taxes for 1998. Purchase of this improved property in November 1997 by a qualified exempt organization does not gain its exempt status during 1998. If the exempt organization continues its ownership and exempt use of the property through October 1, 1998, exemption can be granted for tax year 1999 provided that neither use nor ownership changes after October 1, 1998.
- 409.2 Exempt Property Purchased After October 1 Remains Exempt - Application Considered Timely Filed.** Where owners of certain exempt properties acquire other exempt property, exemption remains in effect even though the acquiring exempt owner did not have ownership of the new exempt property on October 1 of the pretax year. Properties exempt under N.J.S.A. 54:4-3.6 or 54:4-3.26 which apply for exemption may be considered timely filed despite the acquisition being subsequent to October 1 of the pretax year, and the exemption may be granted, subject to the following conditions being met:
- (1) the applicant and subject property meet all other requirements for exemption; and

- (2) the subject property was exempt from taxation when acquired by the exempt applicant.

**REFERENCES:**

**N.J.S.A. 54:4-3.6, 54:4-3.6b, 54:4-4.4, 54:4-23**

**410. Exempt Property Ceases to be Exempt - Added and Omitted Assessments**

- 410.1** Properties listed on the tax roll as exempt on October 1 which later cease to be exempt become assessable as added or omitted assessments.
- 410.2** **Exempt Property Valued.** Although exempt property is taxed at zero dollars (\$0), assessors must determine accurate taxable values so that should exemption cease proper tax payments will be obtained. Also accurate valuing of exempt property ensures the correct basis for any "in lieu" of payments.
- 410.3** **Ownership or Use Change.** When property ceases to be exempt because of a change in use or ownership, the property is to be assessed as "omitted" property. The county board of taxation, by resolution, directs the assessment to be made and entered on the Tax Duplicate in the same manner as other omitted property. Any such assessment is to be entered on the Added Assessment List of the municipality where the property is located.

**REFERENCES:**

**N.J.S.A. 54:4-63.26, 54:4-63.2 & 63.3**

- 410.4** **Previously Exempt Property Valued.** The assessment of such property is to be based on the assessor's valuation of the property indicated on the Exempt Property List subject to equalization and revision by the county tax board.

**REFERENCES:**

**N.J.S.A. 54:4-63.27**

## 410.5

**When Exemption Ceases Affects Time of Assessment.** If exemption ceases during any tax year, property is assessed and taxed as of the first day of the month following the date the exemption ceased, for the proportionate part of the remainder of the year. If use or ownership changed after October 1 in any year and before January 1, the property becomes taxable as of the first day of the month following such change in use or ownership.

The "Added Assessment List" for the year in which the assessment is made is then filed with the county tax board on or before October 1 in the subsequent tax year. However, the tax rate applied should be the tax rate for the year in which the exemption ceased.

If the exemption ceased between January 1 and October 1 in any year, the property is assessed and taxed as of the first day of the month following the date the exemption ceased, for the proportionate part of the tax year remaining.

**Examples:**

Ownership changes from exempt to nonexempt between October 1 and January 1 in any year. Change occurs on October 25, 1997.

Total Assessed Value from 1997 Exempt List is \$200,000.

Total Assessed Value from 1998 Exempt List is \$200,000.

1997 Tax Rate is \$3.60/\$100

1998 Tax Rate is \$3.80/\$100

$$1997 \quad \$200,000 \times \frac{2}{12} = \$33,333 \times .036 = \$1,200$$

$$1998 \quad \$200,000 \times \frac{12}{12} = \$200,000 \times .038 = \underline{\$7,600}$$

\$8,800

Ownership changes from exempt to nonexempt between January 1 and October 1 in any year. Change occurs on April 3, 1998. Tax rate same as above.

$$1998 \quad \$200,000 \times \frac{8}{12} = \$133,333 \times .038 = \$5066.67$$

Upon the assessor's investigation of an exempt building that had been vandalized, he realized that the property had not been used for exempt purposes for the past two years as well as the current year, 1998.

Total Assessed Value from 1996 Exempt List is \$400,000.

Total Assessed Value from 1997 Exempt List is \$400,000.

Total Assessed Value from 1998 Exempt List is \$400,000.

1996 Tax Rate is \$3.85/\$100

1997 Tax Rate is \$3.90/\$100

1998 Tax Rate is \$4.00/\$100

The assessor should make an Omitted Assessment in the 1998 Omitted Assessment List for the year the property was found to no longer be used for exempt purposes and one prior year.

$$1997 \quad \$400,000 \times \frac{12}{12} = \$400,000 \times .039 = \$15,600$$

$$1998 \quad \$400,000 \times \frac{12}{12} = \$400,000 \times .040 = \underline{\$16,000}$$

\$31,600

#### REFERENCES:

N.J.S.A. 54:4-63.13, 54:4-63.28

St. Michael's Passionist Monastery v. Union City, 195 N.J. Super 608

481A2d 304 (AD 1984)

City of E. Orange v. 280 So. Harrison St. Assoc., 16 N.J. Tax 424 (1997)

City of Camden v. Camden Masonic Assoc., 9 N.J. Tax 331 (1987), Affirm.

11 N.J. Tax 88

Guidelines for Implementation of Chapter 103, Laws of 1974 (an Act Concerning Added Assessments on Properties after October 1 and before January 1 following) - promulgated November 19, 1974

410.6 Appeals. Organizations seeking tax exemption for class 15D, E and F (exempt property) are not required to satisfy the tax payment provisions of N.J.S.A. 54:3-27 to pursue an appeal to a county board of taxation or a direct appeal to the tax court where exemption qualification is the subject of the appeal.

#### REFERENCES:

N.J.S.A. 54:51A-3

Morris-Sussex Area Co., Boy Scouts v. Hopatcong Boro, 15 N.J. Tax 438 (1996)

## 411. Nonprofit Educational Television and Radio Production & Broadcasting Property

411.1 "All buildings and structures located in this State and used exclusively by a nonprofit association or corporation organized under the laws of this or another state for the production and broadcasting of educational television or educational radio programs; the land whereon the buildings and structures are erected and which may be necessary for the fair enjoyment thereof, and which is devoted to the foregoing purpose, and no other purpose, and does not exceed 30 acres in extent; the furniture, equipment and personal property in said buildings and structures if used and devoted to the foregoing purpose. The foregoing exemption shall apply only where the association or corporation owns the property in question and is authorized to carry out the purpose on account of which the exemption is claimed."

411.2 **Application.** The association or corporation must file an application for exemption Initial Statement, Form I.S., with the municipal assessor on or before November 1 pretax year and Further Statement, Form F.S., every third year by November 1 after exemption approval.

### REFERENCES:

N.J.S.A. 54:4-3.6a, 54:4-4.4

WHYY, Inc. v. Boro. of Glassboro et al., 91 N.J. Super. 269 (1966), 50 N.J. 6 (1967) 390 U.S. 979 (1968)

## 412. District Superintendent of Religious Organizations

412.1 Property tax exemption is granted on the dwelling house and lot or "curtilage" on which it's erected where the dwelling is actually occupied as a residence by a clergyman who is a **district superintendent** of any religious association or corporation, and to the accessory buildings on the same premises, if proper application is made.

"Curtilage" means the enclosed space of ground and buildings immediately surrounding a dwelling house.

"District Superintendent" means one who supervises a group of established congregations, rather than someone who occupies an executive position in a religious corporation, and does not include an officer of a missionary corporation whose interests are worldwide.

412.2 **Eligibility.** To qualify for exemption, all of the following must be met.

- (1) **Ownership.** The property must be owned by the religious organization.
- (2) **Occupancy.** The property must be occupied as a residence by the district superintendent of the religious organization.
- (3) **Application.** Organization must apply for exemption with the municipal assessor on Initial Statement, Form I.S., on or before November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**NOTE:** The residence of a district superintendent of a religious organization may be validly exempted even if the organization is not incorporated under New Jersey law.

**REFERENCES:**

N.J.S.A. 54:4-3.35, 54:4-4.4  
International Missions, Inc., v. Boro of Lincoln Park, 87 N.J. Super. 170, 208 A.2d 431 (March 1965)  
Shrine of Our Lady of Fatima v. Mantua Twp., 12 N.J. Tax 392 (1992)

**413. Volunteer Aid and Relief Organizations**

413.1 Property tax exemption is granted to all real and personal property of any association or organization used for the purpose and in the work of providing volunteer aid to the sick and wounded of armies in wartime and/or carrying on a national and international system in peacetime to relieve suffering caused by pestilence, famine,

fires, floods, or other great national calamities. The American Red Cross is such an organization.

**413.2 Eligibility.** To qualify for exemption the following conditions must be met:

- (1) **Ownership.** The organization must have legal or beneficial ownership of the property.
- (2) **Nonprofit Use.** No part of the property may be used for pecuniary profit.
- (3) **Application.** The organization must apply for the exemption with the municipal assessor on Initial Statement, Form I.S., on or before November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**NOTE:** The organization need not be incorporated to qualify for exemption.

**REFERENCES:**

**N.J.S.A. 54:4-3.27, 54:4-4.4**

#### **414. Military Purpose Property; Veterans' Organizations**

**414.1** Revised Statutes, R.S. 54:4-3.5, as amended by c.82, P.L. 1996, provides that real or personal property owned and used for military purposes and any building, real estate, or personal property used by an organization composed entirely of veterans of any war of the United States is exempt from taxation.

**414.2 Eligibility.** To qualify for exemption all of the following conditions must be met:

- (1) **Ownership.** Property used for military purposes must be owned by any organization under the jurisdiction of the State of New Jersey. For property used by an organization composed entirely of veterans, ownership is not specified in the statute but is assumed to be a requirement.
- (2) **Use.** The property must be used for military or charitable purposes or be used by any organization composed entirely of veterans of any war of the United States.

- (3) **Income.** For military purpose property, all income derived from the property, above the costs of maintenance and repair, must be devoted exclusively to military or charitable purposes. In the case of exclusively veterans' organizations, no property shall lose or be denied exemption from taxation because of use of the property for an income-producing activity that is not the organization's primary purpose so long as all net proceeds from that activity are used in furtherance of the primary purpose of the organization or for other charitable purposes.
- (4) **Prorated Exemption.** Where part of the property owned by an organization composed entirely of veterans is leased to a nonexempt tenant, the courts have held that only that portion of the premises used by the veteran's organization is to be exempt.
- (5) **Application.** The eligible organization must apply for exemption on Initial Statement, Form I.S., with the municipal assessor by November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**REFERENCES:**

N.J.S.A. 54:4-3.5, 54:4-4.4

P.L. 1996 c.82 approved July 25, 1996 retroactive to January 1, 1994

Cairola-Barber Post No. 2342, Inc. v. Borough of Fort Lee, 2 N.J. Tax 262 (1981)

See also John Dolak Home Assoc. v. Boro. of Alpha, N.J. Super (AD 1994) for basis of statutory amendment.

## **415. Veterans' Organizations**

**415.1**

**Veterans Organizations Only.** Real and personal property used by any organization composed exclusively of veterans of any war of the United States is exempt from taxation as outlined above.

**REFERENCES:**

N.J.S.A. 54:4-3.5



415.2 **Veteran Organizations including Non-vets.** Under R.S. 54:4-3.25, as amended by c.82 P.L.1996, real and personal property used by bonafide national war veteran's organizations or posts, or bonafide affiliated associations, whether incorporated or unincorporated, is exempt even though the organization is not composed exclusively of war veterans, if the following conditions are met:

- (1) **Date Established and Membership.** Organization must have been existing and established as of June 18, 1936. Organizations membership need not be composed entirely of veterans of any war of the United States.
- (2) **Ownership.** Organization must have legal or beneficial ownership of the property.
- (3) **Use.** Exemption does not require property be exclusively devoted to the purposes for which the veteran claimant was organized or that it be free from use for pecuniary profit.
- (4) **Income.** Exemption is conferred in an otherwise proper case, even though the property is devoted to commercial pursuits carried out in the building by the owner-organization itself. No property shall lose exemption or be denied exemption from taxation because of use of property for an income-producing activity that is not the organization's primary purpose so long as all net proceeds from that activity are used to further the primary purpose of the organization or for other charitable purposes.
- (5) **No Prorated Exemption.** Exemption should be denied where a building, or parts thereof are permanently occupied as residences or used for commercial pursuits by individuals or groups other than the claimant veteran organization.
- (6) **Application.** The veterans' organizations must apply for exemption with the municipal assessor on Initial Statement, Form I.S., by

November 1 pretax year and make Further Statements on Form F.S. every third year by November 1 after exemption approval.

**REFERENCES:**

P.L. 1996, c.82 approved July 25, 1996 retro to January 1, 1994

N.J.S.A. 54:4-3.25, 54:4-4.4

John Dolak Home Assoc. v. Boro. of Alpha, N.J. Super (1984)

**416. Crippled Soldiers and Sailors**

**416.1 Eligibility.** To qualify for property tax exemption:

- (1) **Area Limited.** Real estate may not exceed 250 acres in extent.
- (2) **Ownership & Use.** Any personal property or real estate not exceeding 250 acres in extent, owned and actually and exclusively used by any corporation organized under the laws of New Jersey to provide instruction in agricultural pursuits for soldiers and sailors of the United States who have been permanently crippled while in active service in time of war, is exempt from taxation.
- (3) **Income.** All income derived from the property in excess of the expense of maintenance and operation, must be used exclusively for the benefit of crippled soldiers and sailors.
- (4) **Application.** The veterans' organizations must apply for exemption with the municipal assessor on Initial Statement, Form I. S., by November 1 pretax year and on Further Statement, Form F.S., every third year after exemption approval.

**REFERENCES:**

N.J.S.A. 54:4-3.15, 54:4-4.4

**417. Firefighter's Organizations**

**417.1** Real and personal property of firefighter's organizations is exempt from taxation under certain conditions. The following organizations are eligible:

- (A) "Exempt" firemen's associations;
- (B) Firemen's relief associations;
- (C) Volunteer fire companies.
  - (1) **Ownership.** The property must be owned by one of the above organizations.
  - (2) **Incorporation.** The organization must be incorporated under New Jersey law, or otherwise authorized to operate in this State.
  - (3) **Use.** The property must be used exclusively for the purposes of the organization. Property owned by an association and rented for use by some other interest is not exempt.
  - (4) **Application.** The organization must apply for the exemption with the municipal assessor on Initial Statement, Form I.S., on or before November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**REFERENCES:**

**N.J.S.A. 54:4-3.10, 54:4-4.4**

**Morristown Firemen's Relief Assoc. v. Town of Morristown, 20 N. J. Misc. 113, 25 A.2d 28 (1942)**

**Post v. Warren Point Volunteer Firemen's Assoc., 19 N.J. Misc. 367, 19 A.2d 636 (1941)**

**418. Public Fire Patrol or Salvage Corps**

- 418.1** "The real and personal property of an association or corporation organized under the laws of this State to maintain, and actually maintaining a public fire patrol or salvage corps for the public purpose of saving life and property from destruction by fire, used exclusively for the purpose of such association or corporation shall be exempt from taxation under this chapter."

**REFERENCES:**

**N.J.S.A. 54:4-3.13, 54:4-4.4**

## 419. Young Peoples' Associations

419.1 All real and personal property used for the purposes and in the work of certain young peoples' associations is tax exempt if the following conditions are met.

**Eligible youth groups are:**

- (1) Young Men's Christian Associations
- (2) Young Women's Christian Associations
- (3) Young Men's and Young Women's Christian Associations
- (4) Young Men's Hebrew Associations
- (5) Young Women's Hebrew Associations
- (6) Young Men's and Young Women's Hebrew Associations
- (7) Boy Scouts of America
- (8) Girl Scouts of the United States of America

419.11 **Ownership.** The association must be the legal or equitable property owner.

419.12 **Area Limitation.** A maximum of five acres of land can be exempted or where the property is improved with a building(s) or structure(s) up to five acres per building may be exempted if the land is necessary to their "fair enjoyment." Also exempt within this limitation is any land upon which construction of a building has begun and intended for use by the association.

419.13 **Use.** Exemption does not apply to any property in whole or in part where used for purposes of pecuniary profit.

419.14 **Application.** Application must be filed on Initial Statement, Form I.S., by November 1 pretax year with the municipal assessor and on Further

Statement, Form F.S., every third year by November 1 after exemption approval.

**NOTE:** The young peoples' association need not be incorporated under New Jersey law to qualify.

**REFERENCES:**

**N.J.S.A. 54:4-3.24, 54:4-4.4**

**Trustees, Y.W.C.A. v. New Brunswick, Division of Tax Appeals, January, 1972**

**Boy's Club of Clifton, Inc. v. Twp. of Jefferson, Division of Tax Appeals, April, 1974**

## **420. Fraternal Organizations**

**420.1** **Property Tax Exemption for Fraternal Organizations or Lodges.** "All real and personal property used in the work and for the purposes of one or more fraternal organizations or lodges, or any association or society organized on the lodge plan, or affiliated associations, whether incorporated or unincorporated, shall be exempt from taxation under this chapter, if the legal or beneficial ownership of such property is in one or more of said organizations, lodges, associations or societies, and no part of such property is used for pecuniary profit, provided that each such organization, lodge, association or society is also organized and operated in substantial part for charitable or educational purposes and demonstrates these aims in its programs and activities."

**420.11** **Ownership.** Real property of a fraternal organization may be owned directly by the fraternal organization itself or by a separate entity composed of members of the fraternal organization.

**420.12** **Use.** Operated in "substantial part for charitable or educational purposes" means the charitable and/or educational activities are planned and executed on a regular, continuous basis as opposed to occasionally or

sporadically and are evidenced by the local organization's participation in such activities on a national, state, and local level. Examples of such activities are: drug abuse programs, cultural programs for teens and senior citizens, public safety programs, and health clinics in poverty areas.

Supporting data should include a summary of the charitable and educational programs conducted during the pretax year and those to be conducted during the tax year.

**420.13 Profit.** All net income must be spent on maintaining and operating the property, and carrying out charitable or educational programs as documented by current financial statements. "Net income", is defined as gross receipts, less any membership dues or assessments, less gross disbursements to maintain the physical property. No part of said income is to inure to the benefit of any individual or member.

**420.14 Application.** The organization must apply for the exemption with the municipal assessor on Initial Statement, Form I. S., on or before November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**REFERENCES:**

N.J.S.A. 54:4-3.26, 54:4-4.4

Guidelines for the Property Tax Exemption of Fraternal Organizations.

Pursuant to R.S.54:4-3.26, as amended by P.L. 1971, c. 320 (April 25, 1973)

NuBeta Alumni Assoc. of Phi Gamma Delta v. City of New Brunswick, 7

N.J. Tax 379 (1984) affirmed 7 N.J. Tax 658

Sigma Phi Epsilon v. City of Hoboken, 1 N.J. Tax 607 (1980)

Brunson v. Rutherford Lodge No. 547 of Benevolent and Protective Order of Elks, 128 N. J. Super 66, 319 A.2d 80 (L. 1974)

## 421. Historic Sites

- 421.1 **Eligibility.** To qualify for tax exemption the historical property must meet the following conditions:
- 421.11 **Building(s).** The property must include a building. The land on which the building is erected necessary to its fair enjoyment, may be included in the exemption. The contents of the building are also exempt if pertinent to the historical nature of the property.
- 421.12 **Ownership & Use.** The property must be owned by a nonprofit corporation and used for exempt purposes.
- 421.13 **Certification.** The property must be certified by the Commissioner of the N.J. Department of Environmental Protection as a historic site having material relevance to the history of the State and its government which warrants preservation.
- 421.14 **Restoration.** If a restoration is made, the resulting building must be of the same kind, character and description as the original.
- 421.15 **Application.** The owner of the property must apply for the exemption with the municipal assessor on Initial Statement, Form I.S., by November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.
- 421.16 **Certificate Cancelled.** Any substantial change in the building or premises may be cause for canceling the certificate.

### REFERENCES:

N.J.S.A. 54:4-3.52, 3.53 & 3.54

Town of Morristown v. Woman's Club of Morristown, 124 NJ 605, 592A2d, 216 (1991)



State of New Jersey

Department of Environmental Protection  
DIVISION OF PARKS AND FORESTRY  
HISTORIC PRESERVATION OFFICE  
CN-404

Robert C. Shinn, Jr.  
Commissioner

Christine Todd Whitman  
Governor

TRENTON, N.J. 08625-0404  
TEL: (609) 292-2023  
FAX: (609) 291-0578

INSTRUCTIONS TO BE FOLLOWED IN ORDER TO QUALIFY AS AN  
OFFICIAL CERTIFIED HISTORIC SITE OF THE STATE OF NEW JERSEY  
UNDER THE LAWS OF 1962 and 1964  
N.J.S.A. 54:4-3.52, 3.53, 3.54

The following items are required before a tax-exempt determination can be made:

1. A petition addressed to the Commissioner of the Department of Environmental Protection requesting tax-exempt status and signed by the officers of the corporation. This petition should include evidence that the site:
  - a. Will be preserved by the said corporation.
  - b. Will be freely available to all people, without discrimination as to race, creed, color, or religion, under reasonable terms and conditions, such as a nominal fee, which would insure the preservation, and maintenance of the site.
  - c. Will be available to the public on a regular basis.
    - A copy of the corporation by-laws will be sufficient if they include items a through c.
2. A copy of the organization incorporation papers.
3. A copy of the deed to the property noting exact location, street number, deed boundaries, and/or lot numbers.
4. A brief description of the property, site, structure, or building.
5. Photographs of the property and its buildings. (at least 3 x 5 black and white glossaries).

This information should be submitted to the Historic Preservation Office at the above address.



## REQUIREMENTS FOR HISTORIC SITE CERTIFICATION BY D.E.P.

Under provisions of the Laws of New Jersey (1962, Chapter 92, as amended 1964, Chapter 61, N.J.S.A. 54:4-3.52), you, as the Commissioner of the Department of Environmental Protection, can declare historic properties owned by private non-profit organizations tax exempt from local property taxes. This is similar to the exempt status that can be granted to non-profit organizations, but specifically focuses on historic properties.

The Historic Preservation Office (HPO) requires the following conditions to be met and documented before Certified Historic site status can be granted:

1. The property must be listed in the New Jersey Register of Historic Places.
2. The property must be owned by a non-profit corporation.
3. The non-profit organization must agree to preserve the historic property.
4. The property must be open to the public on a regular basis.
5. Access to the property must be non-discriminatory in regard to race, creed, color, or religion.

The following have been declared historic sites by the Commissioner of the Department of Environmental Protection and authorized for tax exemption under the provisions of the Act approved on June 25, 1962, Chapter 92 of the Laws of New Jersey. They are available to all people without discrimination as to race, creed, color or religion, and subject to reasonable terms and conditions, such as a nominal fee, which will insure the preservation and maintenance of the site.

Belcher Mansion - Elizabeth - 12/19/62  
Old Weymouth Iron Forge - Weymouth - 6/21/63  
James Fennimore Cooper House - Burlington - 7/17/63  
Cooper House + How House - Burlington - 7/17/63  
Old Franklin Schoolhouse - Metuchen - 7/15/63  
Church of the Presidents - Long Branch - 3/18/65  
Conover-Schenck Cemetery - Pleasant Valley - 6/1/65  
Bonnell House - Elizabeth - 10/1/65  
Historic Burlington County Prison - Mount Holly -  
12/20/66  
Macculloch Hall - Morristown - 4/23/68  
Speedwell Village - Morristown - 10/68  
Gibbon House - Greenwich - 1/8/70  
Hunter-Lawrence House - Woodbury - 7/17/70  
Moravian Church - Swedesboro - 7/17/70  
Doric House - Flemington - 11/19/70  
Alexander Grant House - Salem - 1/4/71  
Contemporary Victorian Museum - Trenton - 2/17/71  
Kirby's Mill - Medford - 7/12/71  
Franklin Mineral Museum - Franklin - 9/24/71  
Acorn Hall - Morristown - 10/22/71  
Dr. Condict House - Morristown - 11/19/71  
Silas Riggs House - Ledgewood - 12/20/71  
D.A.R. Van Bunschooten Museum - Wantage Township - 1/4/72  
Miller-Cory House - Westfield - 1/19/72  
Smith-Cadbury Mansion - Moorestown - 7/19/72  
Kingswood Cemetery - Kingwood - 4/5/73  
Peachfield - West Hampton Township - 8/15/73  
Old School House - Mount Holly - 8/15/73  
Fortnightly Woman's Club - Haddonfield - 11/26/73  
Garretson Forge and Farm - Fair Lawn - 1/12/76  
James Colles Mansion (Kellogg Club) - Morristown -  
5/23/78  
Lloyd Houses - Newark Preservation and Landmarks  
Committee - Newark 2/20/79  
Bucklew House (Jamesburg Historical Assoc.) - Jamesburg -  
2/24/81  
Botto House (American Labor Museum) - Haledon - 9/14/83  
Anthony Reckless House (Woman's Club of Red Bank) - Red  
Bank - 12/28/83  
Our Lady of Mt. Carmel Church (Ironbound Educational and  
Cultural Center) - Newark - 3/20/84  
Abram Demaree Homestead-Closter - 9/10/85  
Rectory of Mt. Carmel Church-Newark - 10/29/91  
Risley Homestead-Northfield - 3/31/92

Christine Todd Whitman  
Governor



State of New Jersey  
Department of Environmental Protection

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Robert C. Shinn, Jr.  
Commissioner

Natural & Historic Resources  
PO Box 404  
Trenton, N.J. 08625-0404  
TEL: (609) 292-3541  
FAX: (609) 84-0836

INFORMATION  
DIRECTOR

October 1, 1997

Mr. Richard Gardiner  
Division of Taxation  
PO Box 240  
Trenton, New Jersey 08646

Dear Mr. Gardiner:

The attached copy of Certificate of Historic Site is for your files and concerns tax-exempt status for Twin Maples (the Fortnightly Club of Summit) Summit, Union County, New Jersey.

Under provisions of the Laws of New Jersey (1962, Chapter 92, as amended 1964, Chapter 61, N.J.S.A. 54:4-3.52), the Commissioner of the Department of Environmental Protection has declared this historic property, owned by a private non-profit organization, exempt from local property taxes.

If you have any questions concerning this certification, please contact Mr. Terry Karschner at the Historic Preservation Office (609) 292-2028.

Sincerely,

James F. Hall  
Assistant Commissioner

State of New Jersey



CERTIFICATE OF HISTORIC SITE

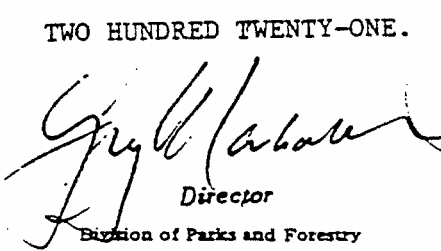
TO ALL WHO SHALL SEE THESE PRESENTS, GREETING:


*THIS IS TO CERTIFY THAT:*

THE SISTERS OF CHARITY DAIRY BARN  
(PARK AVENUE FOUNDATION), FLORHAM PARK, MORRIS COUNTY  
HAS BEEN DECLARED AN HISTORIC SITE UNDER THE PROVISIONS

OF AN ACT APPROVED ON THE TWENTY-FIFTH DAY OF JUNE, NINETEEN  
HUNDRED AND SIXTY-TWO, CHAPTER 92 OF THE LAWS OF NEW JERSEY OF 1962

THIS CERTIFICATE IS AWARDED IN RECOGNITION OF  
THE HISTORIC VALUE OF THIS SITE TO THE HISTORY AND  
GOVERNMENT OF THE GREAT STATE OF NEW JERSEY  
AND TO TRANSMIT THE SAME UNIMPAIRED TO SUCCEEDING GENERATIONS.  
DONE AT TRENTON, NEW JERSEY, THIS SECOND DAY OF APRIL IN  
THE YEAR OF OUR LORD ONE THOUSAND NINE HUNDRED AND NINETY-SEVEN  
AND OF THE INDEPENDENCE OF THE UNITED STATES OF AMERICA THE  
TWO HUNDRED TWENTY-ONE.

  
Director  
Division of Parks and Forestry

  
Commissioner  
Department of  
Environmental Protection



# State of New Jersey

## Certificate of Historic Site

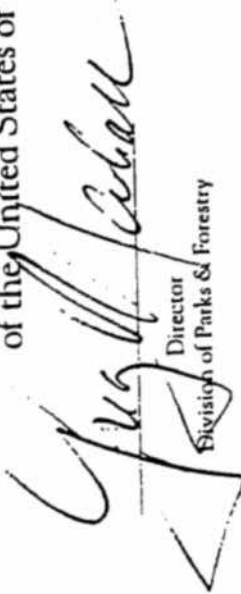
This is to certify that:

**Twin Maples (The Fortnightly Club of Summit)  
214 Springfield Avenue  
Summit, NJ, Union County**

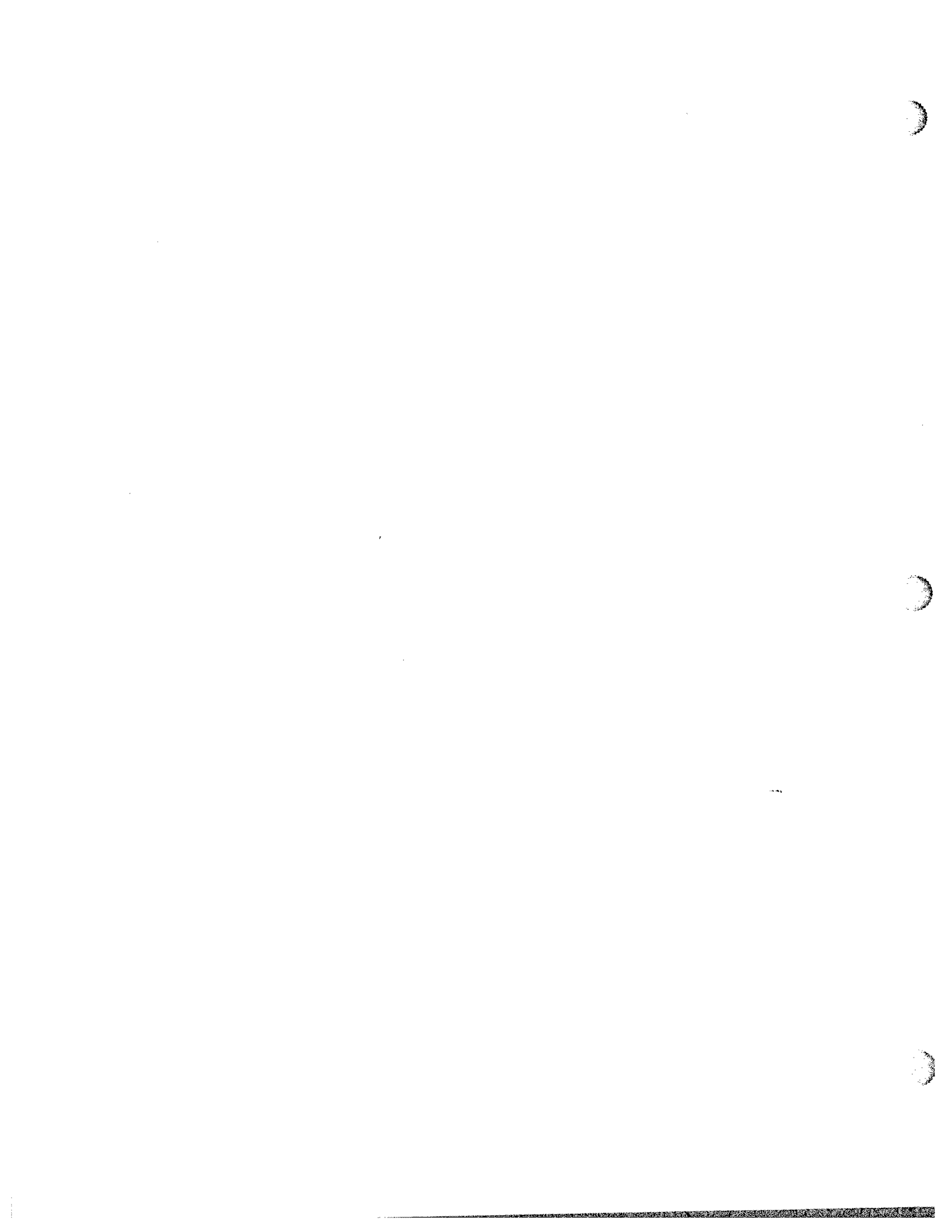
has been declared an historic site and exempt from property taxes under the provisions of Chapter 92 of the Laws of New Jersey of 1962, as amended. This certificate is awarded in recognition of

the historic value of this property to the history and government of the Great State of

New Jersey and to transmit the same unimpaired to succeeding generations, this Nineteenth day of September in the Year of Our Lord One Thousand Nine Hundred and Ninety-seven and of the Independence of the United States of America the Two Hundred Twenty-one, Trenton, New Jersey.

  
Director  
Division of Parks & Forestry

  
Commissioner  
Department of Environmental Protection



## 422. Automatic Fire Suppression Systems

422.1 To encourage property owners' voluntary installation of automatic fire suppression equipment and help defray the cost of those required by law to install it, property tax exemption is provided to the extent such equipment enhances the market value of the property in which it is installed. Exemption applies to a fire suppression system installed in a residential, commercial or industrial building once certified by the enforcing agency.

"Automatic fire suppression system" means a mechanical system designed and equipped to detect a fire, activate an alarm, and suppress or control a fire without human intervention. Such a system activates as a result of a predetermined temperature rise, rate of temperature rise, or increase in the level of combustion products.

"Enforcing agency" means the municipal agency provided for under the State Uniform Construction Code Act 52:27D-119 et seq.

### REFERENCES:

N.J.S.A. 54:4-3.130, 54:4-3.131

422.2 **Certification Required.** The local code enforcing agency, upon application, is to review and grant or deny certification of the system. An automatic fire suppression system is exempt from taxation when the equipment, facility, or system installed is designed primarily for purposes of automatic fire suppression as guided by regulations set forth by the Commissioner of the Department of Community Affairs. The certification must identify the system and its cost.

### REFERENCES:

N.J.S.A. 54:4-3.132, 54:4-3.133

422.3 **Applying for Certification and Exemption.** Certification as an automatic fire suppression system is to be applied for to the local enforcing agency on Form FSS-1 ( See Exhibit IV-11.) supplied by the enforcing agency and promulgated by the



Director, Division of Taxation. The enforcing agency may, at any time, inquire into the claimant's right to exemption, and may require a new application or proofs it feels necessary to continue the exemption. The enforcing agency has the right to inspect the premises for which exemption is claimed.

**REFERENCES:**

**N.J.S.A. 54:4-3.132**

**422.31 Claimant, Assessor, Enforcing Agency to get Certificates.** The approved certificate itself is given to the claimant. A copy of the certificate is sent to the assessor of the municipality where the building having the automatic fire suppression system is located. A copy of the certificate is also retained in the files of the enforcing agency.

**REFERENCES:**

**N.J.S.A. 54:4-3.133**

**422.32 Assessor to Allow Exemption.** Once the assessor receives a copy of the enforcing agency's certification that an automatic fire suppression system is exempt from taxation, exemption begins in the tax year following the year in which certification was granted. The assessor should reflect the exemption on the Tax List as a partial exemption. The Tax List should show the full assessed value and, in a separate column, the amount of the exemption, as well as a separate net assessed valuation of the property.

**REFERENCES:**

**N.J.S.A. 54:4-3.133**

**422.4 Exempt Amount.** The owner of a building equipped with a properly certified automatic fire suppression system is entitled to annual exemption on the assessed value of the building in an amount equal to the value of the fire suppression system. The assessor should first determine the assessed value of the property including the

automatic fire suppression system and then determine the assessed value of the property minus the fire suppression system. The difference between these two figures will indicate the amount of exemption accorded the system.

**REFERENCES:**

**N.J.S.A. 54:4-3.136**

**422.5 Certificate Revoked.** The enforcing agency, after notice to the FSS certificate holder, may revoke the certificate for any of the following reasons:

- (1) the certificate was obtained by fraud or misrepresentation;
- (2) the exemption claimant has failed substantially to proceed with construction, reconstruction, installation or acquisition of an automatic fire suppression system;
- (3) the mechanical system is no longer used for the primary purpose of automatic fire suppression, and is used for a different primary purpose;
- (4) the claimant so departed from the equipment, design and construction previously certified that in the enforcing agency's opinion the system is not suitable and reasonably adequate for providing automatic fire suppression.

**REFERENCES:**

**N.J.S.A. 54:4-3.134**

**422.6 Appeal.** A person aggrieved by an action of the assessor may appeal to the County Tax Board or to the New Jersey Tax Court as appropriate. A person aggrieved by the action of the Director, Division of Taxation may seek a review before the Director. A person aggrieved by the action of the enforcing agency may seek a review before the board of appeals. Board of appeals means the municipal or county board provided for under the State Uniform Construction Code Act.

**REFERENCES:**

**N.J.S.A. 54:4-3.135 & 3.130**

**422.7 Sales Ratio Usability of Property with a Certified Fire Suppression System.**

Where property having an automatic fire suppression system exemption is sold, the assessor should attach a copy of the approved certification or application to the

SR-1A form. The property assessment reported on the SR-1A form should be the full assessment including the assessed value of the system. This information will be carefully reviewed to determine the usability or nonusability of the sale. Generally, it's assumed there is a reasonable relationship between the full assessed value of the sold property and the selling price.

**REFERENCES:**

**Ltr. to all Assessors from Samuel Temkin, Superintendent, Local Property and Public Utility Branch, September 12, 1983**

**423. Certain Air and Water Pollution Facilities and Devices**

- 423.1 Pollution Abatement or Prevention Equipment.** Any equipment, facility or device constructed or installed and used primarily for abating or preventing pollution of the atmosphere or waters of this State which is certified to be an air or water pollution abatement facility by the Division of Environmental Quality and the Commissioner of the Department of Environmental Protection, is exempt from taxation.

**REFERENCES:**

**N.J.S.A.54:4-3.56**

- 422.2 Certification.** The Commissioner of the Department of Environmental Protection, as requested, is to certify a facility as an air or water pollution abatement facility when he finds the equipment, facility or device constructed or installed, or to be constructed or installed, designed primarily for controlling or abating air or water pollution and suitable and reasonably adequate for such purpose. The certificate must identify the facilities, their cost and be in such form and detail as the commissioner prescribes. (See Exhibit IV-12.) The certificate is to be sent to the applicant with a copy to the assessor of the taxing district where the facilities are located and installed. Tax exemption becomes effective for the tax year following the year in which certification

is granted and thereafter during the facility's or equipment's use primarily for such purpose.

**REFERENCES:**  
**N.J.S.A. 54:4-3.57**

**423.3 Certificate Revoked.** The Commissioner of Department of Environmental Protection, after giving notice to a pollution abatement certificate holder and an opportunity for a hearing, may revoke the certificate as follows:

- (1) the certificate was obtained by fraud or misrepresentation;
- (2) the exemption claimant failed substantially to proceed with construction, reconstruction, installation or acquisition of pollution control facilities;
- (3) the previous structure or equipment or both is no longer used for the primary purpose of pollution control and is used for a different primary purpose;
- (4) the claimant so departed from the equipment, design and construction previously certified that in the Commissioner's opinion the primary purpose of such installation is no longer to prevent pollution or the installation is not suitable and reasonably adequate for that purpose;
- (5) performance of the equipment as installed is not, in the commissioner's opinion, suitable and reasonably adequate for the primary purpose for which certified; and in lieu of revocation, the commissioner may modify the certificate in accordance with the facts.

The commissioner must forward a copy of the notice of revocation or modification of any certificate to the assessor of the taxing district in which the equipment is located.

**REFERENCES:**  
**N.J.S.A. 54:4-3.58**

**424. Improvement to Water Supply or Sewerage Disposal System**

**424.1 Improvement Value Exempt.** The value of any "improvement" to real estate, to the extent the improvement enhances the value of the property, is exempt from taxation.

An "improvement" or "improvement to real estate" means any structure, machinery, equipment, device or facility necessary to the installation or maintenance of a potable water supply system or a water-carried sewerage disposal system. Such improvements apply only to those located on land in agricultural or horticultural use.

**REFERENCES:**

**N.J.S.A. 54:4-3.59, 54:4-3.60, 54:4-23.12**

- 424.2 **Application.** An initial application, Form WS-1, must be filed by the claimant with the assessor on or before October 1 of the pretax year. Forms are supplied by the municipality. Form WS-1 as prescribed by the Director, Division of Taxation must authorize the assessor, or his representative, to enter the premises to periodically inspect the improvement. (See Exhibit IV-13.)

**REFERENCES:**

**N.J.S.A. 54:4-3.61**

- 424.3 **Exemption Continued.** A tax exemption, once granted, continues from year to year without further application as long as the improvement is maintained in working order as verified by the assessor.

**REFERENCES:**

**N.J.S.A. 54:4-3.62**

## **425. Growing Crops, Trees, Shrubs, and Vines**

Commercially planted and growing crops, trees, shrubs, and vines are exempt from property taxation while in the ground. Real property is to be assessed at true value without regard to any enhancement in value because of commercially planted and growing crops, trees, shrubs or vines while in the ground.

**REFERENCES:**

**N.J.S.A. 54:4-3.28**

**Julius Roehrs Co. v Div. Tax Appeals, 16 NJ 493, 109 A2d 611 (1955)**

## 426. Conservation or Recreation Land

426.1 **Legislative Rationale.** The Legislature finds "that natural open space areas for public recreation and conservation purposes are rapidly diminishing; that public funds for the acquisition and maintenance of public open space should be supplemented by private individuals and conservation organizations; and that it is therefore in the public interest to encourage the dedication of privately-owned open space to public use and enjoyment."

426.2 **Eligibility.** To qualify for exemption the property must meet the following conditions:

426.3 Lands and improvements must be actually and exclusively used for conservation or recreation purposes, owned and maintained or operated for public benefit by a nonprofit 501c3 federal tax exempt organization and certified by the Commissioner of the N.J. Department of Environmental Protection as such.

426.31 **Certification.** The property must be certified by the Department of Environmental Protection's Commissioner as a recreation or conservation area benefiting the public. Certification may be granted only after application is made to the Commissioner and a public hearing held to establish equal access to all citizens and public benefit.

### REFERENCES:

N.J.S.A. 54:4-3.64; 54:4-3.66

426.32 **Application.** Property owners claiming tax exemption must file an application in duplicate for certification with the Commissioner of D.E.P. on or before August 1 of the pretax year. Applications as prescribed by the Commissioner require a physical description of the land and

improvements, a plan for use and preservation, a statement of public uses and access.

**REFERENCES:**

**N.J.S.A. 54:4-3.67**

**426.33 Commissioner to Notify.** The Commissioner of D.E.P. must approve any applications for certification, on or before September 15 of the pretax year and deliver them to the property owner and assessor of the taxing district where the property is located.

**REFERENCES:**

**N.J.S.A. 54:4-3.67**

**Princeton Twp v. Bardin**, 147 N.J. Super 557, 371 A2d 776 (A.D. 1977)  
certden 74 NJ 281, 366 A2d 685

**Wildlife Reserves Inc. v. Boro Lincoln Park**, 151 N.J. Super 533, 377 A2d 706 (A.D. 1977)

**426.4 Assessor to Exempt.** Tax exemption for certified recreation or conservation land and improvements is to be granted in accordance with N.J.S.A. 54:4-4.4 filing provisions for Initial and Further Statements.

**REFERENCES:**

**N.J.S.A. 54:4-3.68**

**West Milford Twp. v Garfield Recreation Committee, Inc.**, 194 N.J. Super 148, 476 A.2d.333 (1983)

**426.5 Change of Use.** When real property exempt as a certified recreational or conservation area ceases to be used for that purpose, it is subject to roll-back taxes.

**REFERENCES:**

**N.J.S.A. 54:4-3.69**

**426.51 Roll-back Taxes.** Roll-back taxes are to be assessed in an amount equal to taxes payable on the property if nonexempt for the year of the change in

use and 2 years immediately prior to the year of the use change. Interest is to be charged at a rate of 8% compounded annually.

**REFERENCES:**

**N.J.S.A. 54:4-3.69**

**426.52 Roll-back Taxes Restricted.** No roll-back taxes are to be assessed when the property which is exempted is sold, leased, donated or otherwise conveyed to a public agency, nonprofit corporation or organization.

**REFERENCES:**

**N.J.S.A. 54:4-3.69**

**Camp Alpine of Greater N.Y. Councils v. Boro. of Norwood, 178 N.J. Super 98 (1981), 2 N.J. Tax 223, 183 N.J. Super, 13, 443 A2d 213**

**427. Cemeteries, Burial Grounds, Graveyards**

**427.1 Cemeteries.** Lands used or intended for use as cemeteries and buildings for cemetery use erected on the land, mausoleums, vaults, crypts, or structures intended to hold or contain bodies of the dead or their ashes and solely devoted to or held for that purpose are exempt from taxation. No limit is imposed on the area of a cemetery to be exempt. The lands used or dedicated to cemetery purposes is a question of fact in each case where proof plainly indicates that the property is actually used as a cemetery or within reasonable contemplation thereof. Lands being cleared and prepared for cemetery use may be in reasonable contemplation of cemetery use and may be exempt; but brush and swampland not needed for burial in a reasonable number of years, together with failure to obtain municipal permits, might be evidence to defeat a claim for exemption.

**427.2 Graveyards and Burial Grounds.** Lands used or intended for use as graveyards, or burial grounds and cemeteries and buildings for cemetery use are exempt from taxation. The exemption for graveyard, or burial ground, is limited to 10 acres. A



"graveyard" is defined as that plot next to a church used for burial of parishioners; the term "burial ground" remains undefined.

- 427.3 **Application.** Cemetery associations or other owners must apply for exemption with the municipal assessor on Initial Statement, Form I.S. by November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**REFERENCES:**

N.J.S.A. 54:4-3.9, 54:4-4.4

Lakeview Memorial Park Association v. Twp. of Cinnaminson, Division of Tax Appeals, February 15, 1962

City of Jersey City v. Roman Catholic Diocese of Newark, 4 N.J. Tax 593 (1982)

**428. Nonprofit Cemetery Associations or Corporations**

- 428.1 **Exemptions.** Nonprofit cemetery companies are exempt from the real estate tax on lands dedicated for cemetery purposes, as well as all land, structures, buildings, and equipment used for the operation and maintenance of the lands so dedicated.

**REFERENCES:**

N.J.S.A. 8A:5-10

Frank v. Kugler, 121 N.J. Super 589, (1972)

- 428.2 **Cemetery Size Limited.** An incorporated cemetery company may take by gift, purchase or devise and hold lands not to exceed 250 acres in extent at any one location.

**REFERENCES:**

N.J.S.A. 8A:6-1

- 428.3 **Prohibited Activities.** Every cemetery company whether incorporated or organized prior to or subsequent to the enactment of the "New Jersey Cemetery Act" (L. 1971, c. 333), is prohibited from engaging directly or indirectly, in any of the following:

- (1) Manufacture or sale of monuments, markers or bronze memorials;
- (2) Manufacture or sale of vaults as defined in the act and manufacture or sale of private mausoleums or any private sarcophagus;
- (3) Conduct of any funeral home or engaging in the business or profession of mortuary science; provided that crematoriums operated in conjunction with funeral homes prior to December 1, 1972 are excepted from these provisions.

**REFERENCES:**

N.J.S.A. 8A:5-3

Frank v. Kugler, 121 Super. 589 (1972)

Terwilliger v. Graceland Memorial Park Ass'n., 35 N.J. 259 (1961)

Frank v. Clover Leaf Park Cemetery Ass'n., 29 N.J. 193 (1959)

Locustwood Cem. Assoc. v. Cherry Hill Twp., 133 N.J. Super 92 (1975)

Greenwood Cemetery Assoc. v. City of Millville, 1 N.J. Tax 408 (1980)

- 428.4 A cemetery company must not lease any of its lands, directly or indirectly, to any person or entity engaged in any activity prohibited under the statutes (see N.J.S.A. 8A:5-3). Engaging in any prohibited activities or any contractual lease agreements above may invalidate the cemetery company's exempt status.

**REFERENCES:**

N.J.S.A. 8A:6-2

Lakeview Memorial Park Assoc. v. Boro. of Cinnaminson, Division of Tax Appeals, February 15, 1961

- 428.5 **Application.** The cemetery organization or association must apply for the exemption with the municipal assessor on Initial Statement, Form I.S. by November 1 pretax year and on Further Statement, Form F.S., every third year by November 1 after exemption approval.

**REFERENCES:**

N.J.S.A. 54:4-3.9, 54:4-4.4

## 429. Blast or Radiation Fallout Shelters

429.1 Blast or radiation fallout shelters in residential properties are exempt from taxation to the extent that they enhance the value of the property, up to \$1,000 of true value.

### REFERENCES:

N.J.S.A. 54:4-3.48

429.2 **Eligibility.** To qualify for exemption, the following conditions must be met as of October 1 of the pretax year:

429.21 **Standards.** A shelter must comply with design and construction standards authorized by the New Jersey Department of Defense and issued by the United States Department of Defense, 500 C Street SW, Washington, DC 20472.

*NOTE:* Office of Civil Defense is no longer in existence. It's authority is now under Federal Emergency Management Agency (FEMA).

### REFERENCES:

N.J.S.A. 54:4-3.49

429.22 **Completion.** A shelter must be erected, installed and completed.

429.23 **Residential Property.** A shelter must be on property occupied for residential purposes by no more than two families. It may be inside another building or a separate structure.

### REFERENCES:

N.J.S.A. 54:4-3.48

429.24 **Application.** Claimants of shelter exemption must apply with the assessor on or before October 1 of the pretax year on Form F.S. 1 Claim for Exemption on Blast or Radiation Fallout Shelter prescribed by the

Director, Division of Taxation. (See Exhibit IV-14.) Claimant's authorization for the assessor to enter the property to make periodic inspections is required. An exemption, once granted, continues from year to year without further application as long as the shelter is properly maintained.

**REFERENCES:**

**N.J.S.A. 54:4-3.50 & 3.51**

429.25 **Exempt Amount.** The amount of the exemption is the value by which the entire property is enhanced through construction of the shelter, but not in excess of \$1,000 of true value. In calculating the enhanced value, assessors should consider the shelter's construction, erection, or installation costs.

**REFERENCES:**

**N.J.S.A. 54:4-3.48**



# EXHIBITS

HANDBOOK FOR NEW JERSEY ASSESSORS



# EXHIBIT IV-1

July, 2009

Property Administration

TO: ASSESSORS, TAX COLLECTORS, COUNTY TAX BOARD  
COMMISSIONERS AND COUNTY TAX ADMINISTRATORS

FROM: Patricia Wright, Assistant Director  
Local Property Tax

RE: **REVISED 2009 INCOME GUIDELINES FOR REAL PROPERTY TAX  
DEDUCTION FOR SENIOR CITIZENS, DISABLED PERSONS AND  
SURVIVING SPOUSES**  
**N.J.S.A.54:4-8.40 et seq.; Chapter 129, P.L. 1976, as  
Amended**  
**N.J.A.C.18:14-1.1 et seq.**

To assist all concerned with the administration of Chapter 129, Laws of 1976, as amended, and to aid in determining income which may be deducted or excluded from gross income of citizens and residents of this State, 65 years of age or more, or less than 65 years but permanently and totally disabled, or their surviving spouses, age 55 or more, in certain cases, who are applying for the Real Property Tax Deduction under N.J.S.A.54:4-8.40 et seq the following guidelines are provided.

This information supersedes that in the Guidelines of July 2008 and pertains to Property Tax Deduction Claims (Form PTD) for tax year 2009 and Annual Post-Tax Year Statements (Form PD5) filed by March 1, 2010 to confirm 2009 income. Initial application Form PTD must be filed with the assessor between October 1 and December 31 of pretax year 2008 or with the tax collector at any time during tax year January 1, 2009 - December 31, 2009. Social Security income data is based on an individual retiring at full retirement age in 2009 who has contributed to Social Security at maximum wage levels through 2008 and can be used to determine whether a PTD applicant meets the \$10,000 income limit for 2009. PTD applicants should provide the assessor or collector with the amount of annual benefit and the name and address of the agency granting the benefit.



## INCOME DEFINED

N.J.S.A.54:4-8.40(a) defines "**income**" as all income from whatever source derived including, but not limited to, realized capital gains except for a capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence...and, in their entirety, pension, annuity and retirement benefits.

N.J.A.C.18:14-1.1 enumerates "**income**" as salaries, wages, bonuses, commissions, tips and other compensations before payroll deductions, all dividends, interest, realized capital gains, royalties, income from rents, business income and, in their entirety, pension, annuity and retirement benefits. Realized capital gains, except for capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence...and dividends, interest, pensions, annuities and retirement benefits must be included in full without deductions even though they may be wholly or partially exempt for Federal Income Tax purposes.

N.J.A.C.18:14-1.1 further defines "**business income**" as gross income derived from a business, trade, profession or the rental of property after deductions of the ordinary and necessary expenses of the business, trade, profession or rental of property allowed under the Federal Internal Revenue Code and regulations.

Ordinary and necessary expenses incurred in a trade or business are included as deductions for adjusted gross income. Such deductions are subtracted from gross income to arrive at adjusted gross income to the extent allowed under the IRS Code and Regulations. However, certain categories of expenses may only be used against similar categories of income and not applied broadly against all income. To ascertain the treatment of such expenses, it is necessary to review how the income was categorized, reported and treated for Federal Income Tax purposes. Deductions for AGI are reported on page 1 of the Federal 1040 and originate on supporting schedules; Federal Schedule C for business expenses and Federal Schedule E for rent, royalty, partnership and fiduciary deductions.

"**Married persons income**" income received by the applicant and spouse is combined in establishing eligibility for the property tax deduction unless they are living separately. N.J.S.A.54:4-8.41 provides, in part, income of a married person includes an amount equal to the income of the spouse during the applicable income year, except for that portion of the year as the two were living apart in a state of separation, whether under judicial decree or otherwise.

N.J.A.C.18:14-1.1 also provides income of applicant's family members, other than a spouse, is not to be combined with income of the applicant.

### EXCLUDABLE INCOME

A PTD applicant is entitled to exclude benefits under only ONE of following three categories:

1. The Federal Social Security Act and all its amendments and supplements; \*\*\* **SEE NOTE**
2. Any other Federal government program or Federal law which provides benefits in whole or in part in lieu of Social Security benefits or for persons excluded from coverage under Social Security, including but not limited to the Federal Railroad Retirement Act (Tier I and II) and Federal pension, disability and retirement programs; \*\*\* **SEE NOTE**
3. Pension, disability or retirement programs of any state or its political subdivisions, or agencies for persons not covered under Social Security. \*\*\* **SEE NOTE**

\*\*\* **NOTE:** Where the PTD applicant and/or spouse receives only Social Security benefits and no benefits under 2. & 3., the amount of Social Security received may be deducted from income in full. Where the PTD applicant and/or spouse receives both Social Security benefits and benefits under 2. or 3., the larger of any one of the income categories can be deducted. The amount of Federal, State, County, Municipal pension, disability or retirement benefit etc. excluded should be based on actual benefits received provided that the total excluded under 2. or 3. above is not in excess of the maximum benefit amount excludable in similar circumstances under 1. Social Security. (N.J.S.A.54:4-8.40(a)(1)(2)(3))

"Disability benefits" the New Jersey Constitution, statutes and regulations are silent on the subject of disability income other than those disability benefits received under a Federal, State, or Political Subdivision program which are excludable only to the extent of the maximum benefit received under the Federal Social Security Act. Therefore, any other disability income received should be evaluated for inclusion or exclusion based on its proper treatment for Federal Income Tax purposes. (See **Handbook for New Jersey Assessors**, Section 402.241, as updated in April 1998 and the **Local Property Branch Newsletter**, September/October 1977, page 1.)

### A WORD ABOUT SOCIAL SECURITY DISABILITY DETERMINATIONS

The amount of Social Security benefits awarded surviving spouses is variable and is best established by Social Security Certificate, Forms SSA-30 OR SSA-2458, or Third Party Query (TPQY) Response when determining the income deduction allowed. Where award certificate has an issue date that is not current, assessors/collectors may need to request proof of current eligibility such as current check stub.

Disability under Social Security is based on a person's inability to work. Someone will be considered disabled if that person cannot do work he/she did before and the Social Security Administration decides that same person cannot adjust to other work because of his/her medical condition(s). The disability also must last or be expected to last for at least a year or to result in death. Social Security does not pay for partial disability or for short-term disability. Under Social Security law, all disability cases must be reviewed from time to time. This is to make sure that people receiving benefits continue to be disabled and meet all other requirements. Benefits generally will continue unless there is strong proof of medical improvement and an ability to return to work. How often a case is reviewed depends on the likelihood of improvement. The frequency can range from six months to seven years.

- If medical improvement is "expected," a case normally will be reviewed within six to eighteen months.
- If medical improvement is "possible," a case normally will be reviewed no sooner than three years.
- If medical improvement is "not expected," a case normally will be reviewed no sooner than seven years.

#### **GENERAL RULE OF THUMB WITH REGARD TO INCOME**

If income treatment is not addressed in New Jersey Statutes, N.J.S.A.54:4-8.40 et seq., or the New Jersey Administrative Code, N.J.A.C.18:14-1.1 et seq. defer to income status for Federal Income Tax purposes. **Local Property Newsletter**, May/June 1982, page 1.

**"Business Income Expenses"** Ordinary and necessary expenses incurred in a trade or business are treated as deductions for adjusted gross income. Such deductions are subtracted from gross income to arrive at adjusted gross income to the extent allowed under the IRS Code and Regulations. However, certain categories of expenses may only be used against similar categories of income and not applied broadly against all income. To ascertain the treatment of such expenses, it is necessary to review how the income was categorized, reported and treated for Federal Income Tax purposes. Deductions for AGI are reported on page 1 of the Federal 1040 and originate on supporting schedules; Federal Schedule C for business expenses and Federal Schedule E for rent, royalty, partnership and fiduciary deductions.

**"Gifts"** are not treated as income for Federal Income Tax purposes and, therefore, are not income when determining the annual \$10,000 limit for the Real Property Tax Deduction. But any income generated from the gifts, including profits derived from their sale, is income. **Section 849 U.S. Master Tax Guide.**

**"Inheritances, bequests, devises"** are not income for Federal Income Tax purposes and are not included as income for establishing the \$10,000 ceiling for property tax deduction. However, any income generated from the property such as investment income, rental

income, or profits from their sale is income. **Section 847 U.S. Master Tax Guide.**

"IRA income", when it is distributed, must be counted toward the \$10,000 limit.

"Life insurance" all payments due to death of the insured are not considered income for Federal Income Taxes, nor for property tax deduction entitlement. **Section 803 U.S. Master Tax Guide.**

"N.J. Worker's Compensation" payments made under state law for occupational injury or illness arising out of employment are not considered income subject to Federal taxation, nor are they income when calculating income levels for the \$250 property tax deduction. **Section 851 U.S. Master Tax Guide.**

"Alimony and Child Support" Alimony and separate maintenance payments are deductible by the payor and are includible in the gross income of the party receiving the payments. Child support payments are not includible as income received. **Sections 771 and 776 U.S. Master Tax Guide.**

"Unemployment Compensation" The entire annual amount of unemployment compensation benefits received must be included as income to recipient. Payments to laid-off employees from company-financed supplemental unemployment benefit plans are taxable income in the year received. **Section 722 U.S. Master Tax Guide.**

"Armed Forces Benefits" Benefits under any law administered by the Veterans Administration are not includible income for Federal Income Tax purposes. This includes amounts paid to veterans or their families in the form of educational, training, or subsistence allowances, disability compensation and pension payments for disabilities, grants for homes designed for wheelchair living, and so forth. Such payments are prefaced as payments "for personal injuries or sickness which resulted from combat-related service in the armed forces..." **Section 891 U.S. Master Tax Guide.**

"State Lottery Winnings" are considered income for purposes of establishing the \$10,000 income cutoff for \$250 Real Property Tax Deduction. **Local Property Newsletter**, May/June 1977, page 2.

"Reverse Mortgage" Because a reverse mortgage is the assumption of a debt, it is not considered income for purposes of this deduction.

"Homestead Rebate" is not considered income when computing the yearly \$10,000 income limitation for \$250 Real Property Tax Deduction. **Local Property Branch Newsletter**, January/February 1978, page 2.

**"NJ SAVER" Rebate (School Assessment Valuation Exemption Relief)** is similar to the Homestead Rebate and is not income for property tax deduction purposes. **"FAIR Rebate"** Beginning with tax year 2005, the Homestead Rebate and the NJ SAVER Rebate have been combined into the **FAIR Rebate** and, like prior rebates, is not considered income for purposes of this deduction. As of 2007, the rebate was redesignated as the Homestead Property Tax Credit, but its form is a rebate and treatment is the same as prior rebates, that is, it's not income.

**"REAP" Payment (Regional Efficiency Aid Program)** is not income but like the Homestead Rebate and SAVER Rebate is deemed a refund of property taxes.

**"Property Tax Reimbursement"** The Property Tax Reimbursement (PTR), also known as the Senior/Disabled Tax Freeze, is not considered income when computing the annual \$10,000 income limitation for the \$250 Real Property Tax Deduction. As with the rebates, the PTR functions as a refund of property taxes paid.

**FULL RETIREMENT AGE**

**Age To Receive Full Social Security Benefits**

<b>Year of Birth</b>	<b>Full Retirement Age</b>
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Because of longer life expectancies, the Social Security law was changed in 1983 [P.L. 98-21 (H.R. 1900) signed on April 20, 1983] to increase the full retirement age in gradual steps until it reaches age 67. Beginning in the year 2003, this change affects people born in 1938 and later. Benefits will still be available at age 62, but with greater reduction.

**SOCIAL SECURITY BENEFIT MAXIMUM**

The following are the annual maximum benefit estimates for a male or female worker retiring at full retirement age in 2009 who contributed to Social Security at maximum wage levels through 2008, as compiled from information received from the Department of Health & Human Services, Social Security Administration:

- Retired worker (full retirement age) \$27,876
- Retired worker and spouse receiving Social Security benefits through the retired worker.

Retired worker (full retirement age) \$27,876  
 Spouse nonworking (full retirement age) \$13,932  
 Retired worker and spouse (both full retirement age) \$41,808

- Disabled worker (less than full retirement age) receives benefits based on average yearly earnings under Social Security in the same amount he would get if retiring at full retirement age. \$27,876

- Disabled worker and spouse - where spouse receives Social Security benefits through the disabled worker.

Disabled worker (less than full retirement age) \$27,876  
 Spouse (full retirement age) \$13,932  
 Spouse (with minor or disabled children) \$13,932  
 Disabled worker and either spouse as above \$41,808

- Spouse (less than 62 with no minor or disabled children) No benefits

- Surviving spouse (age 60 or more) receives Social Security benefits through the deceased worker unless:  
 Surviving spouse (age 50-60 years) is totally disabled  
 Surviving spouse (with minor or disabled children of the deceased)

Any questions in regard to this information can be directed to the New Jersey Division of Taxation, Property Administration, PO Box 251, Trenton, NJ 08695-0251.

Adherence to these Guidelines should result in a more uniform implementation of the Act.

#### INCOME DETERMINED-EXAMPLES

All examples assume all other prerequisites for eligibility for Property Tax Deduction have been met. Examples 1-5 reflect applicant/spouse with excludable Social Security benefits only. Examples 6-16 reflect applicants with income in more than one of the three excludable categories. Income may be excluded from only ONE of the three categories when determining the \$10,000 income limitation.

**EXAMPLE 1**

PTD Applicant and spouse both full retirement age. Each a retired worker in his/her own right.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$27,876	\$27,876
Spouse-Social Security	10,500	10,500
Other Income	3,500	0
Total	<u>\$41,876</u>	<u>\$38,376</u>

Social Security benefits of applicant and spouse can be deducted in full leaving a balance of \$3,500 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 2**

PTD Applicant full retirement age and spouse age 62, the earliest possible retirement age, or more. Each a retired worker in his/her own right.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$27,876	\$27,876
Spouse-Social Security	10,000	10,000
Other Income	5,000	0
Total	<u>\$42,876</u>	<u>\$37,876</u>

Social Security benefits of applicant and spouse can be deducted in full leaving a balance of \$5,000 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 3**

PTD Applicant and spouse both age 70\* years. Each a retired worker in his/her own right.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$28,000**	\$28,000
Spouse-Social Security	11,500	11,500
Other Income	2,000	0
Total	<u>\$41,500</u>	<u>\$39,500</u>

Social Security benefits of applicant and spouse can be deducted in full leaving a balance of \$2,000 which is under the \$10,000 income limit. \*\*Social Security benefits may be more than maximum if retirement is deferred beyond full retirement age.

Conclusion: Eligible

**EXAMPLE 4**

PTD Applicant disabled, less than full retirement age; spouse retired worker, age 62 or more. Disabled individual is considered as a retired worker of full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$27,876	\$27,876
Spouse-Social Security	9,000	9,000
Other Income	6,500	0
Total	<u>\$43,376</u>	<u>\$36,876</u>

Social Security benefits of applicant and spouse can be deducted in full leaving a balance of \$6,500 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 5**

PTD Applicant disabled, less than full retirement age; spouse retired worker, full retirement age or more. Disabled individual is considered as a retired worker of full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$27,876	\$27,876
Spouse-Social Security	27,876	27,876
Other Income	1,000	0
Total	<u>\$56,752</u>	<u>\$55,752</u>

Social Security benefits of applicant and spouse can be deducted in full leaving a balance of \$1,000 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 6**

PTD Applicant and spouse both full retirement age. Each a retired worker in his/her own right. Or PTD Applicant disabled, less than 65 years, spouse full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Railroad pension	\$28,000	\$27,876 (SS maximum)
Applicant-Social Security	6,500	0
Spouse-State pension	27,500	27,876 (SS maximum)
Spouse-Social Security	5,500	0
Total	<u>\$67,500</u>	<u>\$55,752</u>



Applicant can deduct income from only ONE of the three categories of excludable income, i.e., either Railroad pension or Social Security-not both. Since the Railroad pension is larger than the Social Security benefit, it is the most advantageous choice. However, the amount of Railroad pension deducted cannot exceed the maximum amount allowed under Social Security. The same is true of the spouse's State pension. A total of \$55,752 can be deducted from income leaving a balance of \$11,748 which is over the \$10,000 income limit.

Conclusion: Not Eligible

**EXAMPLE 7**

PTD Applicant disabled, less than full retirement age; spouse retired, age 62 or more. Disabled individual is considered as a retired worker of full retirement age. Or PTD Applicant and spouse both full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-County pension	\$10,000	\$10,000
Applicant-Social Security	4,500	0
Spouse-Public School pension	8,000	8,000
Spouse-Social Security	3,000	0
Other Income	<u>\$ 2,350</u>	<u>0</u>
Total	\$27,850	\$18,000

Applicant can deduct income from only ONE of the three categories of excludable income, i.e., either County pension or Social Security. The County pension is larger than the applicant's Social Security benefit, but does not exceed the Social Security maximum of \$27,876 and can be deducted in full. The same is true of the spouse's Public School pension. A total of \$18,000 can be deducted from income leaving a balance of \$9,850 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 8**

PTD Applicant and spouse both full retirement age. Each a retired worker in his/her own right. Or PTD Applicant disabled less than full retirement age; spouse age 62 or more.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Municipal pension	\$ 8,000	\$ 0
Applicant-Social Security	9,500	9,500
Spouse-State pension	3,600	3,600
Spouse-Social Security	<u>1,700</u>	<u>0</u>
Total	\$22,800	\$13,100

Applicant can deduct income from only ONE of the three categories of excludable income, i.e., either Municipal pension or Social

Security. Applicant's Social Security benefit is larger than the Municipal pension and can be deducted in full. State pension is larger than spouse's Social Security benefit but not more than the SS maximum of \$27,876 and can be deducted in full. Again, one category only. A total of \$13,100 can be deducted from income leaving a balance of \$9,700 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 9**

PTD Applicant disabled, less than full retirement age; spouse retired worker, age 62 or more. Disabled individual is considered as a retired worker of full retirement age. Or PTD Applicant and spouse both full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Federal pension	\$28,500	\$27,876 (SS maximum)
Spouse-Social Security	9,000	9,000
Other Income	<u>11,000</u>	<u>0</u>
Total	\$48,500	\$36,876

Applicant can deduct Federal pension up to the maximum amount allowed under Social Security. Spouse's Social Security benefit can be deducted in full but the balance of \$11,624 is over the \$10,000 income limit.

Conclusion: **Not** Eligible

**EXAMPLE 10**

PTD Applicant and nonworking spouse both full retirement age. Spouse receives benefits through retired worker.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Railroad pension	\$32,000	\$27,876 (SS maximum)
Applicant-Social Security	7,500	0
Spouse-Social Security	<u>4,250</u>	<u>13,932</u> (1/2 applicant)
Total	\$43,750	\$41,808

Applicant can deduct income from **ONE** category, i.e., the larger Railroad pension, up to the maximum amount allowed under Social Security. Spouse is receiving Social Security benefits through retired worker applicant amounting to 50% of worker's SS benefit; the spouse is allowed, by administrative decision, a deduction equal to 1/2 of the applicant's deduction (1/2 of the applicant's monthly Railroad (governmental pension) benefits rounded down to the next lower dollar). A total of \$41,808 can be deducted from income leaving a balance of \$1,942 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 11**

PTD Applicant full retirement age and spouse less than age 62, the earliest possible retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Federal pension	\$ 6,000	\$ 0
Applicant-Social Security	7,500	7,500
Spouse-Private pension	<u>5,000</u>	<u>0</u>
Total	\$18,500	\$ 7,500

Applicant's Social Security, larger than the Federal pension, can be deducted in full. However, the spouse's private pension is not an excludable category of income, nor can social security benefits be received through the retired worker applicant because spouse is not of retirement age as required by Social Security. A total of \$7,500 can be deducted from income leaving a balance of \$11,000 which is over the \$10,000 income limit.

Conclusion: **Not** Eligible

**EXAMPLE 12**

PTD Applicant full retirement age and spouse age 62 or more.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$ 8,500	\$ 8,500
Spouse-Public School pension	9,500	9,500
Other Income	<u>2,700</u>	<u>0</u>
Total	\$20,700	\$18,000

Applicant's Social Security benefits and spouse's School pension, not in excess of the Social Security maximum of \$27,876, can both be deducted from income in full leaving a balance of \$2,700 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 13**

PTD Applicant surviving spouse, is retired worker, age 55 years, non-disabled w/no minor or disabled children.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-School pension	\$ 9,500	\$ 0
Applicant-Federal pension	<u>2,500</u>	<u>0</u>
Total	\$12,000	\$ 0

Applicant is less than age 62 years, the earliest age a non-disabled worker can receive Social Security benefits, and is less than 60 years, the earliest age a non-disabled surviving spouse can receive SS benefits through deceased worker. Therefore, all income must be included and total of \$12,000 is over \$10,000 income limit.

Conclusion: **Not** Eligible

**EXAMPLE 14**

PTD Applicant and spouse both full retirement age. Or PTD applicant disabled, less than full retirement age, spouse age 62 or more.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$18,000	\$18,000
Applicant-Rental Income	2,400	0
Spouse-County Pension	11,000	11,000
Spouse-Social Security	6,000	0
Other Income	<u>1,000</u>	<u>0</u>
Total	\$38,400	\$29,000

Applicant can deduct Social Security benefit in full. Spouse can deduct income from **one** category of excludable income, i.e., either Social Security or County pension. Spouse's County pension is larger and is the most advantageous choice. A total of \$29,000 can be deducted from income leaving a balance of \$9,400 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 15**

PTD Applicant disabled, less than full retirement age, spouse age 62 or more.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant-Social Security	\$18,500	\$18,500
Applicant-Business Income	12,000	0
Applicant-Allowable Business Expenses	(7,500)	0
Spouse-Social Security	<u>10,452</u>	<u>10,452</u>
Total	\$33,452	\$28,952

Applicant's Social Security benefit can be deducted in full. Applicant's business income is not deductible but ordinary and necessary expenses of the business as allowed by the Federal Internal Revenue Code and regulations can be subtracted from the business income. Spouse's Social Security is deducted in full leaving a balance of \$4,500 which is under the \$10,000 income limit.

Conclusion: Eligible

**EXAMPLE 16**

PTD Applicant of full retirement age.

	<u>INCOME</u>	<u>DEDUCTION ALLOWED</u>
Applicant Social Security	\$15,500	\$15,500
Applicant Rental Income	14,000	0
Applicant Allowable Rental Expenses	(15,000)	0
Applicant Private Pension	9,000	0
Other income	1,500	0
Total	<u>\$25,000</u>	<u>\$15,500</u>
	or *\$26,000	

Social Security benefit deducted in full. Income total subject to Federal Internal Revenue Code treatment of rental income and allowable expenses in excess of rental income. Disposition of the net \$1,000 rental income loss is dependent on Federal Income Tax Treatment.

Conclusion: Depends on review of Federal Income Tax Treatment.

Where federal guidelines permit taxpayer to apply expense loss against income, the \$1,000 net loss reduces the income to \$25,000. After allowable deductions, a balance of \$9,500 remains which is under the \$10,000 income limit resulting in eligible status.

\*Where rental income is reduced to zero after deductions of ordinary and necessary expenses of the rental property, income totals \$26,000. After allowable deductions, a balance of \$10,500 remains which is over the \$10,000 income limit resulting in ineligibility.

CLAIM FOR REAL PROPERTY TAX DEDUCTION ON DWELLING HOUSE OF QUALIFIED NEW JERSEY RESIDENT SENIOR CITIZEN, DISABLED PERSON, OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER

(N.J.S.A. 54:4-8.40 et seq.; L.1963 c.172 as amended) (N.J.A.C. 18:14-1.1 et seq.); Civil Union Act PL 2006, c.103, effective 2/19/07

IMPORTANT File this completed claim with your municipal tax assessor or collector. (See instructions on reverse.)

I. CLAIMANT NAME

Name(s) of claimant owner(s) permanently residing in dwelling house.

2. DWELLING LOCATION

Street Address of resident owner claimant's dwelling. (Unit # if Co-op)

County & Municipality

Block / Lot / Qualifier

3. YEAR OF DEDUCTION This deduction is claimed for the tax year (indicate tax year).

4. CITIZEN & RESIDENT (Complete A & B)

- A. I was a citizen of New Jersey as of October 1 of the pretax year, i.e., the year prior to the tax year for which deduction is claimed; and
B. I was also a legal or domiciliary resident of New Jersey for at least one year immediately prior to October 1 pretax year. See instructions 2 & 3.

5. OWNER & OCCUPANT

I (my spouse/civil union partner and I, as tenants by entirety), solely owned, held title to above identified dwelling occupied as my (our) principal or permanent residence as of October 1 of the pretax year. See instructions 4 & 5.

\*\*Complete 5a only if partial owners

5a. Name of part owner % ownership interest in property
\*\*Complete 5b only if resident-tenant shareholder in Cooperative or Mutual Housing Corporation

5b. Corporation Name of Cooperative or Mutual Housing

Co-op/M.H. Corp. Street Address Municipality State
\$ Co-op
Mutual Housing Corp.
Net Property Tax Amount for Unit

6. ANNUAL INCOME LIMIT (must be reaffirmed by March 1 following year for which deduction was given.)
During the tax year for which the deduction is claimed, I reasonably anticipate that my annual income (and that of my spouse/civil union partner combined) will not exceed \$10,000 after a permitted exclusion of Social Security Benefits, or Federal Government Retirement/Disability Pension, or State, County, Municipal Government and their political subdivisions and agencies Retirement/Disability Pension. See instructions 6 & 8.

7. BIRTH DATE MARITAL/CIVIL UNION STATUS

- A. Date of Birth
B. Single Married/Civil Union Partner Surviving Spouse/Surviving Civil Union Partner
Legally Separated/Divorced/Dissolutioned

8. SENIOR OR DISABLED CITIZEN OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER

- (Choose A, B, or C)
A. I was age 65 or more years as of December 31, of the year prior to tax year for which deduction is claimed.
B. I was permanently and totally disabled and unable to be gainfully employed as of December 31 of the year prior to the tax year. ATTACH PHYSICIAN'S OR SOCIAL SECURITY DISABILITY OR NEW JERSEY COMMISSION FOR BLIND CERTIFICATE.
C. I was a surviving spouse/surviving civil union partner as of October 1 of the year prior to the tax year and have not remarried/entered into a new civil union partnership. I was age 55 or more as of December 31 of the year prior to the tax year and at time of my spouse's/civil union partner's death. \*\*My deceased spouse/civil union partner at his or her death was receiving a senior citizen's property tax deduction or a permanently and totally disabled person's property tax deduction.

9. REAL PROPERTY TAX DEDUCTION OTHER DWELLING I (and my spouse/civil union partner) did not receive a senior or disabled citizen or surviving spouse/civil union partner (if applicable) property tax deduction on another dwelling for the same tax year except on my (our) former home identified below where I (we) resided from month/year to month/year.

Street Address Municipality

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature of Claimant Date

OFFICIAL USE ONLY -Block Lot Approved in amount of \$
Age Disability Surviving Spouse/Surviving Civil Union Partner of senior citizen or disabled person

Assessor Date

Collector Date

GENERAL INSTRUCTIONS

- 1. **APPLICATION FILING PERIOD** - File this form with the municipal tax assessor from October 1 through December 31 of the pretax year, i.e., the year prior to the calendar tax year or with the municipal tax collector from January 1 through December 31 of the calendar tax year. For example, for a property tax deduction claimed for calendar tax year 2007, the pretax year filing period would be October 1 - December 31, 2006 with the assessor and the tax year filing period would be January 1 - December 31, 2007 with the collector.
- 2. **ELIGIBILITY DATES** - Eligibility for the property tax deduction is established in the year prior to the calendar tax year for which the deduction is claimed as follows:
  - New Jersey Citizenship as of October 1 pretax year
  - Property Ownership as of October 1 pretax year
  - Residence in New Jersey and in Dwelling House as of October 1 pretax year and
  - Residence in New Jersey for 1 year immediately prior to October 1 pretax year
  - Senior Citizen Age 65 or more as of December 31 pretax year
  - Permanent and Total Disability as of December 31 pretax year
  - Surviving Spouse/Surviving Civil Union Partner Age 55 or more as of December 31 pretax year and at the time of spouse's/civil union partner's death
- 3. **CITIZEN & RESIDENT DEFINED** - United States Citizenship is not required. Resident for purposes of this deduction means a claimant who was legally domiciled in New Jersey for one year immediately prior to October 1 of the pretax year. Domicile is the place you regard as your permanent home - the place you intend to return to after a period of absence. You may have only one legal domicile even though you may have more than one residence. Seasonal or temporary residence in this State, of whatever duration, does not constitute domicile. Absence from the State for a 12 month period is prima facie evidence of abandonment of domicile.
- 4. **RESIDENCE IN DWELLING HOUSE DEFINED** - Residence in the dwelling house means the dwelling where a claimant makes his principal or permanent home. Vacation, summer or second homes do not qualify. Only one deduction may be received per principal residence regardless of the number of qualified claimants residing on the premises.
- 5. **TENANCY BY ENTIRETY DEFINED** - Tenancy by Entirety means ownership of real property by both husband and wife or civil union partners, as a single ownership, in joint title acquired after marriage/civil union partnership.
- 6. **INCOME DEFINED & LIMITED** -
  - a.) The income period is the same tax year as the tax year for which a deduction is claimed.
  - b.) A claimant must reasonably anticipate that income received during the tax year, including income of the claimant's spouse/civil union partner, will not exceed \$10,000. Income of claimant's family members, other than spouse/civil union partner, should not be included as annual income.
  - c.) Income means all income received from whatever source derived including, but not limited to, salaries, wages, bonuses, commissions, tips, and other compensations before payroll deductions, all dividends, interest, realized capital gains, royalties, income from rents, business income, and in their entirety, pension, annuity and retirement benefits. Realized capital gains, except for capital gain from the sale or exchange of real property owned and used by the claimant as his principal residence, dividends, interest, pensions, annuities and retirement benefits must be included in full without deductions even though they may be wholly or partially exempt for Federal income tax purposes.

**EXCLUDABLE INCOME\*\*** Income can be excluded under ONE of the following three categories: Social Security Benefits or Federal Government Retirement/Disability Pension including Federal Railroad Retirement Benefits or State, County, Municipal Government and their political subdivisions and agencies Retirement/Disability Pension.

**NOTE: In accordance with the Civil Union Act, eligibility guidelines that apply to married couples and surviving spouses apply equally to civil union couples and surviving civil union partners.**
- 7. **DOCUMENTARY PROOFS REQUIRED** - Each assessor and collector may require such proofs necessary to establish claimant's deduction entitlement and photocopies of any documents should be attached to this form as part of application record. For example: AGE may be verified by birth certificate, baptismal record, family Bible, census record, marriage certificate, court record, Social Security record, military record or discharge, immigration document, insurance policy, DISABILITY may be verified by physician's certificate, Social Security document, New Jersey Commission for Blind certificate. SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER by death certificate of decedent. OWNERSHIP by deed, executory contract for property purchase, last will and testament. RESIDENCY by New Jersey driver's license, motor vehicle registration, voter's registration, State tax return.
- 8. **ANNUAL POST-TAX YEAR INCOME STATEMENT REQUIRED** - On or before March 1 of the year immediately following the tax year for which deduction was claimed or received, a claimant must file a Post-Tax Year Income Statement, Form PD5, confirming that annual income for the tax year did not exceed the \$10,000 limit and that anticipated annual income for the current year will not exceed that limit and that all other eligibility prerequisites continue to be met. For example, the Post-Tax Year Income Statement filed by March 1, 2008 supports the claim for deduction for tax year 2007 by confirming 2007 income. Anticipated income would refer to income received in tax year 2008 for the 2008 deduction. IF THIS INCOME STATEMENT IS NOT TIMELY FILED, DEDUCTION WILL BE DISALLOWED AND CLAIMANT WILL BE BILLED FOR THE DEDUCTION AMOUNT.
- 9. **APPEALS** - A claimant may appeal any unfavorable determination by the assessor or collector to the County Board of Taxation annually on or before April 1.

\*\*\*\*\*  
This form is prescribed by the New Jersey Division of Taxation, as required by law, and may be reproduced for distribution, but may not be altered without prior approval.

FOR OFFICIAL USE ONLY	
BLOCK _____	LOT _____
<input type="checkbox"/> Claim by senior citizen <input type="checkbox"/> Claim by disabled person <input type="checkbox"/> Claim by surviving spouse of a senior citizen <input type="checkbox"/> Claim by surviving spouse of a disabled person	

**NOTICE OF DISALLOWANCE OF CLAIM FOR A REAL PROPERTY TAX DEDUCTION  
ON DWELLING HOUSE OF A NEW JERSEY RESIDENT SENIOR CITIZEN,  
DISABLED PERSON, OR SURVIVING SPOUSE  
(N.J.S.A. 54:4-8.40 et seq.)**

To:

This is to inform you that your application for the real property tax deduction upon your dwelling house in this municipality for the tax year \_\_\_\_\_ has been disallowed for lack of:

- Age- 65 years or older
- Ownership of dwelling
- Occupancy of dwelling as principal or permanent residence
- Legal residence or domicile in New Jersey
- Annual income limit
- Permanent and total disability
- Qualification as surviving spouse of a deceased senior citizen or disabled person property tax deduction recipient
- Other \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

An aggrieved taxpayer has the right to appeal the disallowance of a property tax deduction to the county board of taxation, which will review all of the qualifications for the deduction. If the municipal assessor or tax collector has disallowed the property tax deduction application at a date too late to permit the filing of an appeal with the county board of taxation on or before April 1 of the current year, then the claimant is entitled to file a petition of appeal at any time on or before April 1 of the succeeding year. If you are considering an appeal, as soon as possible please obtain information about the proper procedure to be followed and the time in which to file the appeal from the \_\_\_\_\_ County Board of Taxation, at

\_\_\_\_\_ in \_\_\_\_\_.

\_\_\_\_\_  
Assessor/Collector

\_\_\_\_\_  
Date



**NOTICE OF DISALLOWANCE OF CLAIM** – If the application for deduction has been disapproved, a Notice of Disallowance (form PD4) must be forwarded to the claimant by regular mail and must state the reason or reasons for disallowance of the claim. The Notice of Disallowance must also advise the taxpayer of his or her right to appeal to the county board of taxation on or before April 1 of the tax year.

**(a) Disallowance by the Assessor**

Where an initial application for deduction under N.J.S.A. 54:4-8.40 et seq. form PTD (May, 1996) has been filed with the assessor on or after October 1 and not later than December 31 of the year prior to the tax year for which the deduction is claimed and it has been denied, the assessor must forward the Notice of Disallowance to the claimant on or before June 1 of the tax year.

**(b) Disallowance by the Collector**

Where an initial application for deduction under N.J.S.A. 54:4-8.40 et seq. form PTD (May, 1996) has been filed with the tax collector on or after January 1 and not later than December 31 of the tax year and it has been denied, the collector must forward the Notice of Disallowance to the claimant within 30 days of receipt of the application.

Where the property tax deduction has been denied by the collector because the claimant failed to prove his entitlement to the deduction for the tax year or to the continuation of the deduction for the following tax year, as required by N.J.S.A. 54:4-8.44a, Notice of Disallowance must be forwarded to the claimant on or before April 1 of the post-tax year or, where an extension of time for filing has been granted, no later than June 1 of the post-tax year.

**STATUTORY EXCERPT**

**N.J.S.A. 54:4-8.44a et seq.:**

“Every person who is allowed a deduction shall, except as hereinafter provided, be required to file with the collector of the taxing district on or before March 1 of the post-tax year a statement under oath of his income for the tax year and his anticipated income for the ensuing tax year as well as any other information deemed necessary to establish his right to a tax deduction for such ensuing tax year. The collector may grant a reasonable extension of time for filing the statement required by this section, which extension shall terminate no later than May 1 of the post-tax year, in any event where it shall appear to the satisfaction of the collector, verified by a physician’s certificate, that the failure to file by March 1 was due to illness or a medical problem which prevented timely filing of the statement. In any case where such an extension is granted by the collector, the required statement shall be filed on or before May 1 of the post-tax year. Such statement...shall be mailed by the collector on or before February 1 of the post-tax year to each person within the taxing district who was allowed a deduction in the preceding year. Each collector may require the submission of such proof as he shall deem necessary to verify any such statement. Upon the failure of any such person to file the statement within time herein provided or to submit such proof as the collector deems necessary to verify a statement that has been filed, or if it is determined that the income of any such person exceeded the applicable income limitation for said tax year, his tax deduction for said tax year shall be disallowed. A notice of disallowance, on a form prescribed by the director, shall be mailed to that person by the collector on or before April 1 of the post-tax year or, where an extension of time for filing has been granted, no later than June 1...or, where an extension of time for filing has been granted no later than 30 calendar days after the notice of disallowance was mailed...after which date if unpaid, said taxes shall be delinquent, constitute a lien on the property, and, in addition, the amount of said taxes shall be a personal debt of said person. The amount of any lien and tax liability shall be prorated by the tax collector upon the transfer of title based on the number of days during the tax year that entitlement to the tax deduction is established. The lien shall be considered satisfied by the tax collector upon payment of the prorated amount for that portion of the tax year for which entitlement to the tax deduction is not established.”

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The Director of the Division of Taxation in the Department of the Treasury has promulgated form PD4. Officially promulgated forms may be reproduced for distribution, but cannot be altered or amended without the prior approval of the Director.

ANNUAL POST-TAX YEAR INCOME STATEMENT OF QUALIFIED NEW JERSEY RESIDENT SENIOR CITIZEN, DISABLED PERSON, OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER REQUIRED TO CONTINUE RECEIPT OF REAL PROPERTY TAX DEDUCTION ON DWELLING HOUSE

(N.J.S.A. 54:4-8.40 et seq.; L.1963, c.172 as amended)

P.L. 2006, Chapter 103 The Civil Union Act effective 2/19/07

This INCOME STATEMENT must be filed with the municipal tax collector timely by March 1 annually or it will result in loss of the deduction and you will be billed for the deducted amount. (See instructions on reverse.)

1. NAME(S) OF REAL PROPERTY TAX DEDUCTION RECIPIENT(S)

\_\_\_\_\_

2. LOCATION OF CLAIMED DWELLING HOUSE

Street Address \_\_\_\_\_ (Unit #, if Co-op)

County & Municipality \_\_\_\_\_

Block/Lot/Qualifier \_\_\_\_\_

Name & Address of Cooperative or Mutual Housing Corporation, if applicable. \_\_\_\_\_

3. CONFIRMATION OF INCOME FOR TAX YEAR FOR WHICH DEDUCTION WAS GRANTED

I declare and confirm that the total annual income I (and my spouse/civil union partner combined) received from all sources, after permitted income exclusion, during the previous calendar tax year, that is, the tax year for which deduction was granted

- DID NOT exceed \$10,000.
 DID exceed \$10,000.

SEE REVERSE, INCOME DEFINED AND EXCLUDABLE INCOME DEFINED.

4. ESTIMATION OF ANTICIPATED INCOME FOR CURRENT TAX YEAR

I reasonably anticipate that the total annual income I (and my spouse/civil union partner combined) will receive from all sources, after permitted income exclusion, during the current calendar tax year

- WILL NOT exceed \$10,000.
 WILL exceed \$10,000.

5. REAFFIRMATION OF ELIGIBILITY

- I reaffirm that all information provided on the initial CLAIM FORM PTD concerning New Jersey domicile or legal residence, principal residence in and ownership of the above identified dwelling house as of October 1 pretax year, i.e., the year prior to the calendar tax year, as well as personal data, i.e., age, disability, marital/civil union status as previously filed with the municipal tax assessor and/or collector is true and accurate and remains unchanged except as listed below.\*

CHOOSE A, B, or C.

- A.  As a surviving spouse/civil union partner, I also reaffirm that I have not remarried/entered into a new civil union partnership.
B.  As a permanently and totally disabled person, I also reaffirm that my disability status has not changed.
C.  I initially applied as a senior citizen, age 65 or more.

\*List below any changes in domicile, residence or occupancy, ownership, marital/civil union status, disablement etc.; if none, state "none":

\_\_\_\_\_

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature of Claimant \_\_\_\_\_ Date \_\_\_\_\_

WARNING: Failure to timely file this statement with the collector or to submit proof of income as he or she requires OR where annual income exceeds the statutory limit will result in disallowance of the previously granted deduction or jeopardize its continuation. Disallowed deductions must be repaid on or before June 1 of the post-tax year or become delinquent, a lien on the property and a personal debt of the claimant.

OFFICIAL USE ONLY Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

Collector \_\_\_\_\_ Date \_\_\_\_\_

1. **FILING PROCEDURE** - On or before March 1 of the post-tax year, deduction recipients **MUST** file this Income Statement with the municipal tax collector to confirm that annual income for the preceding tax year did not exceed the \$10,000 limit, after permitted income exclusion, and that anticipated income for the current tax year will not exceed \$10,000. Deduction recipients must also confirm that all other eligibility conditions continue to be met.
2. **APPLICABLE INCOME PERIOD** - The income period is the same tax year as the tax year for which the deduction was claimed or received. For example, an Annual Post-Tax Year Statement to be filed on or before March 1, 2008 should support the deduction claim for tax year 2007 by confirming actual 2007 income. It should also support the current deduction claim for tax year 2008 by estimating 2008 anticipated income.
3. **EXTENSION OF TIME FOR FILING THIS INCOME STATEMENT** - Where illness or medical problem, as certified by a physician's statement, prevents timely filing of the Annual Post-Tax Year Income Statement the collector may at his or her discretion grant a reasonable extension of time to file but no later than May 1 of the post-tax year.
4. **INCOME DEFINED** - N.J.S.A. 54:4-8.40(a) defines "income" as all income from whatever source derived including, but not limited to, realized capital gains except for a capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence...and, in their entirety, pension, annuity and retirement benefits.

N.J.A.C. 18:14-1.1 defines "income" as salaries, wages, bonuses, commissions, tips and other compensations before payroll deductions, all dividends, interest, realized capital gains, royalties, income from rents, business income and, in their entirety, pension, annuity and retirement benefits. Realized capital gains, except for capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence,...and dividends, interest, pensions, annuities and retirement benefits must be included in full without deductions even though they may be wholly or partially exempt for Federal income tax purposes.

N.J.A.C. 18:14-1.1 further defines "business income" as gross income derived from a business, trade, profession or the rental of property after deductions of the ordinary and necessary expenses of the business, trade, profession or rental of property allowed under the Federal Internal Revenue Code and regulations.

"Disability benefits," the New Jersey Constitution and statutes are silent on the subject of disability income other than those disability benefits received under a Federal, State, or Political Subdivision program which are excludable only to the extent of the maximum benefit received under the Federal Social Security Act. Therefore, any other disability income received should be evaluated for inclusion or exclusion based on its proper treatment for Federal Income Tax purposes.

"Married/civil union persons income," income received by the applicant and spouse/civil union partner is combined in establishing eligibility for the property tax deduction unless they are living separately. N.J.S.A. 54:4-8.41 provides, in part, income of a married/civil union person includes an amount equal to the income of the spouse/civil union partner during the applicable income year, except for that portion of the year as the two were living apart in a state of separation, whether under judicial decree or otherwise.

N.J.A.C. 18:14-1.1 also provides income of claimant's family members other than a spouse/civil union partner is not to be combined with income of claimant.

**NOTE: In accordance with the Civil Union Eligibility guidelines that apply to married couples and surviving spouses apply equally to civil union couples and surviving civil union partners.**

5. **EXCLUDABLE INCOME DEFINED** - Benefits are excludable under only ONE of three categories:
  1. The Federal Social Security Act and all its amendments and supplements;
  2. Any other Federal government program or Federal law which provides benefits in whole and in part in lieu of Social Security benefits or for persons excluded from coverage under Social Security, including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs;
  3. Pension, disability or retirement programs of any state or its political subdivisions, or agencies for persons not covered under Social Security.

**\*\* NOTE** Where the claimant and/or spouse/civil union partner receives only Social Security benefits and no benefits under 2. & 3., the amount of Social Security received can be deducted from income in full. Where the claimant and/or spouse/civil union partner receives both Social Security benefits and government retirement/disability benefits under 2. or 3., the larger of either one of the income categories can be deducted but any government pension/disability benefit deduction cannot exceed the maximum allowable Social Security benefit. The amount of Federal, State, County, Municipal pension, disability or retirement benefit etc. excluded should be based on actual benefits received provided that the total excluded under 2. or 3. above is not in excess of the maximum benefit amount excludable in similar circumstances under 1. Social Security.

N.J.S.A. 54:4-8.40(a)(1)(2)(3)

6. **DOCUMENTARY PROOFS REQUIRED** - Each collector may require any information necessary to establish claimant's deduction entitlement.
7. **DISALLOWANCE** - Failure to timely file this statement or meet income and other eligibility requirements will result in disallowance of the deduction. Claimants will be notified by formal Notice of Disallowance. Disallowed deductions must be repaid on or before June 1 of the post-tax year or where a filing extension was granted no later than 30 days after mailing of the Notice of Disallowance. If unpaid, taxes will be delinquent, constitute a lien on the property and a personal debt of claimant.
8. **APPEALS** - Disallowed claims may be appealed to the County Board of Taxation.

\*\*\*\*\*  
This form is prescribed by the New Jersey Division of Taxation, as required by law, and may be reproduced for distribution but may not be altered without prior approval.

PROPERTY TAX DEDUCTION CLAIM BY VETERAN OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER OF VETERAN OR SERVICEPERSON

(N.J.S.A. 54:4-8.10 et seq.; L.1963, c.171 as amended) (N.J.A.C. 18:27-1.1 et seq.)

IMPORTANT File this completed claim with your municipal tax assessor or collector. (See instructions on reverse.)

1. CLAIMANT NAME

Name of claimant owner

2. CLAIMED PROPERTY LOCATION

Street Address

Unit #, if Co-op

Phone #

County

Municipality

Block

Lot

Qualifier

Mailing Address if different than Claimed Property Location

3. YEAR OF DEDUCTION This deduction is claimed for the tax year (indicate tax year).

4. VETERAN/SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER OF VETERAN OR SERVICEPERSON

(Choose A, B, or C)

- A. Honorably discharged veteran with active wartime service in the United States Armed Forces. ATTACH copy DD214.
B. Surviving spouse/surviving civil union partner/surviving domestic partner of honorably discharged veteran with active wartime service in the United States Armed Forces; and
I have not remarried/formed a new civil union partnership/or a new registered domestic partnership. ATTACH copy DD214 if not previously provided by veteran claimant.
C. Surviving spouse/surviving civil union partner/surviving domestic partner of serviceperson who died on wartime active duty in the United States Armed Forces; and
I have not remarried/formed a new civil union or a new registered domestic partnership. ATTACH copy Military Notification of Death.

5. ACTIVE WARTIME SERVICE PERIOD (Check All Applicable Service Periods)

- \*\*A. Operation Northern/Southern Watch August 27, 1992 - March 17, 2003
\*\*B. Operation Iraqi Freedom March 19, 2003 - Ongoing
\*\*C. Operation Enduring Freedom September 11, 2001 - Ongoing
\*\*D. Joint Endeavor/Joint Guard - Bosnia & Herzegovina November 20, 1995 - June 20, 1998
\*\*E. Restore Hope Mission - Somalia December 5, 1992 - March 31, 1994
\*\*F. Operation Desert Shield/Desert Storm Mission August 2, 1990 - February 28, 1991
\*\*G. Panama Peacekeeping Mission December 20, 1989 - January 31, 1990
\*\*H. Grenada Peacekeeping Mission October 23, 1983 - November 21, 1983
\*\*I. Lebanon Peacekeeping Mission September 26, 1982 - December 1, 1987
J. Vietnam Conflict December 31, 1960 - May 7, 1975
\*\*K. Lebanon Crisis of 1958 July 1, 1958 - November 1, 1958
L. Korean Conflict June 23, 1950 - January 31, 1955
M. World War II September 16, 1940 - December 31, 1946

\*\*NOTE - Peacekeeping Missions require a minimum of 14 days service in the actual combat zone except where service-incurred injury or disability occurs in the combat zone, then actual time served, though less than 14 days, is sufficient for purposes of property tax deduction. The 14 day requirement for Bosnia and Herzegovina may be met by service in one or both operations for 14 days continuously or in aggregate. For Bosnia and Herzegovina combat zone also includes the airspace above those nations.

6. PROPERTY OWNERSHIP

I, the above named claimant, owned, wholly or in part on (deed date) the property above identified. Property must be owned as of October 1 of the pretax year, i.e., the year prior to the tax year for which deduction is claimed. For example, where deduction is claimed for tax year 2006, ownership criterion must be met as of pretax year October 1, 2005.

\*\*Complete 6a only if partial owners of claimed property

6a. Name(s) of part owner(s)

% ownership interest in property

\*\*Complete 6b only if claimed property is a Cooperative or Mutual Housing Corporation in which you're a Tenant-Shareholder.

6b. Corporation Name of Cooperative or Mutual Housing

Co-Op/M.H. Corp. Street Address

Municipality

State

\$

Co-op

Net Property Tax Amount for Unit

Mutual Housing Corp.

7. CITIZENSHIP & RESIDENCY (Complete A or B)

- A. I, the above claimant veteran, was a citizen and legal or domiciliary resident of New Jersey as of October 1 of the pretax year.
B. I, the above claimant surviving spouse/surviving civil union partner/surviving domestic partner, was a citizen and legal or domiciliary resident of New Jersey as of October 1 of the pretax year; and
My deceased veteran or serviceperson spouse/civil union partner/domestic partner was a citizen and resident of New Jersey at death.

8. TAX DEDUCTION OTHER PROPERTY

I am not receiving a Veteran's Property Tax Deduction on any other property for the same tax year except as indicated here:

Street Address

Municipality

For assistance in documenting veterans' status, contact the NJ Department of Military and Veterans Affairs at (609) 530-6854 or US Veterans Administration at 1-800-827-1000.

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature of Claimant

Date

OFFICIAL USE ONLY - Block Lot Approved in amount of \$

Veteran Surviving Spouse/Surviving Civil Union Partner/Surviving Domestic Partner of Veteran or Serviceperson

Assessor/Collector

Date

Form V.S.S. rev. February 2007

**APPLICATION FILING PERIOD** - File this claim with the municipal tax assessor from October 1 through December 31 of the pretax year, i.e., the year prior to the calendar tax year or with the municipal tax collector from January 1 through December 31 of the calendar tax year. For example, for a property tax deduction claimed for calendar tax year 2006, the pretax year filing period would be October 1 - December 31, 2005 with the assessor and the tax year filing period would be January 1 - December 31, 2006 with the collector.

**ELIGIBILITY REQUIREMENTS** - All requirements for deduction must be met as of October 1 of the pretax year, i.e., the year prior to the calendar tax year for which the deduction is claimed.

A. **Veteran Claimant** as of October 1 pretax year must:

1. have had active wartime service in United States Armed Forces and been honorably discharged;
2. own the property, wholly or in part, or hold legal title to the property for which deduction is claimed;
3. be a citizen and legal or domiciliary resident of New Jersey.

B. **Surviving Spouse/Surviving Civil Union Partner/Surviving Domestic Partner Claimant** as of October 1 pretax year must:

1. document that the deceased veteran or serviceperson was a citizen and resident of New Jersey at death who had active wartime service in the United States Armed Forces and who was honorably discharged or who died on active wartime duty;
2. not have remarried/formed a new civil union or/a new registered domestic partnership;
3. be a legal or domiciliary resident of New Jersey;
4. own the property, wholly or in part, or hold legal title to the property for which deduction is claimed.

NOTE \*\*Claimants must inform the assessor of any change in status which may affect their continued entitlement to the deduction.

**VETERAN DEFINED** - means any New Jersey citizen and resident honorably discharged from active wartime service in the United States Armed Forces. Current statute does not provide for deduction for military personnel still in active service who have not been discharged.

For assistance in documenting veterans' status, contact the NJ Department of Military and Veterans Affairs at (609) 530-6854. The United States Veterans Administration may be contacted at 1-800-827-1000.

**ACTIVE SERVICE TIME OF WAR DEFINED** - means military service during one or more of the specific periods listed under #5 on front of this VSS Claim.

**CITIZEN & RESIDENT DEFINED** - United States Citizenship is not required. Resident for purposes of this deduction means an individual who is legally domiciled in New Jersey. Domicile is the place you regard as your permanent home - the place you intend to return to after a period of absence. You may have only one legal domicile even though you may have more than one place of residence. Seasonal or temporary residence in this State, of whatever duration, does not constitute domicile. Absence from the State for a 12 month period is prima facie evidence of abandonment of domicile.

**SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER DEFINED** - means the lawful widow or widower/ civil union partner/domestic partner of a qualified New Jersey resident veteran or serviceperson, who has not remarried/formed a new civil union/or a new registered domestic partnership.

NOTE\*\*A surviving spouse/surviving civil union partner/surviving domestic partner though a New Jersey resident himself/herself is not entitled to deduction if the deceased veteran/serviceperson spouse/partner at death was not a New Jersey resident.

**DOCUMENTARY PROOFS REQUIRED** - Each assessor and collector may require such proofs necessary to establish claimant's deduction entitlement and photocopies of any documents should be attached to this claim as part of application record.

**MILITARY RECORDS** Certificate of Honorable Discharge or Release, Form DD214, or Military Notification of Death or Certification of United States Veteran's Administration.

**SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER** Death Certificate of decedent, marriage license/civil union license/domestic partnership registration certificate.

**OWNERSHIP** real property deed, executory contract for property purchase; or Last Will and Testament if by devise or if intestate or without a will give names and relationships of decedent's heirs-at-law.

**RESIDENCY** New Jersey driver's license or motor vehicle registration, voter's registration, etc.

**APPEALS** - A claimant may appeal any unfavorable determination by the assessor or collector to the County Board of Taxation annually on or before April 1.

\*\*\*\*\*  
This form is prescribed by the New Jersey Division of Taxation, as required by law, and may be reproduced for distribution, but may not be altered without prior approval.

**CLAIM FOR PROPERTY TAX EXEMPTION ON DWELLING HOUSE OF DISABLED VETERAN OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER OF DISABLED VETERAN OR SERVICEPERSON**

(N.J.S.A. 54:4-3.30 et seq.; L.1948, c.259 as amended) (N.J.A.C. 18:28-1.1 et seq.)

**IMPORTANT** File this completed claim with your municipal tax assessor. (See instructions on reverse.)

**1. CLAIMANT NAME**

Name(s) of veteran claimant owner (& spouse/civil union partner, as tenants by entirety, or domestic partner) or of surviving spouse/surviving civil union partner/surviving domestic partner permanently residing in dwelling

**2. DWELLING LOCATION**

Street Address of claimant owner's principal residence \_\_\_\_\_ Phone # \_\_\_\_\_  
 County \_\_\_\_\_ Municipality \_\_\_\_\_  
 Block \_\_\_\_\_ Lot \_\_\_\_\_ Qualifier \_\_\_\_\_

**3. DISABLED VETERAN/SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER OF DISABLED VET OR SERVICEPERSON (Choose A, B, or C)**

- A.  Honorably discharged disabled veteran with active wartime service in United States Armed Forces. ATTACH copy of DD214.
- B.  Surviving spouse/surviving civil union partner/surviving domestic partner of honorably discharged disabled veteran with active wartime service in United States Armed Forces; **and**
  - I have not remarried/formed a new civil union or a new registered domestic partnership. ATTACH copy of DD214.
- C.  Surviving spouse/surviving civil union partner/surviving domestic partner of serviceperson who died on wartime active duty in the United States Armed Forces; **and**
  - I have not remarried/formed a new civil union or a new registered domestic partnership. ATTACH copy of Military Notification of Death.

**4. ACTIVE WAR TIME SERVICE PERIOD (Check All Applicable Service Periods)**

- \*\*A.  Operation Northern/Southern Watch August 27, 1992 - March 17, 2003
- \*\*B.  Operation Iraqi Freedom March 19, 2003 - Ongoing
- \*\*C.  Operation Enduring Freedom September 11, 2001 - Ongoing
- \*\*D.  "Joint Endeavor/Joint Guard" - Bosnia & Herzegovina November 20, 1995 - June 20, 1998
- \*\*E.  "Restore Hope" Mission - Somalia December 5, 1992 - March 31, 1994
- \*\*F.  Operation Desert Shield/Desert Storm Mission August 2, 1990 - February 28, 1991
- \*\*G.  Panama Peacekeeping Mission December 20, 1989 - January 31, 1990
- \*\*H.  Grenada Peacekeeping Mission October 23, 1983 - November 21, 1983
- \*\*I.  Lebanon Peacekeeping Mission September 26, 1982 - December 1, 1987
- J.  Vietnam Conflict December 31, 1960 - May 7, 1975
- \*\*K.  Lebanon Crisis of 1958 July 1, 1958 - November 1, 1958
- L.  Korean Conflict June 23, 1950 - January 31, 1955
- M.  World War II September 16, 1940 - December 31, 1946

\*\*NOTE - Peacekeeping Missions require a minimum of 14 days service in the actual combat zone except where service-incurred injury or disability occurs in the combat zone, then actual time served though less than 14 days, is sufficient for purposes of property tax exemption. The 14 day requirement for Bosnia and Herzegovina may be met by services in one or both operations for 14 days continuously or in aggregate. For Bosnia and Herzegovina combat zone also includes the airspace above those nations.

**5. DISABILITY (Choose A or B & complete C)**

- A.  Wartime service-connected disability from paraplegia, sarcoidosis, osteochondritis resulting in permanent loss of use of both legs, or permanent paralysis of both legs and lower parts of the body, or from hemiplegia and having permanent paralysis of one leg and one arm or either side of the body, resulting from injury to spinal cord, skeletal structure, or brain or from disease of spinal cord not resulting from any form of syphilis; or from total blindness; or from amputation of both arms or both legs, or both hands or both feet, or the combination of a hand and a foot; or
- B.  Other wartime service-connected disability declared to be a total or 100% permanent disability, and not so evaluated solely because of hospitalization or surgery and recuperation, sustained through enemy action, or accident, or resulting from disease contracted while in such service.
- C. Date V.A. determined 100% permanently and totally disabled \_\_\_\_\_

**6. OWNERSHIP & OCCUPANCY (Complete A, B, and C)**

- A.  I (my spouse/civil union partner, as tenants by entirety/domestic partner), solely own or hold legal title to the above dwelling house. Grantee (buyer) \_\_\_\_\_ name per deed. Deed Date \_\_\_\_\_
- C.  The dwelling house is One-Family and I occupy all of it as my principal residence. **OR**
- The dwelling house is Multi-Unit and I occupy \_\_\_\_\_ % as my principal residence.

**7. CITIZEN & RESIDENT (Complete A or B)**

- A.  As of \_\_\_\_\_ (insert date - month/day/year), I, the above named veteran claimant was a citizen and legal or domiciliary resident of New Jersey.
- B.  As of \_\_\_\_\_ (insert date - month/day/year), I, the above named surviving spouse/surviving civil union partner/surviving domestic partner claimant was a citizen and legal or domiciliary resident of New Jersey; **and**
- My deceased veteran or serviceperson spouse/civil union partner/domestic partner was a citizen and resident of New Jersey at death.

For assistance in documenting veterans' status, contact the NJ Department of Military and Veterans Affairs at (609) 530-6854 or US Veterans Administration at 1-800-827-1000.

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature of claimant \_\_\_\_\_ Date \_\_\_\_\_

OFFICIAL USE ONLY - Block \_\_\_\_\_ Lot \_\_\_\_\_  Approved  Disallowed

Assessor \_\_\_\_\_ Date \_\_\_\_\_

1. **APPLICATION FILING PERIOD** - File this form with the municipal tax assessor at any time during the tax year. Partial or prorated exemption is permitted for the remainder of any taxable year from the date ownership or title to the dwelling house is acquired provided all other eligibility requirements are met. For example, where application is filed on June 1st of the tax year for exemption on a dwelling house acquired on February 14th of the tax year, the assessed value is to be prorated for taxation purposes so that 44/365th's of the total assessment would be taxable and 321/365th's would be exempt.
2. **ELIGIBILITY REQUIREMENTS**
  - A. **Disabled Veteran Claimant** (must meet all 5 requirements)
    1. have had active wartime service in United States Armed Forces and been honorably discharged;
    2. have a United States Veterans Administration certification of wartime service-connected disability as described under #5 on front of this DVSS Claim;
    3. wholly own or hold legal title to the dwelling house for which exemption is claimed;
    4. occupy the dwelling house as the principal residence;
    5. be a citizen and legal or domiciliary resident of New Jersey.
  - B. **Surviving Spouse/Surviving Civil Union Partner/Surviving Domestic Partner Claimant** (must meet all 6 requirements)
    1. document that the deceased veteran or serviceperson was a citizen and resident of New Jersey at death who had active wartime service in the United States Armed Forces and who was honorably discharged or who died on active wartime duty;
    2. document that the deceased veteran had V. A. certified wartime service-connected disability;
    3. not have remarried/formed a new civil union or a new registered domestic partnership;
    4. wholly own or hold legal title to the claimed dwelling house;
    5. occupy the dwelling house as the principal residence;
    6. be a citizen and legal or domiciliary resident of New Jersey.

NOTE \*\*Claimants must inform the assessor of any change in status which may affect their continued entitlement to the exemption.

3. **DWELLING HOUSE & CURTILAGE DEFINED** - dwelling house means any one-family building or structure or unit in a horizontal property regime or condominium or multiple-family building or structure on that portion occupied by the claimant as his legal residence including any outhouses or appurtenances used for the dwelling's fair enjoyment. Curtilage means the enclosed space of ground and buildings immediately surrounding the dwelling house and enjoyed with it for its more convenient occupation.
4. **DISABILITY DEFINED** - means a wartime service-connected disability as described under #5 on front of this claim and certified as such by the United States Veterans Administration.
5. **VETERAN DEFINED** - means any New Jersey citizen and resident honorably discharged from active wartime service in the United States Armed Forces. **For assistance in documenting veterans' status, contact the NJ Department of Military and Veterans Affairs at (609) 530-6854. The United States Veterans Administration can be reached at 1-800-827-1000.**
6. **SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER DEFINED** - means the lawful widow or widower/civil union partner/domestic partner of a deceased disabled veteran or serviceperson who has not remarried/formed a new civil union/ or a new registered domestic partnership.
7. **ACTIVE SERVICE TIME OF WAR DEFINED** - means military service during one or more of the specific periods listed under #4 on front of this claim.
8. **CITIZEN AND RESIDENT DEFINED** - United States Citizenship is not required. Resident for purposes of this exemption means an individual who is legally domiciled in New Jersey. Domicile is the place you regard as your permanent home - the place you intend to return to after a period of absence. You may have only one legal domicile even though you may have more than one place of residence. Seasonal or temporary residence in this State, of whatever duration, does not constitute domicile. Absence from the State for a 12 month period is prima facie evidence of abandonment of domicile.
9. **DOCUMENTARY PROOFS REQUIRED** - Each assessor may require such proofs necessary to establish claimant's exemption entitlement and photocopies of any documents should be attached to DVSS Claim as part of the application record.  
**MILITARY RECORDS** Certificate of Honorable Discharge or Release, Form DD214, or Military Notification of Death or Certification of United States Veterans Administration.  
**DISABILITY** Veterans Administration Certification of Disability.  
**SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER/SURVIVING DOMESTIC PARTNER** Death Certificate of Decedent, marriage license/civil union license/domestic partnership registration certificate.  
**OWNERSHIP** Real property deed, executory contract for property purchase, or Last Will and Testament if by devise, or if intestate or without a will give names and relationships of decedent's heirs-at-law.  
**RESIDENCY** New Jersey driver's license or motor vehicle registration, voter's registration, etc.
10. **APEALS** - A claimant may appeal any unfavorable determination by the assessor to the County Board of Taxation annually on or before April 1.

\*\*\*\*\*  
 This form is prescribed by the New Jersey Division of Taxation, as required by law, and may be reproduced for distribution, but may not be altered without prior approval.

PERM DATA	1. LAST NAME - FIRST NAME - MIDDLE NAME <b>DELIATAS, JOSEPH WILLY</b>		2. SERVICE NUMBER <b>04 083 193</b>		3. SOCIAL SECURITY NUMBER <b>135 26 9348</b>	
	4. DEPARTMENT, COMPONENT AND BRANCH OR CLASS <b>ARMY - USAR - 1st</b>			5a. GRADE, RATE OR RANK <b>Captain</b>	5. PAY GRADE <b>C-3</b>	6. DATE OF RANK <b>24 Nov 61</b>
SELECTIVE SERVICE DATA	10. SELECTIVE SERVICE NUMBER <b>23 13 33 22 1B 3 13</b>		8. PLACE OF BIRTH (City and State or Country) <b>Orange, New Jersey</b>		9. DATE OF BIRTH <b>9 Jan 33</b>	
	11. TYPE OF TRANSFER OR DISCHARGE <b>Relieved from Active Duty</b>			12. LAST DUTY ASSIGNMENT AND MAJOR COMMAND <b>USACOMZUR, 120 New York</b>		13. DATE INDUCTED <b>71</b>
TRANSFER OR DISCHARGE DATA	12. LAST DUTY ASSIGNMENT AND MAJOR COMMAND <b>USACOMZUR, 120 New York</b>		13a. CHARACTER OF SERVICE <b>Honorable</b>		14. EFFECTIVE DATE <b>13 Oct 67</b>	
	13. DISTRICT, AREA, COMMAND OR CORPS TO WHICH RESERVIST TRANSFERRED <b>Control Group (Standby) 6700 Page Blvd, St Louis, Mo 63132</b>		14. TYPE OF CERTIFICATE ISSUED <b>None</b>		15. REENLISTMENT CODE <b>71</b>	
SERV DATA	16. TERMINAL DATE OF RESERVE UNITS OBLIGATION <b>71</b>		17. CURRENT ACTIVE SERVICE OTHER THAN BY INDUCTION a. SOURCE OF ENTRY: <input checked="" type="checkbox"/> ENLISTED (First Enlistment) <input type="checkbox"/> ENLISTED (Prior Service) <input type="checkbox"/> REENLISTED <input checked="" type="checkbox"/> OTHER <b>omissioned</b>		18. DATE OF ENTRY <b>13 May 57</b>	
	19. PRIOR REGULAR ENLISTMENTS <b>71</b>		20. PLACE OF ENTRY INTO CURRENT ACTIVE SERVICE (City and State) <b>Orange, New Jersey</b>		21. HOME OF RECORD AT TIME OF ENTRY INTO ACTIVE SERVICE (Street, RFD, City, County, State and ZIP Code) <b>293 E. Center St Orange, New Jersey</b>	
VA AND EMP. SERVICE DATA	23. SPECIALTY NUMBER & TITLE <b>51193 - Snucloer Weapons Employment</b>		24. RELATED CIVILIAN OCCUPATION AND D.O.T. NUMBER <b>NA</b>		22. STATEMENT OF SERVICE	
	24. DECORATIONS, MEDALS, BADGES, COMMENDATIONS, CITATIONS AND CAMPAIGN RIBBONS AWARDED OR AUTHORIZED <b>National Defense Service Medal Armed Forces Reserve Medal</b>		25. EDUCATION AND TRAINING COMPLETED <b>Purdham University, NY, NY - BS, Biology USA Arty - CW School - PA Officer Basic Crs USA Chemical School - CB2 Officer Crs USARMS, Ft Sill, Okla - PA Officer Career Crs USARMS, Ft Sill, Okla - Eng Projectile Assembly Crs USA School, Europe - Officer Material Readiness Crs</b>		26. NON-PAY PERIODS TIME LOST (Preceding Two Years) <b>None</b>	
REMARKS	27. INSURANCE IN FORCE (NSLI or USGLI) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		28. VA CLAIM NUMBER <b>C NA</b>		29. AMOUNT OF ALLOTMENT <b>2.00</b>	
	30. REMARKS <b>Item 5a - Temp CRT, 45S Apt 24Korol, Perm CRT, USAR, 4pt Ling63 Blood Group:</b>		29. SERVICEMEN'S GROUP LIFE INSURANCE COVERAGE <input checked="" type="checkbox"/> \$10,000 <input type="checkbox"/> \$5,000 <input type="checkbox"/> NONE		30. MONTH ALLOTMENT DISCONTINUED <b>Oct 67</b>	
AUTHENTICATION	31. PERMANENT ADDRESS FOR MAILING PURPOSES AFTER TRANSFER OR DISCHARGE (Street, RFD, City, County, State and ZIP Code) <b>23 Reynolds Place Newark, New Jersey 07106</b>		32. SIGNATURE OF PERSON BEING TRANSFERRED OR DISCHARGED		33. TYPED NAME, GRADE AND TITLE OF AUTHORIZING OFFICER	
	34. SIGNATURE OF OFFICER AUTHORIZED TO SIGN					





DEPARTMENT OF VETERANS AFFAIRS

Regional Office  
20 Washington Place  
Newark, NJ 07102

S

In Reply Refer To: 309/21  
CSS

A

M

Dear

This is to certify that the records of the U.S. Department of Veterans Affairs disclose that your wartime service-connected disability is totally disabling. A 100% permanent and total evaluation was assigned effective in accordance with the Veterans Affairs Rating Schedule and not so evaluated because of hospitalization or surgery and recuperation.

P

The records further indicate that you served in the United States, from to, and received a honorable discharge.

The above statement is issued in accordance with N.J.S.A. 54: 4-3.30, ET.SEQ.

L

Sincerely yours,

U. G. HENDERSON  
Benefits Delivery Officer

E

**INITIAL STATEMENT OF ORGANIZATION CLAIMING PROPERTY TAX EXEMPTION**  
 (N.J.S.A. 54:4-4.4; & 54:4-3.5; 54:4-3.6; 54:4-3.6a; 54:4-3.9; 54:4-3.10; 54:4-3.13; 54:4-3.15; 54:4-3.24; 54:4-3.25; 54:4-3.26; 54:4-3.27; 54:4-3.35; 54:4-3.52; 54:4-3.64; & N.J.S.A. 8A:5-10 et al)

**IMPORTANT** File this claim in **duplicate** with **municipal assessor** of taxing district where property is located by **November 1 of the pretax year**. Separate claims must be filed for each parcel. Every **third year as of November 1** a Further Statement updating the organization's status must be filed with the assessor. See instructions.

**1. CLAIMANT ORGANIZATION NAME**

**2. ORGANIZATION ADDRESS** (Corporate Headquarters)

**3. CONTACT INDIVIDUAL, REPRESENTATIVE, OFFICER for ORGANIZATION**

Name	Phone #	E-Mail Address	Fax #
Postal Mailing Address			

**4. INCORPORATION**

A. Domestic-Incorporated or organized in New Jersey on (month/day/year) \_\_\_\_\_ under statute cite # \_\_\_\_\_

B. Foreign-Incorporated or organized in the state of \_\_\_\_\_ on (month/day/year) \_\_\_\_\_

Registered with New Jersey Secretary of State on (month/day/year) \_\_\_\_\_

**5. ORGANIZATION'S PURPOSES** (Explain organization's purposes. **Attach** Certificate of Incorporation, Articles of Association, Charter/Mission Statement, and Constitution & By-laws.)

**6. NEW JERSEY STATUTE UNDER WHICH PROPERTY TAX EXEMPTION IS CLAIMED**

State New Jersey statute cite # and brief description (see list in instructions)

**7. PROPERTY LOCATION IN NEW JERSEY**

Street Address	City	Zip Code
County	Municipality	Block #
		Lot #
		Qualifier

**8. PROPERTY OWNERSHIP**

Grantor (Seller) \_\_\_\_\_ Grantee (Buyer) \_\_\_\_\_ Page \_\_\_\_\_

Deed Date (Month/Day/Year) \_\_\_\_\_ Deed Book \_\_\_\_\_

County of recording \_\_\_\_\_ Recording Date \_\_\_\_\_

Owner of legal title  Yes  No If no, describe ownership arrangement. **Attach** ownership document.

**9. PROPERTY'S PHYSICAL DESCRIPTION**

Total Land Area (Sq. Ft./Acreage) \_\_\_\_\_ Land is  Vacant or  Improved with buildings and/or structures? (Check one)

If improved, state number of buildings and/or structures \_\_\_\_\_

State each building size in square feet \_\_\_\_\_

Fully describe each building/structure type \_\_\_\_\_

State \$ amount for which improvements are insured \_\_\_\_\_

**10. PROPERTY'S ACTUAL USE or ACTUAL/EXCLUSIVE USE**

If vacant land, state uses and area size for each use. If not used, state none. \_\_\_\_\_

If improved with buildings and/or structures, state uses of each. \_\_\_\_\_

Are land and/or buildings used for stated purposes of claimant organization per section 5 above?

No  Yes If yes  Entirely or  Partially? Explain if used for other than claimant organization's purposes or if used or occupied by other than the claimant organization \_\_\_\_\_

Are land and/or buildings leased or rented by other than claimant organization?  No  Yes

If yes,  Entirely or  Partially? Percentage of property leased \_\_\_\_\_ % **Attach** copy lease/rental agreement.

Explain rental uses. \_\_\_\_\_

State tenant names and rental income received. \_\_\_\_\_

Is commercial business conducted on premises?  No  Yes If yes, explain \_\_\_\_\_

**11. COMPENSATION, REMUNERATION RECEIVED**

List names of individuals, officers, entities receiving compensation, salaries, allowance, monetary profits from claimant organization and dollar amounts received. If none, state none. Supporting financial data may be required by assessor.

**12. SIGNATURE, DATE & TITLE OF OFFICER CLAIMING EXEMPTION FOR ORGANIZATION**

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature \_\_\_\_\_ Official Title or Position \_\_\_\_\_ Date \_\_\_\_\_

Official Use \_\_\_\_\_ Denied \_\_\_\_\_ Approved \_\_\_\_\_ Exempt Property Code \_\_\_\_\_ Date \_\_\_\_\_  
 Assessor \_\_\_\_\_

**INFORMATION/INSTRUCTIONS**

**GENERAL ELIGIBILITY:** Real property tax exemption is determined by:

1. the organization's purpose
2. the property's use as of October 1 of the pretax year
3. the absence, presence, degree and use of profits
4. the property's ownership as of October 1 of the pretax year
5. incorporation of the organization or its authorization to operate in New Jersey
6. land area or existing buildings
7. timely application as of November 1 of the pretax year

**Because eligibility criteria varies from statute to statute, specific questions regarding your organization's exemption requirements should be directed to the municipal assessor in the taxing district where the property is located.**

**LAND & BUILDINGS:** Land and building criteria vary depending on statute under which exemption is claimed. Although there are some exceptions; such as cemetery and conservation land, vacant land **IS NOT** generally exempt even when owned by an otherwise exempt organization. In most cases, in the absence of buildings used for one of the exempt purposes specified by statute, independent vacant land is not exempt. Also most statutes impose acreage limits on exemptable land area. A common limit is five acres per exempt building. Please review applicable statute.

**OWNERSHIP:** Property must be owned by the organization claiming exemption as of October 1 of the pretax year. For example, possession of legal title as of October 1, 2000 would fulfill the ownership prerequisite for exemption for tax year 2001. In most cases, full legal title must be acquired; equitable title is insufficient. However, certain statutes by specific provision allow for equitable or beneficial ownership interest. Please review the statute under which you are requesting exemption with respect to eligible ownership.

**EXEMPT USE TEST-REASONABLE NECESSITY:** Use must be a qualifying exempt use. Property's use must be an integral part of the exempt organization's operations, not just a convenience, and reasonably necessary for the proper and efficient fulfillment of the organization's exempt purpose.

**ACTUAL USE:** Property must be actually used for a permitted or qualifying use pursuant to the statute under which exemption is sought. Future use; for-profit use; and private use are ineligible. Occasional, incidental nonexempt use does not in itself invalidate exemption.

**PARTIAL (PRORATED) USE v. EXCLUSIVE USE:** Whether a property must be used **solely or exclusively** for its exempt purpose or if a proration is permitted depends upon the statutory language specific to that organization. For instance, schools, hospitals, religious and charitable organizations allow prorated exempt/taxable use while volunteer first-aid squads and associations to prevent cruelty to animals must meet the exclusive or singular use criteria. Please review applicable statute.

**NONPROFIT STATUS:** Federal 501(c)(3) status is not controlling with respect to New Jersey property tax exemptions. A monetary surplus, rather than a loss, does not necessarily indicate a for-profit, commercial operation. Provided moneys go back into operation of exempt organization, exemption is permissible. However, a for-profit motive, as evidenced by the facts, invalidates exemption, i.e., is the organization's structure, financial agreements, tuitions, fees set etc. with the intent to make a profit.

**DOCUMENTARY PROOFS:** N.J.S.A. 54:4-4.4 provides, Each assessor may at any time inquire into a claimant's right to continue an exemption and for that purpose he may require the submission of such documentation as he considers necessary to determine the claimant's continuing right to exemption. Claimants may be asked to provide: proof of income via audited financial statements, tax return copies; proof of ownership via deed; proof of use via lease/rental agreements, itinerary/calendar of events & organization's promotional literature; proof of organization's purpose via certificate of incorporation, articles of association, charter or mission statement, and constitution and by-laws.

**Burden of proof is on exemption claimant; it is not the responsibility of the assessor to seek out claimant or to bring claimant into exemption compliance.**

<b>STATUTES:</b> Veterans organizations	N.J.S.A.54:4-3.5 & 54:4-3.25 & 54:4-3.15
Educational, religious, charitable organizations	N.J.S.A.54:4-3.6
Firefighter organizations	N.J.S.A.54:4-3.10 & 54:4-3.13
Burial grounds & cemeteries	N.J.S.A.54:4-3.9 & N.J.S.A.8A:5-10
Youth organizations	N.J.S.A.54:4-3.24
Fraternal organizations	N.J.S.A.54:4-3.26
Disaster relief organizations	N.J.S.A.54:4-3.27
District Supervisor Religious Organization	N.J.S.A.54:4-3.35
Historic Sites	N.J.S.A.54:4-3.52
Conservation/Recreation Land	N.J.S.A.54:4-3.64

**FURTHER STATEMENT REQUIRED:** Every **third year as of November 1** after approval of the initial statement, a further statement is to be filed with the municipal assessor.

**DENIALS/APPEALS:** Any unfavorable determination by the assessor may be appealed to the County Board of Taxation annually on or before **April 1**.

**FOR ASSESSOR USE ONLY**

Deed/Ownership Documents	Lease/Rental Agreements
Insurance Policy on Property	Certificate of Incorporation
Articles of Association	Constitution and By-laws
Audited Financial Statements	Tax Returns
Charter and/or Mission Statement	Organization's Promotional Literature
Itinerary/Calendar of Events	Addendum containing any other pertinent information

**FURTHER STATEMENT OF ORGANIZATION CLAIMING PROPERTY TAX EXEMPTION**  
 (N.J.S.A. 54:4-4.4; & 54:4-3.5; 54:4-3.6; 54:4-3.6a; 54:4-3.9; 54:4-3.10; 54:4-3.13; 54:4-3.15; 54:4-3.24; 54:4-3.25; 54:4-3.26; 54:4-3.27; 54:4-3.35; 54:4-3.52; 54:4-3.64; & N.J.S.A. 8A:5-10 et al)

**IMPORTANT** File this claim in **duplicate** with **municipal assessor** of taxing district where property is located **no later than November 1 of every third succeeding year**, updating the organization's status. Separate claims must be filed for each parcel. See instructions.

**1. CLAIMANT ORGANIZATION NAME**

**2. ORGANIZATION ADDRESS** (Corporate Headquarters)

**3. CONTACT INDIVIDUAL, REPRESENTATIVE, OFFICER for ORGANIZATION**

Name	Phone #	E-Mail Address	Fax #

**4. EXEMPT PROPERTY LOCATION IN NEW JERSEY for which continued exemption is claimed**

Street Address	City	Zip Code

**5. CONFIRMATION OF FILING OF INITIAL STATEMENT**

Initial Statement claiming exemption from taxation for the above mentioned real property in item #4 was filed on \_\_\_\_\_ with the assessor of the aforementioned municipality.  
 (Date)

**6. PHYSICAL and/or USE CHANGES** of the aforementioned real property in item #4

Fully describe any **physical changes** that have occurred since the filing of the previous Initial or Further Statement.

Total Land Area (Sq. Ft./Acreage) \_\_\_\_\_

Land is  Vacant or  Improved with buildings and/or structures? (Check one)

If improved, state number of buildings and/or structures \_\_\_\_\_ State building(s) size in square feet \_\_\_\_\_

Fully describe building(s)/structure(s) type \_\_\_\_\_

State \$ amount for which improvements are insured \_\_\_\_\_

Fully describe any **changes** in the **use** that have occurred since the filing of the previous Initial or Further Statement.

If vacant land, state purpose, area used and size for each use. If not used, state none \_\_\_\_\_

If improved with buildings and/or structures, state uses of each. \_\_\_\_\_

Are land and/or buildings used for originally stated purposes of claimant organization?  No  Yes

If yes,  Entirely or  Partially? Explain if used for other than claimant organization's purposes or if used or occupied by other than the claimant organization \_\_\_\_\_

Are land and/or buildings leased or rented by other than claimant organization?  No  Yes

If yes,  Entirely or  Partially? Percentage of property leased \_\_\_\_\_% **Attach** copy lease/rental agreement.

Explain rental uses \_\_\_\_\_

State tenant names and rental income received. \_\_\_\_\_

Is commercial business conducted on premises?  No  Yes If yes, explain \_\_\_\_\_

**7. COMPENSATION/REMUNERATION CHANGES**

Fully describe any changes that have occurred since the filing of the previous Initial or Further Statement.

List names of individuals, officers, entities receiving compensation, salaries, allowance, monetary profits from claimant organization and dollar amounts received. If none, state none. Supporting financial data may be required by assessor.

**8. PROPERTY OWNERSHIP CHANGES/DISPOSITIONS**

Has any portion of the real property described in item 4, for which exemption has previously been claimed and allowed, been rented, sold or otherwise disposed of since the filing of the prior Initial or Further Statement? Yes  No

If yes, describe the property and state to whom conveyed and date of conveyance. \_\_\_\_\_

**9. PROPERTY NEWLY ACQUIRED for which exemption is claimed**

Has any new or additional real property been acquired by claimant since the filing of the previous Initial or Further Statement? Yes  No  Property Location \_\_\_\_\_

If yes, an Initial Statement, Form I.S., as to such new or additional real property must be filed with the assessor.

**10. SIGNATURE, DATE & TITLE OF OFFICER CLAIMING EXEMPTION FOR ORGANIZATION**

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified.

Signature \_\_\_\_\_ Official Title or Position \_\_\_\_\_ Date \_\_\_\_\_

Official Use Denied Approved Exempt Property Code \_\_\_\_\_  
 Assessor \_\_\_\_\_ Date \_\_\_\_\_

**FURTHER STATEMENT REQUIRED:** Every **third year as of November 1** after approval of the Initial Statement, a Further Statement is to be filed with the municipal assessor.

**IMPORTANT** File this claim in **duplicate** with **municipal assessor** of taxing district where property is located by **November 1**. Separate claims must be filed for each parcel. If additional space is needed, please attach a rider.

**GENERAL ELIGIBILITY:** Real property tax exemption is determined by:

1. the organization's purpose
2. the property's use as of October 1 of the pretax year
3. the absence, presence, degree and use of profits
4. the property's ownership as of October 1 of the pretax year
5. incorporation of the organization or its authorization to operate in New Jersey
6. land area or existing buildings
7. timely application as of November 1 of every third succeeding year

**Because eligibility criteria varies from statute to statute, specific questions regarding your organization's exemption requirements should be directed to the municipal assessor in the taxing district where the property is located.**

<b>STATUTES:</b> Veterans organizations	N.J.S.A 54:4-3.5 & 54:4-3.25 & 54:4-3.15
Educational, religious, charitable organizations	N.J.S.A. 54:4-3.6
Firefighter organizations	N.J.S.A. 54:4-3.10 & 54:4-3.13
Burial grounds & cemeteries	N.J.S.A. 54:4-3.9 & N.J.S.A. 8A:5-10
Youth organizations	N.J.S.A. 54:4-3.24
Fraternal organizations	N.J.S.A. 54:4-3.26
Disaster relief organizations	N.J.S.A. 54:4-3.27
District Supervisor Religious Organization	N.J.S.A. 54:4-3.35
Historic Sites	N.J.S.A. 54:4-3.52
Conservation/Recreation Land	N.J.S.A. 54:4-3.64

**DENIALS/APPEALS:** Any unfavorable determination by the assessor may be appealed to the County Board of Taxation annually on or before **April 1**.

**DOCUMENTARY PROOFS:** N.J.S.A. 54:4-4.4 provides, Each assessor may at any time inquire into a claimant's right to continue an exemption and for that purpose he may require the submission of such documentation as he considers necessary to determine the claimant's continuing right to exemption. Claimants may be asked to provide: proof of income via audited financial statements, tax return copies; proof of ownership via deed; proof of use via lease/rental agreements, itinerary/calendar of events & organization's promotional literature; proof of organization's purpose via certificate of incorporation, articles of association, charter or mission statement, and constitution and by-laws.

**Burden of proof is on exemption claimant; it is not the responsibility of the assessor to seek out claimant or to bring claimant into exemption compliance.**

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**FOR ASSESSOR USE ONLY**

Deed/Ownership Documents	Lease/Rental Agreements
Insurance Policy on Property	Certificate of Incorporation
Articles of Association	Constitution and By-laws
Audited Financial Statements	Tax Returns
Charter and/or Mission Statement	Organization's Promotional Literature
Itinerary/Calendar of Events	Addendum containing any other pertinent information

FORM FSS-1-1983

State of New Jersey  
 Division of Taxation  
 CLAIM FOR PROPERTY TAX EXEMPTION FOR  
 AUTOMATIC FIRE SUPPRESSION SYSTEMS  
 C 309 P.L. 1983 (NJSA 54:4-3.130 et seq.)

Submit this claim to the  
 Construction Code Office  
 of the municipality where  
 property is located.

MUNICIPALITY \_\_\_\_\_ COUNTY \_\_\_\_\_

The following declaration is submitted in accordance with the provisions of NJSA 54:4-3.130 et seq., and I certify is true to the best of my knowledge and belief and fully understand that such declaration will be considered as if made under oath, and, as to a false declaration shall be subject to the penalties as provided by law for perjury.

DATE \_\_\_\_\_ SIGNATURE OF OWNER \_\_\_\_\_

SEC. A OWNER	Name of Owner _____ Mailing Address _____ City _____ State _____ Zip Code _____ Block No. _____ Lot No. _____, or Page _____ Line _____
SEC. B-Location of Property	If location of property is different than above, complete this section Street Address _____ City _____ State _____ Zip Code _____ Block No. _____ Lot No. _____, or Page _____ Line _____
SEC. C-General Contractor or Equal	Name _____ Telephone Number _____ Mailing Address _____ City _____ State _____ Zip Code _____
SEC. D - Arch. or Eng. if Applicable	Name _____ Telephone Number _____ Mailing Address _____ City _____ State _____ Zip Code _____
SEC. E Cost of System	Cost of Eligible Automatic Fire Suppression System (Labor and Material) _____
SEC. F - Automatic Fire Suppression System	<p>1. Proposed Work (Check One)</p> <p>_____ Automatic Fire Suppression System, as part of new construction.</p> <p>_____ Automatic Fire Suppression System, as part of an addition to existing structure.</p> <p>_____ Automatic Fire Suppression System, as part of an alteration to existing structure.</p> <p>2. Use group of building. As shown on construction permit _____</p> <p>3. Type of Automatic Fire Suppression System (Check applicable components)</p> <p>_____ Water sprinklers or spray</p> <p>Indicate: _____ Wet _____ Dry Pipe _____ Other (specify) _____</p> <p>Water Supply: Source _____ Size _____</p> <p>_____ Foam</p> <p>_____ Carbon dioxide</p> <p>_____ Halon</p> <p>_____ Dry chemical</p> <p>_____ Other (specify) _____</p> <p>Area sprinkled: _____ Full _____ Partial (specify) _____</p> <p>Number of Heads: _____ Number of Spare Heads: _____</p> <p>If valves are supervised, specify method: _____</p>

NOTE: Detailed cost breakdown of the proposed automatic fire suppression installation must be attached.

CERTIFICATION FOR AUTOMATIC FIRE SUPPRESSION  
SYSTEM PROPERTY TAX EXEMPTION

This is to certify that the automatic fire suppression system set forth was designed and installed in conformance with the Uniform Construction Code and is eligible equipment as defined in NJSA 54:4-3.130 et seq. and is used primarily to detect a fire, activate an alarm and suppress or control a fire.

Construction Permit Number \_\_\_\_\_

Date Certified \_\_\_\_\_

Construction Code Official \_\_\_\_\_

Date-Copy furnished to Assessor \_\_\_\_\_

FOR USE BY ASSESSOR ONLY

The within claim for tax exemption is approved on real property referred to as Block No. \_\_\_\_\_ Lot No. \_\_\_\_\_ on the tax map of said municipality (or Page \_\_\_\_\_ Lines \_\_\_\_\_ on the 19 \_\_\_\_\_ Tax List.) Exemption is authorized beginning with tax year 19\_\_\_\_, in the amount of \$ \_\_\_\_\_.

DATE \_\_\_\_\_

ASSESSOR \_\_\_\_\_

INSTRUCTIONS

A certified application of each automatic fire suppression system which qualifies for exemption shall be allowed by the assessor.

It should be noted the Act does not preclude the system from being assessed as an added assessment for the period prior to the effective date of the exemption. The exemption from taxation for the automatic fire suppression system shall commence in the tax year following the year in which certification has been granted.

Claim for the exemption, once certified shall continue in force until certification has been revoked by the enforcing agency under regulations promulgated by the Department of Community Affairs.

Data concerning the exemption shall be recorded and retained in the Assessor's Office. The Assessor shall forthwith send a copy of the certified application to the:

Local Property Branch  
Appraisal Section - 9th floor

50 Barrack Street - CN 251  
Trenton, New Jersey 08646

In applying the exemption the assessor may regard the automatic fire suppression system as not increasing the value of the property.

N.J.S.A. 54:4-3.135 provides that; any person aggrieved by any action of the Director of the Division of Taxation, may seek a review before the Director of the Division of Taxation pursuant to the Administrative Procedure Act, P.L. 1968, C.410(C.52:14B-1 et seq.)

A person aggrieved by an action of the assessor may appeal to the county board of Taxation or the Tax Court, as appropriate.

EXCERPTS FROM N.J.S.A. 54:4-3.130 et seq.

N.J.S.A. 54:4-3.130 (a) "Automatic fire suppression system" means a mechanical system designed and equipped to detect a fire, activate an alarm, and suppress or control a fire without the necessity of human intervention and activates as a result of a predetermined temperature rise, rate of rise of temperature, or increase in the level of combustion products.

N.J.S.A. 54:4-3.130 (b) "Commissioner" means the Commissioner of the Department of Community Affairs.

N.J.S.A. 54:4-3.130 (c) "Enforcing agency" means the enforcing agency in any municipality provided for under the "State Uniform Construction Code Act," P.L. 1975, c.217 (C.52:27D-119 et seq.) and regulations promulgated thereunder.

N.J.S.A. 54:4-3.130 (d) "Board of appeals" means the municipal or county board provided for under the "State Uniform Construction Code Act," P.L. 1975, c.217 (C.52:27D-119 et seq.) and regulations promulgated thereunder.

N.J.S.A. 54:4-3.131 An automatic fire suppression system installed after the effective date of this act in a residential, commercial, or industrial building and certified by the enforcing agency as an automatic fire suppression system shall be exempt from taxation under Chapter 4 of Title 54 of the Revised Statutes.

N.J.S.A. 54:4-3.132 The enforcing agency shall grant a certification pursuant to section 2 of this act upon receipt of a written application made under oath on a form prescribed by the Director of the Division of Taxation in the Department of the Treasury. The form shall be made available to claimants by the enforcing agency. The enforcing agency may at any time inquire into the right of a claimant to the exemption and for that purpose may require the filing of a new application or the submission of any proof necessary to determine the right of the claimant to the continuation of the exemption. The enforcing agency shall have the right to make an inspection of the premises which are the subject of the claim for exemption under this act.

N.J.S.A. 54:4-3.134 The enforcing agency, after giving notice to the holder of an automatic fire suppression system certificate, may revoke the certificate whenever any of the following appears:

- a. The certification was obtained by fraud or misrepresentation.
- b. The claimant for tax exemption has failed substantially to proceed with the construction, reconstruction, installation or acquisition of an automatic fire suppression system.
- c. The mechanical system to which the certificate relates has ceased to be used for the primary purpose of providing automatic fire suppression and is being used for a different primary purpose.
- d. The claimant for tax exemption hereunder has so departed from the equipment, design and construction previously certified by the enforcing agency that, in the opinion of the enforcing agency, the automatic fire suppression system is not suitable and reasonably adequate for the purpose of providing automatic fire suppression.

N.J.S.A. 54:4-3.135 (a) A person aggrieved by an action of the enforcing agency may seek review before the board of appeals.

N.J.S.A. 54:4-3.135 (b) A person aggrieved by an action of the Director of the Division of Taxation may seek a review before the Director of the Division of Taxation pursuant to the "Administrative Procedure Act" P.L. 1968, c. 410 (C.52:14B-1 et seq.)

N.J.S.A. 54:4-3.135 (c) A person aggrieved by an action of the assessor may appeal to the county board of taxation or the Tax Court, as appropriate.

N.J.S.A. 54:4-3.136 The owner of real property equipped with a certified automatic fire suppression system may have exempted annually from the assessed valuation of the real property a sum equal to the remainder of the assessed valuation of the real property with the automatic fire suppression system included, minus the assessed valuation of the real property without the automatic fire suppression system.

N.J.S.A. 54:4-3.137 Subject to the "Administrative Procedure Act," P.L. 1968, c. 410 (C.52:14B-1 et seq.)

- a. The Director of the Division of Taxation shall adopt rules and regulations necessary for the proper certification of a tax exemption and the form of a certificate to be issued.
- b. The commissioner shall adopt rules and regulations establishing technical standards for automatic fire suppression systems necessary to qualify those systems for exemption from taxation pursuant to this act.

N.J.S.A. 54:4-3.138 This act shall take effect on November 24, 1983.



State of New Jersey  
Department of Environmental Protection

Christine Todd Whitman  
Governor

Robert C. Shinn, Jr.  
Commissioner

May 14, 1997

Todd Hipwell  
Bayer Corporation (formerly miles Inc.)  
100 Bayer Road  
Pittsburgh, PA 15202-9741

Dear Todd Hipwell:

Enclosed is your approved claim(s) for tax exemption under the authority of Chapter 127 of P.L. 1966 (Title 54.4 - 3.56 to 3.58). Deviation from the application(s) parameters may result in the revocation of your claim for tax exemption.

If you have any questions regarding this document, please contact the Bureau of New Source Review at the above address.

Sincerely,

Louis Mikolajczyk, Chief  
Bureau of New Source Review

cc: State Division of Taxation  
Local Tax Assessor  
Regional Office  
File

A

M

P

L

E



CLAIM FOR TAX EXEMPTION OF AIR POLLUTION ABATEMENT FACILITY  
Application for Certification of Air Pollution Abatement Facility

PERMIT/CERTIFICATE NO. LOG # 01-95-5674 DATE 4/1/96

DATE PERMIT/CERT. ISSUED 3/19/96 EXPIRATION DATE \_\_\_\_\_

The following information is submitted in accordance with the provisions of Chapter 127, P.L. 1966 (N.J.S.A. 54.4 - 3.56 et seq.) and to the best of my knowledge and belief is true and correct.

LOG NUMBER: \_\_\_\_\_

Signature PF Wright  
Title DIRECTOR OF TAX

Sec. A CLAIMANT	(1) Full Business Name <u>BAYER CORPORATION (FORMERLY MILES INC.)</u>
	(2) Type of Ownership Individual _____ Partnership _____ Corporation <u>X</u>
	(3) Person to contact regarding additional details <u>TODD HIPWELL</u> <i>Name</i> <u>100 BAYER ROAD</u> <i>Street Address</i> <u>PITTSBURGH, PA 15205-9741</u> <i>Municipality, State &amp; Zip</i>
Sec. B LOCATION	(1) Location of Abatement Facilities <u>550 BELMONT AVENUE</u> <i>Street Address</i> <u>BOROUGH OF NORTH HALEDON</u> <u>PASSAIC</u> <i>Municipality</i> <i>County</i> and further described as Lot(s) No. <u>19</u> in Block(s) No. <u>81.02</u> _____ on the Tax Map of said municipality (or Page (s) _____ Line(s) _____ on the 19 <u>95</u> Tax List).
	(1) Nature of Operations conducted at the above location <u>CLOSED MANUFACTURING PLANT.</u> <u>ONLY ACTIVITIES ARE REMEDIATION.</u>
Sec. C OPERATIONS	(2) Standard Industrial Classification No. (SIC) <u>2830</u>
	(1) Describe unit process _____
Sec. D PROCESS	(2) Raw Materials used in process <u>PURUS RESIN, CARBON.</u>

c. E

atmosphere.

POLLUTION ABATEMENT

CONTAMINANT	RATE OF EMISSION		CONTROL EFFICIENCY (%)	
	With Facility	Without Facility	Design	Performance
SEE ATTACHED.				

ec. F

(1) Describe abatement facility A COMBINED SOIL VAPOR, GROUND WATER, AND VOLATILE ORGANICS TREATMENT SYSTEM USING PURUS RESIN BED SYSTEM, AIR STRIPPERS, AND CARBON

ABSORPTION.

ABATEMENT FACILITY

- (2) Are contaminants collected in any manner by the control facility?  Yes  No
- (3) Are the collected contaminants sold or used?  Yes  No (if yes, see instructions)
- (4) Are air contaminants burned by the control facility?  Yes  No
- (5) Is the heat value from the burned air contaminants and any auxiliary fuel reused or reclaimed?  Yes  No (if yes, see instructions)
- (6) Date installation was completed APRIL, 1995
- (7) a. Original cost reported if considered tangible personal property used in business \$ \_\_\_\_\_  
 b. Original cost reported if considered real property \$ \_\_\_\_\_  
 c. Net worth on date of application reported if considered real property \$ \$378,000
- (8) Are the emissions of contaminants controlled by the abatement facility currently regulated by any standards in state or local laws, codes, regulations, or ordinances?  Yes  No
- (9) Law, code, regulation or ordinance NJDEP AIR AND ISRA AND NJDPES TE-97-0027
- (10) Does the facility comply with such requirements?  Yes  No

~~FOR OFFICIAL USE ONLY~~

Log # 222

The equipment, facility or device for which tax exemption is claimed does not qualify for certification for the reason checked below:


- 1. Not designed, constructed and/or used for air pollution abatement or control.
- 2. A substantial part is designed or constructed for purposes other than preventing air pollution. (Reapplication may be made for that part which controls or abates pollution of the outdoor air).
- 3. The prime function is other than preventing pollution of the outdoor air.
- 4. Does not comply with existing State or local Codes, Regulations or Ordinances.
- 5. The performance of the equipment as installed is not suitable and adequate for the primary purpose of preventing or abating air pollution.
- 6. Application incomplete or incorrect - See item checked.

**CERTIFICATION OF AIR POLLUTION ABATEMENT FACILITY**

This is to certify that the air pollution abatement facility set forth above was designed primarily for the control of abatement of pollution of the air and is suitable and reasonably adequate for such purpose.

This certificate shall remain in full force and effect subject to the provisions of Chapter 127/P.L. 1966, until further notice.

Date Forwarded to Local Tax Assessor 5/14/97

  
 Chief, Bureau of New Source Review

Municipality Borough of North Haledon

**FOR USE BY TAX ASSESSOR ONLY**

The within claim for tax exemption is approved in the sum of \$ \_\_\_\_\_ on real property referred to as Lot(s) No. \_\_\_\_\_ in Block(s) No. \_\_\_\_\_ on the Tax Map of said municipality (or Page(s) \_\_\_\_\_, Line(s) \_\_\_\_\_ on the 19 \_\_\_\_\_ Tax List).

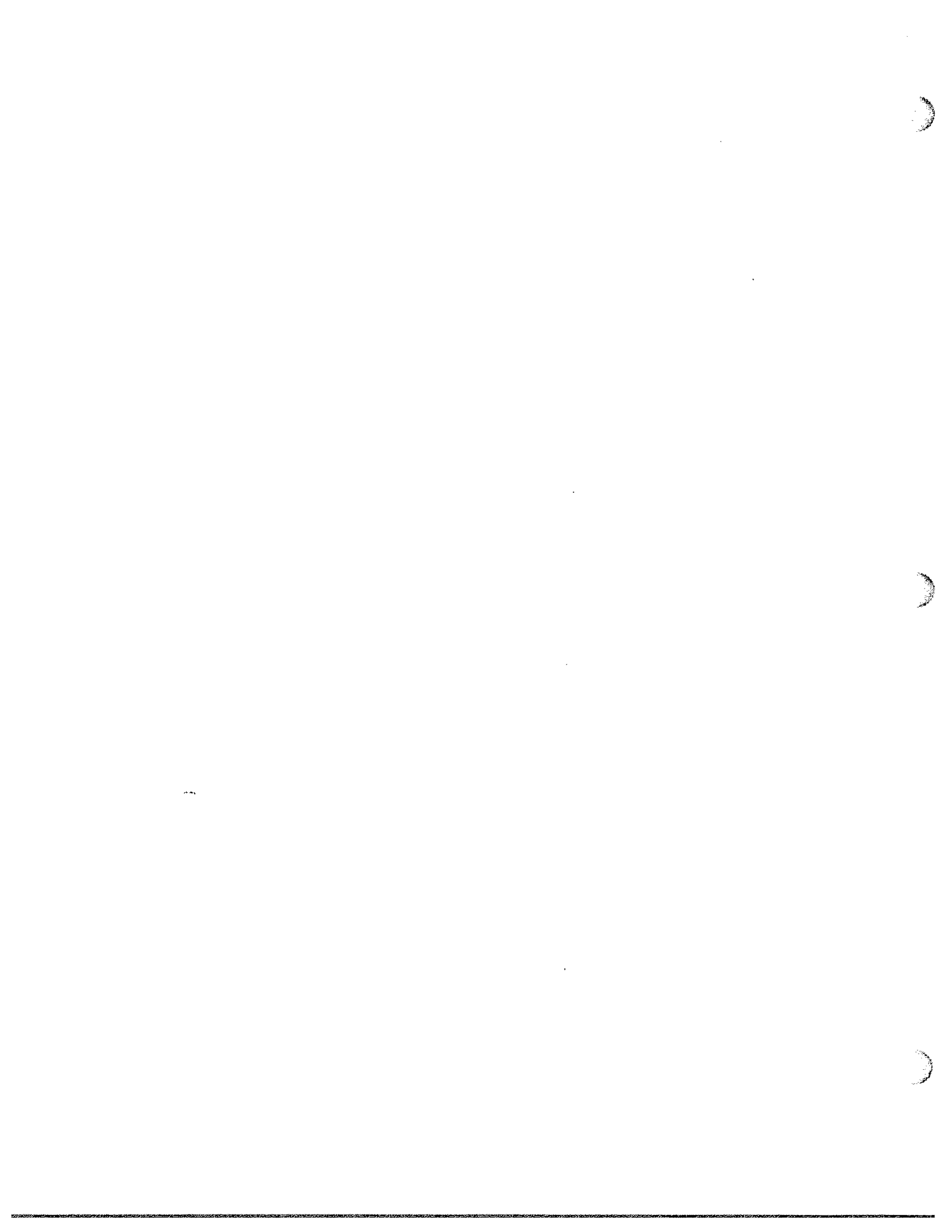
Exemption authorized for the tax year beginning 19 \_\_\_\_\_ for \$ \_\_\_\_\_ of the assessed valuation.

Date \_\_\_\_\_ Assessor's Signature \_\_\_\_\_

SUBMIT ORIGINAL AND THREE COPIES

CONTAMINANT	RATE OF EMISSIONS (lbs/hr)		CONTROL	EFFICIENCY
	With Facility*	Without Facility	Design	Performance*
Benzene	0.0025	0.02101	98%	88.10%
Chloroform	0.0025	0.0149	98%	83.22%
Methylene Chloride	0.0038	0.1875	98%	97.97%
1,1,2,2- Tetrachloroethane	0.0025	0.00643	98%	61.12%
1,1,2- Tetrachloroethane	0.055	5.46871	99%	98.99%
Trichloroethane	0.0025	0.00018	98%	n/a
Trichloroethylene	0.018	0.925764	98%	98.06%
Vinyl Chloride	0.10	0	n/a	n/a
Total VOCs & methane	1.80	11.12	98%	83.81%

\* Emission and Performance values reflect actual NJDEP air permit discharge limits.



APPLICATION FOR  
EXEMPTION FROM TAXATION OF CERTAIN WATER SUPPLY AND  
SEWAGE DISPOSAL STRUCTURES, FACILITIES, MACHINERY  
EQUIPMENT AND DEVICES  
(P.L. 1967, C. 260)

This application must be filed on or before October 1 of the pretax year (see instruction 4)

Municipality \_\_\_\_\_ County \_\_\_\_\_

Application is hereby made for exemption from taxation of certain water supply and sewage disposal structures, facilities, machinery, equipment and devices, hereinafter more particularly described under Chapter 260, Laws of 1967, and the following declarations are herewith submitted in support of such application.

1. The owner(s) of the water supply and/or sewage disposal items for which this application is made is (are)

\_\_\_\_\_  
(see instruction 2).

2. The property on which the water supply and/or sewage disposal items for which this application is made, is located at \_\_\_\_\_  
Location Municipality  
described as (see instruction 3) \_\_\_\_\_

3. The "improvements to real estate" which mean any structure, machinery, equipment, device or facility necessary to the installation or maintenance of a potable water supply system or a water-carried sewerage disposal system, are listed below.

Description	Date Installed

- 4. Costs
  - a. Original cost of items considered real property \$ \_\_\_\_\_
  - b. Original cost of items considered personal property \$ \_\_\_\_\_
  - c. Total Cost \$ \_\_\_\_\_

5. The undersigned authorize(s) the assessor, or his (their) authorized representative, to enter upon the premises to make periodic inspection of the improvements listed in this application.

SIGNATURE AND VERIFICATION (See instruction 5)

The undersigned declare(s) under the penalties provided by law, that this application, including any accompanying schedules and statements, and to the best of his (their) knowledge and belief is true and correct.

Dated: \_\_\_\_\_ Signature of owner or Co-Owner

\_\_\_\_\_  
Name of Corporation

Dated: \_\_\_\_\_ Signature of Corporate Officer Title

RESERVED FOR OFFICIAL USE

The within application is approved / disapproved

Dated: \_\_\_\_\_ ASSESSOR \_\_\_\_\_

## INSTRUCTIONS

1. GENERAL - An "improvement to real estate" or "improvement" shall mean any structure, machinery, equipment, device or facility necessary to the installation or maintenance of a potable water supply system or water-carried sewerage disposal system used in connection with a "migrant labor camp" and in accordance with the provisions of sections 26, 27, or 28 of Chapter 71 of the Laws of 1945, as amended and supplemented. These sections are reprinted in full, as follows:

### N.J.S.A. . 35:9A-26 Water

(a) Each camp shall be provided with an adequate supply of potable water which is of safe sanitary quality.

(b) Wells or springs used as sources of water supply shall have tight covers and be so constructed and located as to preclude their pollution by seepage from cesspools, privies, sewers, sewage treatment works, stables or manure piles, or pollution from surface drainage. The water from such sources shall be obtained by free gravity flow or by a metal pump with watertight connection to a concrete slab covering such well or spring. If the pump is situated adjacent to the well or spring, it shall be so located and connected as to prevent pollution of the water.

(c) Basins, pressure tanks or reservoirs used for the storage of drinking water subsequently distributed without treatment shall be so lined, curbed, covered, or otherwise protected as may be necessary to prevent pollution of the supply by surface water, and to preclude pollution of an accidental, incidental or willful nature. Water therefrom shall be delivered to the camp fixtures, if such fixtures are provided, by means of a watertight discharge pipe by gravity or by pumping.

(d) No common drinking cup shall be used. If drinking fountains are provided they shall be of sanitary design and construction.

### N.J.S.A. . 39:9A-27 Bathing Facilities

Convenient and suitable bathing facilities of a reasonable nature to suit conditions, kept clean and sanitary, shall be provided for every camp.

### N.J.S.A. . 34:9A-28 Toilets and Privies

(a) An adequate number of convenient and suitable privy or other toilet facilities, kept clean and sanitary shall be provided for every camp. A privy other than a water-closet shall consist of a pit at least two feet deep with a suitable shelter. The openings of the shelter and pit shall be inclosed by screening or other suitable netting. No privy pit shall be filled with excreta to nearer than one foot from the surface of the ground and the excreta in the pit shall be covered with earth, ashes, lime or other similar substance.

(b) Privies shall be so located, constructed and maintained that they shall not be offensive to the users, nor permit access of flies to the privy vaults nor leakage or seepage offer a possible pollution of any water supply, adjacent surface waters or ground surfaces.

(c) Sewage disposal systems shall not allow exposure of sewage or sewage effluent on the ground.

2. LISTING OF OWNERSHIP - List every individual, partnership or corporation having an interest in the water supply and/or sewage disposal items and the land on which they are located as owner. Attach separate sheet, if necessary.

3. DESCRIPTION - State block and lot as shown on the official tax map or page and line on the current year's tax list. This information may be obtained from your tax bill. If it is necessary to give "metes and bound" description, attach separate rider.

4. FILING DATE - The application must be filed with the local assessor on or before October 1 of the pretax year. A tax exemption once granted shall be continued in favor of the applicant from year to year without further application as long as the improvement, as shown by periodic inspection by the assessor, is maintained in working order.

5. SIGNATURE, VERIFICATION AND AUTHORIZATION - In the case of multiple ownership, one of the owners may sign on behalf of the other co-owners, except corporate co-owners. Any such signer will be presumed to have authority to sign in behalf of the other non-corporate owners. In the case of a corporate owner, the full name of the corporation must be separately filled in, accompanied by the signature and title of the corporate officer authorized to sign the application in its behalf. The owner must grant authorization to the assessor, or to his authorized representative, to enter upon the premises to make periodic inspection of the improvement.

### REPRINT OF LAW EXEMPTION CERTAIN WATER SUPPLY AND SEWAGE DISPOSAL FACILITIES (P.L. 1967, C. 260, N.J.S.A. 54:4-3.59 et seq.)

1. Notwithstanding the provisions of section 12 of "The Farmland Assessment Act of 1964," P.L. 1964, c. 48, the value of any improvement to real estate, to the extent that said improvement has enhanced the value of such property, shall be exempt from general property taxation pursuant to Title 54 of the Revised Statutes.

2. For the purposes of this act, an "improvement to real estate" or "improvement" shall mean any structure, machinery, equipment, device or facility necessary to the installation or maintenance of a potable water supply system or water-carried sewerage disposal system in accordance with the provisions of section 26, 27 or 28 of Chapter 71 of the Laws of 1945, as amended and supplemented.

3. Initial application for a tax exemption pursuant to this section shall be filed by the taxpayer with the assessor of the taxing district on or before October 1 of the pretax year on a form to be prescribed by the Director of the Division of Taxation and supplied by the assessor. The application shall contain an authorization to the assessor, or to his authorized representative, to enter upon the premises to make periodic inspection of the improvement.

4. A tax exemption granted pursuant to this act shall be continued in favor of the applicant from year to year without further application as long as the improvement, as shown by periodic inspection by the assessor is maintained in working order.

5. This act shall take effect immediately. (Approved December 26, 1967).

CLAIM FOR EXEMPTION ON BLAST OR  
RADIATION FALLOUT SHELTER

THIS CLAIM FOR EXEMPTION MUST BE FILED WITH THE LOCAL TAX ASSESSOR  
ON OR BEFORE OCTOBER 1 OF THE YEAR PRECEDING THE TAX YEAR

Municipality \_\_\_\_\_ County \_\_\_\_\_

I, \_\_\_\_\_ hereby make claim for exemption under Chapter 87, Laws of 1962 (N.J.S.A. 54:4-3.48, et. seq.) with respect to the "blast or radiation fallout shelter" on the property described below, for the tax year 19\_\_\_\_ and thereafter, and make the following declaration in support of such claim:

1. On or before October 1, 19\_\_\_\_ (insert the year preceding the tax year which exemption is claimed):
  - (a) I owned the premises, occupied for residential purposes by not more than \_\_\_\_\_ situated at \_\_\_\_\_

\_\_\_\_\_  
 (Address) \_\_\_\_\_ (Municipality)  
 and further described as Lot No. \_\_\_\_\_ in Block No. \_\_\_\_\_ on the Tax Map  
 of said Municipality (or Page \_\_\_\_\_ Line \_\_\_\_\_ on the 19\_\_\_\_ Tax List).

- (b) There was erected on said premises a "blast or radiation fallout shelter" designed and equipped in compliance with standards established by the the State Department of Defense, for temporary occupancy by human beings to minimize exposure to nuclear explosion or radioactive fallout resulting from nuclear explosion.

2. The actual construction or erection and installation cost of said "blast or radiation fallout shelter" was \$ \_\_\_\_\_.
3. I hereby authorize the assessor or his representative to enter upon the above premises to make periodic inspection of the "blast or radiation fallout shelter." (See Instruction D).

I hereby certify that the foregoing declarations are true to the best of my knowledge and belief and I fully understand that such declarations will be considered as if made under oath, and, as to a false declaration, shall be subject to the penalties provided by law for perjury.

Date: \_\_\_\_\_ Signature of Claimant \_\_\_\_\_

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1. Amount by which true value of property was enhanced \$ \_\_\_\_\_
2. Amount of exemption to be deducted from true value of property; or \$ \_\_\_\_\_ (not to exceed \$1,000.)
3. Amount of exemption to be deducted from assessed value. \$ \_\_\_\_\_ (multiply line 2 by district assessment level for the tax year)

Date: \_\_\_\_\_ Assessor \_\_\_\_\_

TO THE TAXPAYER--SEE REVERSE SIDE FOR INSTRUCTIONS.

## INSTRUCTIONS

- A. All requisites for exemption must be in existence on October 1 of the year preceding the tax year for which exemption is claimed. That is, in order to be entitled to the exemption for the tax year 1963 the "blast or radiation fallout shelter" must be erected, installed and completed in accordance with standards established by the State Department of Defense on or before October 1, 1962. The property must be occupied for residential purposes by not more than two families.
- B. A tax exemption granted pursuant to Chapter 87, Laws of 1962, shall be continued in favor of the applicant from year to year without further application as long as the "blast or radiation fallout shelter," as defined in the law, is maintained.
- C. The construction or erection and installation cost of the "blast or radiation fallout shelter" shall be evidence to be used by the assessor to calculate the enhanced value of the premises attributable to said addition. The allowed exemption shall in no case exceed \$1,000 of the true value of such property.
- D. Under Section 3 of the Law and as stated in paragraph 3 of the application, the applicant, by his application, authorizes the assessor or his representative to enter upon the premises to make periodic inspection of the "blast or radiation fallout shelter."

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## REAL PROPERTY ASSESSMENT

## 501. Basis of Real Property Value

501.1 Statutory provisions. Every assessment of real property must be based upon some sort of appraisal. Numerous methods are available for appraising the value of real property. The selection of the proper method depends upon the purpose for which the appraisal is made. For example, the value of a property for insurance purposes may not be the same as the value for investment purposes. In appraising a property for the purposes of tax assessment, the appraisal must be made in accordance with the basis of real property value recognized by State law, as interpreted by the courts.

501.11 The standard of value. The State Constitution requires that real property must be assessed throughout the state according to the same standard of value. Statutes define the standard of value as the true value of the property. The statutes then go on to define true value as the price at which, in the assessor's judgment, each parcel of real property "would sell for at a fair and bona fide sale by private contract on October first next preceding the date on which the assessor shall complete his assessments. . ."

## REFERENCES:

Constitution of New Jersey, Art. VIII, Sec. 1, par. 1.  
N.J.S.A. 54:4-1, 54:4-2.25, 54:4-23.

501.12 Taxable value. In each county, the county board of taxation has the power, on or before April 1 of the pretax year, to establish some percentage of

true value between 20 and 100 per cent as the level at which real property will be assessed and must remain in effect for a period of not less than 3 years. The percentage selected must be in a multiple of 10 per cent. When this percentage figure applied to the true value of a property, the result is the taxable value of the property. Note that the selection of a percentage of less than 100 per cent does not relieve the assessor of any responsibility for finding the true value of every property. True value must be determined in every case, with the assessment representing the officially-declared percentage of true value. Once the percentage level is established, it remains in effect beyond the minimum three year period unless and until it is changed by the county board of taxation. If in the first instance a county board of taxation had refused or neglected to set a percentage level, the percentage level automatically became 50%. All twenty-one county boards of taxation have now selected 100% as the percentage of true value which assessments are to be expressed.

**REFERENCES:**

N.J.S.A. 54:4-2.25 to 54:4-2.27.

501.2 Judicial interpretations. The Constitution and the statutes provide some guidance for the assessor in establishing the bases of property valuation. Judicial interpretations of the statutes define further the methods which the assessor may use to arrive at a property value for tax purposes. The following principles have come to be generally accepted by the courts.

501.21 Willing buyer - willing seller. The courts have held that property must be assessed on the basis of the price, in terms of money, that it would bring in a private sale by an owner who is willing, but not forced to sell,

to a purchaser who is willing, but not forced to buy the property.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.

City of Newark v. West Milford Tp., Passaic County, 9 N.J. 295 (1952); 88 A.2d 211.

Gibraltar Corrugated Paper Co. v. North Bergen Tp., Hudson County, 20 N.J. 213 (1955); 119 A.2d 135.

501.22 Recognized approaches to value. Numerous judicial decisions have recognized the validity of three methods for estimating the value of a property for tax purposes.

(1) The Comparative Approach. This approach involves an analysis of the sale prices of comparable properties in an effort to establish the price which a subject property would sell for if it were put on the market.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.

In re Erie R. System, 19 N.J. 110 (1955); 115 A.2d 89.

(2) The Reproduction Cost Approach. This approach is based upon a determination of the cost of reproducing a replica of the building at current prices, and deducting from that cost a sum representing the depreciation or loss in value resulting from the fact that the subject building is not new, and finally adding the land value which is separately determined, to the depreciated value of the building.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.

Town of Kearny v. Division of Tax Appeals, 137 N.J.L. 634 (1948); 61 A.2d 208, affirmed 1 N.J. 409 (1949); 64 A.2d 67.

(3) The Income Approach. This approach requires an analysis of the income produced by a property in order to estimate the sum which a person might prudently invest in the purchase of the property.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.  
North Bergen Tp. in Hudson County v. Bergen Blvd. Holding Co.,  
133 N.J.L. 569 (1946); 45 A.2d 623.

The courts have pointed out on occasion that approaches to value other than the three listed above are known, but are not applicable to the problem of establishing property value for tax purposes. For example, the value of utility property, as determined for the purpose of establishing rates to be charged, may not be considered the same as the value for taxing purposes.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.  
Diorio v. Atlantic City Sewerage Co., 20 N.J. Misc. 105 (1942); 25  
A.2d 26.  
Borough of Haworth v. State Bd. of Tax Appeals, 132 N.J.L. 306 (1945);  
40 A.2d 353.

501.23 Approaches as indicators of value. While the courts accept the three approaches as indicators of value, they invariably point out that the result of a single approach, in itself, can never be accepted absolutely as the true value of a property. Wherever possible, all three approaches must be used and the final determination of value for tax purposes must be based upon the approaches as indicators, not determinants of value.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.  
Town of Kearny v. Division of Tax Appeals, 137 N.J.L. 634 (1948);  
61 A.2d 208, affirmed 1 N.J. 409 (1949); 64 A.2d 67.  
Aetna Life Ins. Co. v. City of Newark, 10 N.J. 99 (1952); 89 A.2d 385.  
City of Trenton v. John A. Roebling Sons Co., 24 N.J. Super. 213  
(1953); 93 A.2d 785.  
City of Passaic v. Gera Mills, 55 N.J. Super. 73 (1959); 150 A.2d 67.

501.24 Stability of value. In a number of instances the courts have indicated a belief that property value changes relatively slowly, and that values arrived at by one or more of the three approaches may not reflect the true value of the property. For example, in the comparative approach, where sales of comparable property are used to estimate a value for the property being assessed, abnormal market conditions of short duration have been held to bring about prices which do not really indicate the true value of the property. Similarly, abnormal construction costs or income conditions may cause these approaches to produce a value estimate for the property which the courts would not accept as indicating the true value.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.

City Holding Co. v. State Board of Tax Appeals, 127 N.J.L. 168 (1941); A.2d 289.

Harborside Warehouse Co. v. Jersey City, 128 N.J.L. 263 (1942); 25 A.2d 291, affirmed 129 N.J.L. 62 (1942); 28 A.2d 91, certiorari denied 63 S.Ct. 763, 318 U.S. 769, 87 L.Ed 1140.

City of Newark v. West Milford Tp., Passaic County, 9 N.J. 295 (1952); 88 A.2d 211.

In re Erie R. System, 19 N.J. 110 (1955); 115 A.2d 89.

501.25 Property valued in condition held. A property must be valued for tax purposes in the condition in which it is held by the owner on the assessment date. For example, an assessment would be considered invalid if it were based on the anticipation that a department store, at some time in the future might be divided into two buildings, each of substantially reduced value because of being incomplete. However, the courts have held in other cases that alternative uses to which the property might be put while in its present condition should be considered

in arriving at a value.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.  
Colwell v. Abbott, 42 N.J.L. 111 (1880).  
Borough of Haworth v. State Board of Tax Appeals, 127 N.J.L.  
67 (1941); 21 A.2d 309.  
L. Bamberger & Co. v. Division of Tax Appeals of Dept. of Taxation  
and Finance, 1 N.J. 151 (1948); 62 A.2d 389.

501.26 Presumption of correctness. The assessor may be relieved to find the courts invariably taking the position that an assessment, however arrived at, is valid until proven incorrect. The burden of proof initially is upon the "appellant" (see paragraphs 1103.43 and 1104.44).

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.  
Aetna Life Insurance Co. v. City of Newark, 10 N.J. 99 (1952); 89  
A.2d 385.  
Appeal of Kresge-Newark, Inc., 30 N.J. Super. 489 (1954); 105 A.2d  
12.

501.27 Assessments at the "common level." The courts have in the past ruled that in spite of the "true value" requirement of the law a dominant principal of equality of treatment and burden must prevail. No assessment may be sustained which is at a ratio to true value which is above the "common level" of all assessments in the taxing district. In the absence of other evidence, the courts have accepted the average assessment-sales ratio determined by the Director of the Division of Taxation for school aid purposes as the "common level" for the district.

More recently the Legislature by law established methods by which discrimination appeals are to be decided (see Section 1101.1 et seq.). A common level ratio for each municipality is published annually on April 1 by the Director of the Division of Taxation. A common level range or corridor is calculated at from 15% above to 15% below the common level so determined. Once the

hearing body (the county board of taxation, the Tax Court or the Appellate Division, Superior Court) in a discrimination appeal has determined the true value of the property under appeal, a ratio is struck between the assessed value of the property and the true value so determined. If the ratio so struck falls outside the common level range, or if the ratio so struck exceeds the county percentage level (see Section 501.12), the assessment of the property under appeal is adjusted by applying the common level to the true value as determined by the hearing body. In cases where the ratio so struck exceeds the county percentage level and where the common level also exceeds the percentage level, the revised assessment is determined by multiplying the true value fixed by the hearing body by the county percentage level. See Sections 1106.1 and 1107.1 for further information on tax appeal judgments at the common level

REFERENCES:

In re Appeals of Kents, Inc., 34 N.J. 21 (1961).  
William Kingsley, "The Kents Case - A Remedy for Assessment Inequality", New Jersey Municipalities, February, 1961, pp. 4-8.  
N.J.S.A. 54:2-40.4, 54:3-22, (c.123, P.L.1973).

501. 3 Approaches to Value

501.31 The Comparative Approach. The Comparative Approach makes use of the sale prices paid in actual sales of real property in an effort to arrive at an estimate of the value of the subject property if it were placed on the market. The method sometimes is called the Market Data or the Sales Approach. Two important points must be kept in mind when using the Comparative Approach:

- (1) The sales must be bona fide. That is, they must represent sales by a willing seller to a willing buyer. If, for any reason, the sale

is not considered bona fide, it should be disregarded. For example, a sale between two members of the same family probably would not reflect the true value of the property and should not be used for comparative purposes. A comprehensive list of non-usable types of sales has been prepared by the Local Property and Public Utility Branch for use in connection with the preparation of the Table of Equalized Valuations for State school aid purposes.

- (2) The sales must be of comparable property. If the property which has been sold differs in any substantial way from the property which is being appraised, adjustments must be made to compensate for the differences. Adjustments commonly are made for the date of the sale, to account for changing market conditions; the location of the property, to account for the relative desirability or undesirability of the of the neighborhood; and the type of construction of the buildings.

The Comparative Approach is particularly useful for the appraisal of land, where the adjustment of sale prices for differences is fairly simple. The adjustments which must be made for buildings can be much more difficult. The more specialized a structure, the less use can be made of the Comparative Approach in estimating its value.

REFERENCES:

Handbook, par. 501.22, 502.11, 503.3.

Real Property Appraisal Manual For New Jersey Assessors,  
pp. I-115 to I-118.

501.32 The Replacement Cost Approach. The Replacement Cost Approach uses current building costs, and current standards of material and design to arrive at an estimate of the cost of creating a building having the same utility as that of the property under consideration. An allowance then is



made for depreciation, so that the final value estimate will be applicable to the subject building. A value for the land is determined separately and added to the value developed for the building. This approach sometimes is known as the Summation Approach.

Current construction costs are available from a number of sources in terms of cost per square foot or per cubic foot for various types of construction. The Replacement Cost Approach frequently makes use of cost conversion factors which indicate the trend of building costs over a period of time and for different locations.

In order to facilitate the use of the Replacement Cost Approach, the Real Property Appraisal Manual for New Jersey Assessors has been issued by the Local Property and Public Utility Branch. The manual represents a complete compilation of real property cost data for New Jersey. All buildings and other kinds of real improvements are classified according to types and uses. The classes represent the most common types of properties found in the state. Each class is graded from the poorest construction of its kind to the best. A unit cost, usually on a square foot basis, has been computed for each type of property that the assessor may face, thereby eliminating a great deal of computation.

While the Replacement Cost Approach can be used for all types of structures, it is of no value by itself in valuing land. The assessor should note also that the cost of reproducing the building is not necessarily the current value of the building. Careful attention should be paid to the guides for estimating obsolescence and other forms of depreciation which are contained in the Real Property Appraisal Manual For New Jersey Assessors.

REFERENCES:

Handbook, par. 501.22, 503.2.  
Real Property Appraisal Manual For New Jersey Assessors,  
pp. I-63 to I-112.

501.33 The Income Approach. The Income Approach requires an analysis of the income produced by a property in order to estimate the sum which might be invested in the purchase of the property. This approach to value is sometimes called the Capitalization Approach.

A detailed budgetary study must be made of the property. Gross annual income is either determined from actual figures or is estimated. Annual expense figures are obtained from the owner; rents, operating expenses, and fixed charges of the subject property are analyzed and adjusted. The expenses then are subtracted from the gross income. The resultant net income is capitalized at an interest rate which the investor in the property can expect as a reasonable return. The capitalized value of the net income represents the present value of the property by this approach.

By law, the assessor may require the owner of income-producing property to furnish income data. If the owner refuses, or if a false statement is given, the assessor may value the property at that amount which he has reason to believe it may be worth.

The Income Approach is a complicated and advanced technique and should be used for assessment purposes only after a thorough understanding of the approach has been gained. Its primary use, of course, is in the appraisal of income-producing properties, such as stores, apartment houses, and other cases where the property itself produces the income.

In using the Income Approach, the assessor must be sure that the income utilized can be traced strictly to the property, itself, and not to the business which is conducted on the premises.

REFERENCES:

N.J.S.A. 54:4-34.

Handbook, par. 501.22, sec. 503.4, par. 503.42.

Real Property Appraisal Manual For New Jersey Assessors, pp. I-119 to I-129.

501.34 Limits of value. All three approaches to value should be used whenever possible. The market value of a property usually will be found somewhere between the highest and lowest figures obtained from the three approaches. The range between the high and low estimates is known as the Limits of Value.

502. Land Assessment

502.1 Approaches to Value.

502.11 Comparative approach. The comparative approach is commonly used in the valuation of land. Sales of comparable parcels of land are analyzed and used to estimate the value of other parcels which have not been sold. A major difficulty encountered in this approach is that, in many instances, there will not be enough sales of land which are comparable in location, date of sale, and condition of land. In such cases, the sales which are available must be adjusted so that they will give a valid indication of the land value of the property being assessed.

REFERENCES:

Handbook, par. 501.22, 501.31.

502.12 Allocation. At times it may be impossible to find comparable sales of vacant land or sales which can be adjusted satisfactorily. This is

particularly true in central business districts and in other built-up areas. Here, an allocation method sometimes is used. In the allocation method the value of the entire property is estimated by the Income or Comparative Approach, the value of the structure on the land is found by the Replacement Cost Approach and is deducted from the total value, and the remaining amount is assumed to be the value of the land. A discussion and an example of a land residual technique is presented in the Real Property Appraisal Manual For New Jersey Assessors.

REFERENCES:

The Appraisal of Real Estate, Sixth Edition, American Institute of Real Estate Appraisers, Chicago, Illinois, p. 135.

502.13 Land residual technique. When the value of the building on an income producing parcel of real estate is either known, or can be estimated with accuracy, and represents the highest and best use of the land, the land residual technique may be used to develop a value for the land. This method is of particular importance where there are no unimproved land sales to support the land value. In this technique the amount of net income imputable to the building portion of the property is subtracted from the overall net income. The remaining income is considered to be imputable to the land portion of the property. The portion of the net income imputable to the land is then capitalized into a value for the land by employment of a proper capitalization rate.

REFERENCES:

Property Assessment Valuation, International Association of Assessing Officers, Chicago, Illinois, 1977; p. 263.

Real Property Appraisal Manual For New Jersey Assessors, pp. I-124 and 125.

502.2 Description and identification of land. Two systems of land description

and identification are used in New Jersey: metes and bounds, and block and lot numbers.

502.21 Metes and bounds. Metes and bounds descriptions of land represent the results of the surveyor's work. Some spot on the boundary of a property is located by measuring its distance and direction from a known starting point. The surveyor then makes a circuit of the property boundaries, recording the starting point. An example of a metes and bounds description is shown as EXHIBIT V-1.

502.22 Block and lot numbers. Block and lot numbers are used to describe and identify land where a tax map has been approved, particularly in urban areas. Each block bounded by public roads is assigned a block number. Within the block each individual parcel of land is assigned a lot number. Reference to these two numbers will serve to identify and describe any parcel of land as it is shown on the tax map.

502.23 Tax maps. State law requires that every municipality, except townships with a population of less than 2,500, must have a tax map. Townships with fewer than 2,500 inhabitants may prepare a tax map; it is recommended that they do so. The tax map is one of the most important assessment records. Without such a map it is almost impossible for the assessor to be sure that he is assessing all of the taxable land within his municipality. In some cases where maps have been drawn for the first time, substantial areas never before assessed have been located and placed on the tax rolls.

REFERENCES:

N.J.S.A. 40:146-27 to 29, 54:1-15.

Local Property Tax Bureau News, March, 1953; p. 1; January, 1956, p. 1; November, 1956, p. 2; August-September, 1958, p. 2; October, 1958, p. 2.

- (1) Information shown on tax maps - The tax map is drawn to scale and shows the outlines and dimensions of every parcel of land in the taxing district. Some method for identifying each plot must be included. Other data, such as street numbers, public utilities, names of property owners, and buildings, may be placed on the map if they do not create difficult problems in keeping the map up-to-date. Illustrations of typical rural, suburban and urban tax maps are shown as EXHIBITS V-2, V-3 and V-4.

REFERENCES:

Tax Map Specifications, (Public Utility Tax Bureau, State of New Jersey,) p. 1.  
Real Property Appraisal Manual For New Jersey Assessors, pp. I-11 & I-12.

- (2) Approval of tax maps - By State law, the Director of the Division of Taxation is given full control over the preparation, maintenance, and revision of all tax maps. In order to implement this power, the director has issued Tax Map Specifications, which are available from the Local Property and Public Utility Branch, Division of Taxation Building, West State and Willow Streets, Trenton. All new tax maps must conform to these specifications and must be submitted to the Local Property and Public Utility Branch for approval. Certification by the Branch merely indicates that the information shown on the map is presented in accordance with the specifications. The Branch is not in a position to check the details of the map accuracy. All new tax maps must be prepared under the supervision of a licensed New Jersey land surveyor.
- (3) Filing of tax maps - On or before January 1 of the year following the year in which a tax map is approved, the taxing district must file a

duplicate of the map with the county clerk or the county register of  
of deeds.

REFERENCES:

N.J.S.A. 54:1-15.

Tax Map Specifications.

Local Property Tax Bureau News, March, 1953, p.1; April, 1959, p. 2.

- (4) Maintenance of tax maps - It is essential that tax maps be kept up-to-date. New subdivision plats should be entered on the map as soon as they are approved. Provisions should be made by the municipal governing body for the maintenance of the tax map. In some communities the municipal engineer is charged with the responsibility for maintaining the tax map. Regardless of where the maintenance responsibility is placed, however, the assessor should be familiar with the construction of the map and with its use.
- (5) Financing a tax map - The initial preparation of a tax map is an expensive, but necessary, undertaking. State law permits the municipality to finance the cost of a tax map over a five-year period.

REFERENCES:

N.J.S.A. 40A:4-53 to 55.6.

Local Property Tax Bureau News, November, 1956, p. 2.

502.3 Sources of land value information. The best sources of land value information are bona fide sales of land which are comparable in location, condition, and date of sale. Other information which may be gathered includes asking prices for land placed on the market, offers for the purchase of land, opinions of informed persons, and income and construction cost data for use in land residual techniques. Information on sale prices may be obtained from abstracts of deeds, from inquiries directed to the seller or buyer of land, or from SR-1A forms used in

the state-wide tax equalization program.

502.31 Abstracts of deeds. The county clerk or register of deeds is required by law to mail to the assessor an abstract of the deed of every property for which a change of ownership has been registered. Abstracts of deeds are useful to the assessor in three ways:

- (1) The abstract shows the names of the old owner and the new owner of the property, a description of the property, and the date on which the transfer took place.
- (2) The legal description and the block and lot numbers of the property contained in the abstract provides the assessor with a check on the accuracy of the description used by the assessor. Abstracts of deeds make up one of the principal "raw materials" used in the construction of a tax map. The assessor should investigate carefully whenever the property description contained in the deed appears not to conform with the outlines of the property on the tax map. Where it appears that a portion of a property may have been sold without a valid subdivision having been granted by the planning board, the assessor should bring this fact to the attention of the municipal governing body so that appropriate action may be taken.
- (3) The abstract gives the assessor an indication of the price for which the property has been sold. By state statute every deed recorded by a county recording officer must contain a statement of the consideration paid including the amount of any already existing mortgage assumed by the purchaser. Also a realty transfer fee must be paid on the entire purchase



price at a rate of \$1.75 for each \$500 of consideration. The fee is imposed upon the grantor, and is required to be paid when the deed is presented for recording. Certain sales are exempt or partially exempt from the realty transfer fee, therefore the amount of the realty transfer fee may not always be a true indication of the sale price of the property. Where the sale price, as indicated in the deed appears to be out of line based on other information available to the assessor, further inquiry should be made of the seller or the purchaser or both.

REFERENCES:

N.J.S.A. 54:4-31.

Local Property Tax Bureau News, March, 1955, p. 1; May, 1955, p. 2.

N.J.S.A. 46:15-5 et seq.

502.32 SR-1A Forms. As a part of the equalization program carried on for the purpose of distributing State aid to local school districts, SR-1A forms which summarize the sales data from deed abstracts are filled out for each sale by the county board of taxation and forwarded to the assessor. The copy of this form retained by the assessor is useful as a convenient means of recording sales data.

REFERENCES:

Handbook, par. 1002.31 to 1002.34.

502.33 Questionnaires. Some assessors follow the practice of sending questionnaires to the purchasers of every property which has been sold. This is a particularly useful device where the sale price stated in the deed or indicated by the realty transfer fee shown on the deed appears to be unusual, based upon the assessor's knowledge of the

property and the area. A questionnaire also may uncover evidence that other sales which appear valid may not actually be bona fide.

An example of a questionnaire used by the Local Property and Public Utility Branch in the state-wide tax equalization program is shown as EXHIBIT V-5.

#### 502.4 Valuation of Land

502.41 Unit land values. Unit land values are developed in order to provide a simple and uniform measurement of value which may be applied to all properties in a stated location. Two types of unit are used, the value per unit of area and the value per front foot:

- (1) Area units - For some types of use, land may most easily be appraised in terms of its value per unit of area, such as the value per acre or per square foot. This method is applicable wherever it is assumed that, within the parcel, every piece of land has the same value as every other piece, regardless of its location. For example, farmland usually is valued in terms of dollars per acre for each type of soil; the location of the land within the farm has little bearing on its value. In the same way, industrial land frequently is assigned a value per square foot of area; each square foot is considered to have the same value for industrial purposes as every other square foot.
- (2) Front foot units - The front foot unit of land values is used wherever it is assumed that, within a single parcel, the value of the land will vary depending upon its location on the plot. For example, in commercial and residential areas the land at the front of the parcel, having ready access to the street, usually is considered more valuable than the rear portion of the parcel. In order to develop a

front foot value, a standard depth is assumed and all land value data is tabulated on the basis of lots of that depth. Standard depth tables have been prepared showing the variation in value as the depth of the lot increases.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. I-31 to I-62.

502.42 Land value maps. After unit land values have been determined, they may be indicated on a land value map. This data may be added to the tax map if it will not interfere with the normal use of the map. In many cases a more desirable method would be to prepare a separate land value map. Such a map will not need to be drawn to scale. Suggestions for the construction of a land value map will be found in the Real Property Appraisal Manual For New Jersey Assessors. Assessment-sales ratio data reported on SR-1A forms in connection with the state-wide tax equalization program will be very valuable to the assessor in keeping the land value map up-to-date.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, p. I-10. Handbook, par. 502.32.

502.43 Urban land valuation. In many cases the value of urban land can be estimated on the basis of set rules and procedures. The Real Property Appraisal Manual For New Jersey Assessors provides a full set of land value rules and illustrations of calculations for urban lots of irregular shape and size. Adjustments are suggested for such factors as corner influence and alley influence. The rules may be used:

- (1) to establish unit front foot values on the basis of sales data, and

(2) to apply the established unit front foot values to lots in order to estimate the value of the property.

In using the land valuation sections of the Real Property Appraisal Manual For New Jersey Assessors, the assessor should remember that the adjustments suggested are merely guides as to procedure. The adjustments actually to be made should be determined on the basis of conditions in each community.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. I-43 to I-56.

502.44 Rural land valuation. Acreage in rural areas must be valued for taxation on the basis of the existing market, unless the owner has applied for special tax treatment under the Farmland Assessment Act. Even where the land qualifies under this Act, which permits assessments based only upon the land's agricultural value, the assessor must be able to establish the market value including the prospective value for subdivision purposes and other development, in order to be able to assess the "roll-back" taxes which will be due if the use of the land changes. Guides for valuing rural land will be found in the Real Property Appraisal Manual For New Jersey Assessors. Each guide must be examined to meet local conditions.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-23.1 et. seq.

Colwell v. Abbott, 42 N.J.L. 111 (1880).

Real Property Appraisal Manual For New Jersey Assessors, pp. I-33 to I-42.

Handbook, sec. 504.1 to 504.7.

502.45 Rurban land valuation. Rurban land lies in the area between heavily populated urban areas and the sparsely inhabited rural areas.

It is characterized by elements of both areas. Some farming is done, but usually only for household use and it is not pursued on a full-time basis. The size of the tracts are larger than the lots of an urban area, but too small to support a family on farming alone. Guides are available in the Real Property Appraisal Manual for New Jersey Assessors for the valuation of rurban land.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. I-59 to I-62.

503. Building Assessment

503.1 Approaches to value. Wherever possible, all three approaches to value should be used in the valuation of every property. Residential and farm properties usually are appraised through the use of the Replacement Cost Approach and the Comparative Approach. If information is available, the assessor may also consider using the Income Approach. More frequent use is made of the Income Approach in the valuation of commercial and industrial properties.

REFERENCES:

Handbook, par. 501.23.

503.2 The Replacement Cost Approach. The Replacement Cost Approach is defined as estimating the cost of creating a building having the same or equivalent utility as the subject building, as nearly as current prices and current standards of material and design will allow.

REFERENCES:

Handbook, par. 501.22, 501.32.

The Appraisal of Real Estate, American Institute of Real Estate Appraisers, 1977 p.215.

503.21 Unit construction costs. In order to figure the construction cost of any structure, the assessor must have some knowledge of present building costs. The construction cost usually is expressed as a unit cost per square foot of building area or per cubic foot of building volume. The principal source of unit construction cost figures for the New Jersey assessor is the Real Property Appraisal Manual For New Jersey Assessors, issued by the Local Property and Public Utility Branch. The Manual provides a variety of unit construction cost figures based on a wide range of building characteristics, such as building use, quality of construction, type of materials used, number of floors, and size of floor area. For example, the cost of constructing an average grade, wood frame, two-story, single-family dwelling, with 1,000 square feet of floor area, is given in the Manual as \$30.15 per square foot of ground floor area. Additional tables are provided to adjust the basic unit cost figures through additions or deductions for special building features which are above or below the requirements of the basic specifications for a particular class of building.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. II-17.

503.22 Cost conversion factors. The unit cost figures contained in the Manual, which are for October, 1975, are kept up-to-date with annual cost conversion factors distributed by the Local Property and Public Utility Branch. A cost conversion factor provides an adjustment to bring the basic cost figures in the Manual into line with building costs for a specific year in a specific area. For example, the October, 1979 cost conversion factor for a wood frame residence situated in Middlesex County is 1.35. In the case of the building described in paragraph 503.21,

the unit construction cost in the Perth Amboy area for 1979 for this type of building would be 1.35 times \$30.15, or \$40.70.

While the Manual and the cost conversion factors have been prepared carefully, the assessor should make periodic checks of actual construction costs in his area. Records of buildings completed may be examined to determine unit costs; local architects and builders may be consulted for their opinions of building costs. If necessary, the assessor should develop his own adjustment or cost conversion factor to bring the Manual into line with the actual local costs.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. II-3; II-157.

503.23 Depreciation. Depreciation is the loss in value from all causes in any structure. There are three principal types of depreciation:

- (1) Physical Depreciation - Physical depreciation or deterioration is the loss in value which results from the aging process. All objects decline in value due to the wear and tear of age or constant use. Proper maintenance may lessen the rate of loss, but will never completely stop physical depreciation.
- (2) Functional Obsolescence - Functional obsolescence is the loss in value, over and above physical depreciation, which is caused by factors within the subject property. The steady pace of progress frequently makes the functional design of one era less valuable than that of a later era. For example, an eight-story office building without an elevator probably would suffer from functional obsolescence. Even though well-maintained, the value of the building undoubtedly

would decline because rental of the upper stories would be very difficult.

- (3) Economic Obsolescence - Economic obsolescence is the loss in value, over and above physical depreciation, which is caused by factors outside the subject property. Changing neighborhood characteristics and the presence of undesirable property uses will contribute to economic obsolescence. For example, an apartment house located near a sewage disposal plant might suffer from economic obsolescence if the plant frequently gave off unpleasant odors.

The Real Property Appraisal Manual For New Jersey Assessors provides guides for the assessor in arriving at estimates of physical depreciation and various forms of functional and economic obsolescence. Wherever possible, the results obtained by using these guides should be checked against local data.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. I-101 to I-113.

503.24 Steps in the use of the Real Property Appraisal Manual For New Jersey Assessors. The following five steps, if followed uniformly, will help in the use of the Manual:

- (1) Measure the subject property. All measuring should begin at the right corner of the building and proceed around it in a clockwise direction until the point of beginning is reached again. Measure all indentations and protrusions as they appear.
- (2) Inspect the subject property, recording building data on a property



record card. Sample property record cards are provided in the Manual and are reproduced here as EXHIBITS V-6 and V-7. This is the time to make special building notes, such as the age of the property, any major alterations, the approximate cost, and the date of their completion.

- (3) Classify the building according to type and grade as indicated in the Manual. This is the most important step in using the Manual; it requires sound judgment on the part of the assessor. A comparison of the descriptive data on the property record card of the subject property with the base specifications listed in the Manual for each class of property will aid in the classification of real property. However, while the classification selected should be one which will require a relatively small number of additions and deductions due to the variations of the subject property from the base specifications, the assessor should also be guided by such elements as the quality of materials used in construction and the quality of original workmanship. The present physical condition of the building is not a factor in determining classification. Any loss in value due to poor physical condition should be covered by adjustments under depreciation, not by a change in building classification.
- (4) Complete the calculations: including determination of areas; cubic contents if necessary; unit construction costs; additions and deductions; and depreciation and obsolescence. This step normally is completed in the assessor's office, while the first three steps are field procedures.

- (5) Review the final appraised value of the property by checking it against available sales. A re-inspection of the property also will be helpful.

Following these five steps in the order listed will enable the assessor to obtain maximum performance from the Manual. Further instructions for the use of the Manual will be found in the introductory sections of the Manual.

REFERENCES:

Real Property Appraisal Manual For New Jersey Assessors, pp. I-63 to I-100.

- 503.3 The Comparative Approach. The Comparative Approach attempts to find value through a comparison of the subject property with similar properties which have been sold for a known sum of money.

REFERENCES:

Handbook, par. 501.22, 501.31.

- 503.31 Sources of information. The sources of information described for finding the value of land also are useful in establishing the sales prices of properties. Abstracts of deeds, SR-1A forms, and questionnaires are of considerable value in obtaining and verifying sales data.

REFERENCES:

Handbook, par. 502.31, 502.32, 502.33.

- 503.32 Adjustment of sales data. The most important requirement of the Comparative Approach is that the building compared really must be comparable or must, by adjustment, be made comparable. In almost every case some adjustments must be made for the following factors:

- (1) Condition of property - Except in the case of identical new structures, it is doubtful that any two buildings will be found exactly

alike and in exactly the same condition of preservation. Adjustments must be made for differences between the structures for which sales data is available and those which are being appraised. The Real Property Appraisal Manual For New Jersey Assessors may be of some assistance by enabling the assessor to adjust sales prices and thus make the sales data applicable to the subject buildings. For example, if a structure, which has been sold for \$45,000, is exactly like the subject building except for a different type of heating system, the presence of an enclosed porch, and a somewhat greater degree of physical depreciation, adjustments for these features could be developed from the market and from judicious use of cost data in the Manual.

- (2) Date of sale - Changing market conditions may affect the value of property. If the sale has not taken place recently, some adjustment must be made for the changing market. Cost conversion factors developed for use with the Real Property Appraisal Manual For New Jersey Assessors may be useful as well as a comparison of ratio's from the year of the sale to the year of valuation in adjusting the dollar value of sales which have occurred at different periods of time. However, the assessor must remember that the cost conversion factors deal only with construction costs. The value of land may vary over a period of time in quite a different pattern from that shown by construction costs.

REFERENCES:

Handbook, par. 503.21, 503.22, 503.23.

- 503.4 The Income Approach. The Income Approach searches for value in terms of the amount which a person might prudently invest in a property.

Normally, the Income Approach provides an estimate of the value of an entire property, including land and building together, with the apportionment of the final value between these two forms of property being made after a total value has been estimated.

REFERENCES:

Handbook, par. 501.22, 501.33.

503.41 Sources of information. By law, the assessor may require the owner of income-producing property to furnish income data. If the owner refuses, or if a false statement is given, the assessor may value the property at the highest value which he has reason to believe it may be worth. Requests also may be made of tenants, renting agents, and realtors. In cases of an appeal to a county board of taxation involving a commercial or industrial property or a multi-unit dwelling (more than four families), an itemized statement showing all sources of income and expenses for at least the most recent accounting year must be submitted with the petition of appeal. In every case, the data obtained should be analyzed carefully in order to make sure that it will provide a valid indication of the property value.

REFERENCES:

Handbook, par. 501.33.

N.J.S.A. 54:4-34.

Rules For County Boards Of Taxation, 18:12A-1.8.

503.42 Steps in the Income Approach. A number of detailed procedures can be followed in using the Income Approach. The following is a generalized description of the steps usually involved:

- (1) Determine the gross income of the property. If there is any reason to believe that the actual current gross income does not

represent a true picture of the future earning capacity of the property, a stabilized estimate of gross income should be used.

- (2) Establish the effective gross income by deducting an allowance for vacancies and credit loss (unpaid rents) from the gross income.
- (3) Find the net income by deducting allowable operating expenses from the effective gross income. In analyzing expense statements, the assessor must exercise great care. Statements sometimes will include expense items which are not allowable in the Income Approach. In other cases, the expenses listed may be higher or lower than should normally be expected. If this appears to be the case, only the reasonable expense figure should be used.
- (4) Capitalize the net income to arrive at a value for the property. Several methods of capitalization are available; the selection of a particular method depends largely upon the characteristics of the future income expected from the property.

#### 504. Farmland Assessment

504.1 The owner of any land devoted to agriculture or horticulture may apply to have the land assessed for property tax purposes on the basis of its value for these uses, rather than on the basis of the market value of the land for any other use. The Farmland Assessment Act of 1964 and regulations issued by the Director of the Division of Taxation provide the basic rules for the assessment of such land.

#### REFERENCES:

Constitution, Art. VIII, sec. 1, par. 1 (b).  
N.J.S.A. 54:4-23.1 et seq.

Regulations Farmland Assessment Act (N.J.S.A. 54:4-23.1 et seq.),  
Chapter 48, Laws of 1964 (Trenton: Local Property and Public  
Utility Branch, Division of Taxation, Department of the Treasury,  
State of New Jersey, August 1, 1978); Hereafter referred to as  
Farmland Reg.

504.2 Eligibility. In order to qualify for assessment under this law, the following conditions must be met:

- (1) The applicant must own the land in question - see paragraph 504.21.
- (2) The land must be devoted to agricultural or horticultural uses -- see paragraph 504.22.
- (3) The land must have been devoted to such uses for at least two years prior to the tax year -- see paragraph 504.23.
- (4) The land must consist of at least 5 acres -- see paragraph 504.24.
- (5) Gross sales of products from the land must total at least \$500 per year for the first 5 acres, plus \$5.00 per acre for each acre over 5, except in the case of woodland or wet land where the income requirement is .50 per acre for any acreage over 5 -- see paragraph 504.25.
- (6) The owner must apply for the benefit of Farmland Assessment Law -- see paragraph 504.27.
- (7) The owner must represent that the land will continue in agricultural or horticultural use to the end of the tax year for which application is made.

504.21 Ownership. The applicant for assessment under the Farmland Assessment Act must be the owner of the land as of the date of the application, on or before August 1 of the pretax year. If title to a property changes hands after the application has been filed for a given

tax year, it is not necessary for the new owner to file a new application, so long as no change in the conditions of use is expected. The assessor may require the applicant to show proof of ownership.

REFERENCES:

N.J.S.A. 54:4-23.13.

Farmland Reg. 18:15-2.1, 18:15-3.1, 18:15-3.2, 18:15-3.3, 18:15-3.4, 18:15-3.5.

504.22 Agricultural or horticultural use. In order to qualify for assessment under the Farmland Assessment Act, land must be devoted to agricultural or horticultural use.

Agricultural use is defined as the production for sale of plants and animals useful to man, including but not limited to the following:

forages and sod crops;

grains and feed crops;

dairy animals and dairy products;

poultry and poultry products;

livestock, including beef cattle, sheep, swine, horses, ponies,

mules or goats, including the breeding and grazing of any

or all such animals;

bees and apiary products;

fur animals;

trees and forest products.

Horticultural use is defined as the production for sale of the following:

fruits of all kinds, including grapes, nuts and berries;

vegetables;

nursery, floral, ornamental or greenhouse products.

Any or all of the above agricultural or horticultural uses may serve to qualify land for assessment under the Farmland Assessment Act, provided that one of the following conditions is met:

- (1) The crops or forest products are grown for market, either retail or wholesale;

OR

- (2) the cover crops are grown as a part of a regular crop rotation program;

OR

- (3) the crops or forest products are grown for on-farm use (but not including vegetables, fruits, and like products which are grown for on-farm personal consumption);

OR

- (4) the products of the animals, or the animals themselves, which are maintained, pastured, or ranged, are produced for market, either retail or wholesale.

In addition, the land may qualify for the Farmland Assessment Act if:

- (1) it has qualified for payments under a Federal soil conservation program, such as the Soil Bank;

OR

- (2) it consists of woodland forming a reasonable portion of a farm which qualifies under some other agricultural or horticultural use.

The assessor may require the applicant to show proof of agricultural or horticultural use.



REFERENCES:

N.J.S.A. 54:4-23.3, 54:4-23.4.  
Farmland Reg. 18:15-1.1, 18:15-6.2.

504.23 Duration of use. Land must have been devoted actively to agricultural or horticultural use for at least two consecutive years prior to the tax year for which the application of the Farmland Assessment Act is claimed. For example, in order to qualify for the tax year 1980, the land must have been devoted to such uses for all of the calendar years 1979 and 1978. In addition, in applying for Farmland Assessment under the law, the owner of the property must indicate his intention that the land will continue to be used for these purposes until the end of the tax year for which the application is being filed. The assessor may require the applicant to show proof of the duration of agricultural or horticultural use.

REFERENCES:

N.J.S.A. 54:4-23.2, 54:4-23.6.  
Farmland Reg. 18:15-3.1; 18:15-3.4.

504.24 Area of Land. At least 5 acres of land must be included in one ownership in order to qualify under the Farmland Assessment Act. It is not necessary that the land all be in one tax map parcel, so long as it is contiguous and in one ownership. The presence of a public right-of-way separating portions of the land does not serve to make the land non-contiguous. In the case of non-contiguous parcels of land, an application must be filed for each parcel, and each parcel, in and of itself, must meet all requirements of the Act to be eligible. Non-contiguous parcels may not be aggregated to meet the 5-acre requirement. If the land is located in more than one taxing district, it is eligible for assessment under this law, so long as it is contiguous and in one

ownership and meets all other requirements.

In calculating the land area eligible under the Farmland Assessment Act, all land under agricultural or horticultural buildings, such as barns, sheds, silos, cribs, and greenhouses, and all land under lakes, dams, ponds, streams, irrigation ditches, and similar facilities shall be included.

However, land under the farmhouse and such additional land actually used in connection with the farmhouse, such as land used for lawns, flower gardens, shrubs, swimming pools, tennis courts, and similar purposes, shall not be included. Land used for these purposes must be assessed in the same manner as any other land in the taxing district. The assessor may require the applicant to show proof of the area of the land involved.

REFERENCES:

N.J.S.A. 54:4-23.11, 54:4-23.12, 54:4-23.18.

Farmland Reg. 18:15-3.2, 18:15-4.4, 18:15-5.1, 18:15-13.1.

504.25 Gross sales. In order to qualify under the Farmland Assessment Act, the use of the land must have resulted in gross sales of agricultural or horticultural products or payments under a soil conservation program of at least \$500 per year for the first five acres during the two years immediately prior to the tax year. Any acreage over five must show average sales of at least \$5.00 per acre on agricultural land and \$0.50 per acre on woodland or wetland. If this is not the case, there must be clear evidence of an anticipated \$500 yearly gross income sale of such products from the first five acres and \$5.00 per acre on any farmland acreage over 5, and \$0.50 yearly gross sales per acre on

any woodland or wetland over the first 5 acres within a reasonable period of time. The judgment of anticipated gross sales is to be made on the basis of the nature and characteristics of the land and from the productivity plans of the owner or occupant. The assessor may require the applicant to show proof of gross sales of agricultural or horticultural products, or of production plans.

REFERENCES:

N.J.S.A. 54:4-23.5

Farmland Reg. 18:15-6.1, 18:15-6.3

504.26 Woodland. With ordinary agricultural operations such as a cropland farm or a livestock farm there is a management or operational activity which an assessor ordinarily can see taking place over the course of a year. This does not apply, however with many woodland tracts of land. Much litigation has taken place over the qualification of woodland for farmland assessment. Some guidelines have become manifest as a result of the litigation. Three groups of woodland emerge: 1.) self-qualifying woodland or acreage completely composed of woodland which clearly qualifies for farmland assessment, meeting all statutory requirements in respect to income, acreage, years in agriculture, etc., or is a woodland portion of a farm that of itself, as woodland, meets the statutory requirements; 2.) Appurtenant woodland, or those woodlands which do not contribute income to a crop or livestock farm, but do contribute benefits to the farm such as lumber or fencing for on farm use, protection from wind and from erosion, or woodland buffer areas for the farm from neighbors; 3.) Vacant Woodland, which represents woodland which is not appur-

tenant to a working farm and upon which there is no qualifying agricultural activity.

Court cases indicate woodland owners whose acreage is all woodland as described in groups 1 and 3 above need a management plan so they can show farmland assessment requirements are being met on a continual basis. Incidental income from woodland areas may not form a basis for qualification for farmland assessment where the owner from time to time occasionally derives incidental income from sale of woodland or forest products. It may be concluded that good intention toward meeting the statutory requirements for farmland assessment for the woodland must be established. A management plan drawn up by a professional forester gives weight to the intent of the landowner towards meeting the statutory requirements for entitlement to farmland assessment. Income derived from such a plan would be removed from the category of incidental income.

Many cropland or livestock farms contain areas of woodland which although they produce little or no income of themselves are nevertheless a normal adjunct to producing cropland or livestock acreage (group 2 above). Woodland appurtenant to land in agricultural or horticultural use and reasonably required for the purposes of maintaining the land in such use is considered eligible for farmland assessment. The extent of this type of woodland which would reasonably be required to maintain adjoining acreage in agricultural or horticultural use and would thereby qualify for farmland assessment would require an exercise of judgment on the part of the applicant as reported on the FA-1

application form, subject of course, to review and approval or revision by the assessor.

Just as a cropland or livestock farm left vacant with no activity could lose qualification for farmland assessment, so vacant woodland (group 3 above) upon which there is no management plan or planned activity may very well fail to qualify for farmland assessment.

REFERENCES:

N.J.S.A. 54:4-23.3, 54:4-23.4.

Farmland Reg. 18:15-6.2(6).

The Woodland Issue In Farmland Assessment Appeals, John M. Hunter, Cook College, December, 1977.

504.27 Application. An owner who wishes to include his land under the provisions of the Farmland Assessment Act must apply annually, on or before August 1 of the pretax year, or not later than December 1 of the pretax year where a revaluation is to become effective and placed on the tax list for the tax year for which application is made (see Section 504.3 below). Only one application form in triplicate is to be filed for each farm made up of contiguous land.

An assessor may grant an extension of time for filing an application for farmland assessment to September 1 of the pretax year where it appears to the satisfaction of the assessor that the applicant failed to file by August 1 due to illness, or death of the owner an immediate member of the owner's family. In the case of illness, a physician's certification of illness stating that the owner was physically incapacitated and unable to file by August 1 must be submitted to the assessor.

In the case of death of the owner or an immediate member of the owner's family, a certified copy of the death certificate must be submitted by the owner or the individual legally responsible for the estate of the owner, as the case may be.

An eligible applicant granted an extension to file no later than September 1 of the pretax year by an assessor shall file an application for farmland assessment (Form FA-1) and attach the appropriate physician's certification or certified death certificate to such application.

REFERENCES:

N.J.S.A. 54:4-23.6; 54:4-23.13a.

Farmland Reg. 18:15-2.1; 18:15-2.4; 18:15-2.5; 18:15-3.2.

FA-1 Form Application, instructions.

504.3 Procedure for claiming farmland assessment.

504.31 Form FA-1. The owner or owners of land used for agricultural or horticultural purposes may apply for assessment of the land under the Farmland Assessment Act by filing Form FA-1, which is shown as EXHIBIT V-8. Copies of the form must be supplied by the taxing district.

REFERENCES:

Farmland Reg. 18:15-2.2.

Supplementary - Form WD-1

The owner of non-appurtenant woodland, in addition to filing Form FA-1, must also file a woodland data form (WD-1), which is shown as EXHIBIT V-9. Form WD-1 must be supplied by the taxing district.

REFERENCES:

N.J.S.A. 54:4-23.3

Farmland Reg. 18:15-2.7.

504.32 Filing of forms. Form FA-1 must be filed annually with the tax assessor on or before August 1 of the year preceding the year in which Farmland Assessment is sought. If farmland assessment qualification is being sought for non-

appurtenant woodland, an applicant must also file supplementary form WD-1. Applicants subject to filing the supplementary form must also submit a copy of their completed FA-1 Form and all other information to the Division of Parks and Forestry (see Section 504.27). In cases where a revaluation is to be placed on the tax list for the year for which farmland assessment is applied, the assessor may accept FA-1 applications up to December 1 of the pretax year. In cases of illness of the owner, or death of the owner or a member of the owner's immediate family, an extension to file by September 1 of the pretax year may be granted by the assessor. Where the land is owned by an individual, the application should be signed by the owner. In the case of multiple ownership, any one of the co-owners may sign, except in cases of corporate ownership the application must show the full name of the corporation, and must be accompanied by the signature and title of a corporate officer authorized to sign for the corporation. The application form includes a certification that all facts contained therein are true, and has the effect of a sworn statement. The assessor may require that proof be submitted of ownership, property description, area of land, use of land, and gross sales of agricultural or horticultural products.

REFERENCES:

N.J.S.A. 54:4-23.6; 54:4-23.13; 54:4-23.13a; 54:4-23.14.  
Farmland Reg. 18:15-2.2; 18:15-2.3; 18:15-2.4; ,18:15-2.9.

504.33 Withdrawal of application. An application, once filed, may be withdrawn up to August 1 of the pretax year. It may not be withdrawn after August 1.

REFERENCES:

N.J.S.A. 54:4-23.13.  
Farmland Reg. 18:15-3.3.

504.34 Disposition of forms. The Assessor should maintain complete files of all approved and disapproved applications for the Farmland Assessment Act, together with any documentary proofs submitted. It is essential that the complete records exist in order that the rollback tax may be calculated accurately and

fairly (see Section 504.6).

- (1) Two duplicate copies of each application for farmland assessment must be forwarded by the assessor to the Local Property Branch on or before January 10 of the year for which application for farmland assessment is made.
- (2) The duplicate copies of each application shall, in the space provided, be signed and dated by the assessor and marked either "approved" or "disapproved".

Each FA-1 Form filed requires close scrutiny by the tax assessor. The FA-1 Form is the official source document for land qualifying under the Farmland Assessment Act of 1964. As such, the assessor's review of the form is important to determine its completeness and accuracy prior to approving the subject land for farmland assessment and submission of duplicate copies to the Local Property Branch.

REFERENCES:

N.J.S.A. 54:4-23.21.

Farmland Reg. 18:15-2.6.

Local Property Branch News - May-June, 1986.

504.35 Continuance of eligibility. Assessment under the Farmland Assessment Act does not continue automatically; a new application must be made every year. If the ownership of land changes in any year, the land may be continued under the Act for that year, so long as the use of the land is not changed. Farmland Assessment may be continued in a subsequent year for the sold tract provided the new owner files an application and meets all other requirements of the Act.

- (1) On or before July 1 of each year the assessor is required to mail to each taxpayer whose land is currently receiving farmland assessment an application form (FA-1) in order that the owner of the land may file for continuation of farmland assessment for the succeeding tax year.



The FA-1 form must be accompanied by a notice that the completed application is required to be filed with the assessor on or before August 1 of the pretax year.

REFERENCES:

N.J.S.A. 54:4-23.15; 54:4-23.15a.  
Farmland Reg. 18:15-2.4; 18:15-2.6.

504.36 Notice of Disallowance. In cases where the assessor denies an application filed by a landowner for farmland assessment, the assessor shall, on or before November 1 of the pretax year, notify the landowner of the disallowance of his application.

- (1) The Notice of Disallowance may be transmitted to the applicant by regular mail, and must set forth the reason or reasons for the denial, and is to notify the applicant of his right to appeal the assessor's denial of his application to the county board of taxation on or before August 15 of the tax year.

REFERENCES:

N.J.S.A. 54:4-23.13b.  
Farmland Reg. 18:15-3.6.

504.4 Valuation of farmland. Land which qualifies under the Farmland Assessment Act must be valued for property tax purposes on the basis of its value for agricultural or horticultural use.

REFERENCES:

N.J.S.A. 54:4-23.2.  
Farmland Reg. 18:15-4.1.

504.41 Sources of valuation information. In arriving at a value of eligible farmland for agricultural or horticultural uses, the assessor must consider the following sources of information:

- (1) evidence of agricultural and horticultural capabilities derived from soil survey data at Rutgers - The State University;
- (2) evidence of agricultural and horticultural capabilities derived from

the National Co-operative Soil Survey;

- (3) recommendations of land value made by any county or state-wide committee, such as the State Farmland Evaluation Advisory Committee, which may be established to assist the assessor (see paragraph 504.42).

The Director of the Division of Taxation recommends an assessor utilize the valuation standards established by the State Farmland Evaluation Advisory Committee in valuing qualified farmland. In the event an assessor plans not to utilize the valuation standards established by the State Farmland Evaluation Advisory Committee in valuing qualified farmland, the assessor shall submit such alternate standards to the Director by November 1 of the pretax year, indicating his reasons for not following the Advisory Committee's recommendations. The assessor shall further submit a detailed explanation as to the procedure and valuation standards to be applied in valuing qualified farmland.

After review of such information, the Director shall inform the assessor and the respective county board of taxation by December 10 of the pretax year as to the propriety of utilizing the alternate standard. If the Director advises against utilization of the alternate standard and the assessor, nevertheless, chooses to rely on such standard for establishing qualified farmland assessments, he shall give written notice to the Director and the county board of taxation no later than December 31 of the pretax year.

The county board of taxation, after its review as provided under N.J.S.A. 54:4-46, shall direct the assessor to make such changes it deems necessary to accomplish qualified farmland assessments.

REFERENCES:

N.J.S.A. 54:4-23.7.

Farmland Reg. 18:15-4.2; 18:15-4.3; 18:15-14.5; 18:15-14.6.

504.42 State Farmland Evaluation Advisory Committee. The Farmland Assessment Act created a State Farmland Evaluation Advisory Committee consisting of

the Director of the Division of Taxation, the Dean of the Cook College, and the Secretary of Agriculture. The Committee is required to determine and publish each year, on or before October 1, a range of values for agricultural or horticultural land use, for each of the several land classifications, and for each area of the State. The first Report of the State Farmland Evaluation Advisory Committee, issued on October 1, 1964, recommended land values ranging from \$6 per acre for woodland on poor quality soil in Warren County to \$552 per acre for high quality harvested cropland in Passaic County. The Report of the State Farmland Evaluation Advisory Committee for the tax year 1988 shows values ranging from \$12 per acre for appurtenant woodland on poor quality soil in Warren County to \$912 per acre for high quality cropland harvested in Bergen, Essex, Passaic and Union Counties.

REFERENCES:

N.J.S.A. 54:4-23.20.

Farmland Reg. 18:15-14.1 to 18:15-14.5.

Report of the State Farmland Evaluation Advisory Committee,  
October, 1964; October, 1988.

504.5 Assessment of farm properties

504.51 Taxable value of land under the Farmland Assessment Act. The taxable or assessed value of land qualifying under the Farmland Assessment Act is determined by multiplying the agricultural or horticultural value of the land by the percentage of true value established by the county board of taxation for the assessment of real property generally. Since 1974 to present (1988), all county boards of taxation have been establishing a level of 100%.

REFEREBCES:

Farmland Reg. 18:15-5.1.

Handbook, par. 501.12.

Division of Taxation Annual Reports, 1973 to 1988.

504.52 Valuation of land which is not eligible under the Farmland Assessment Act. All land which is not eligible for assessment under the Farmland Assess-

ment Act must be valued, assessed, and taxed by the same standards, methods, and procedures as other taxable land in the taxing district.

REFERENCES:

N.J.S.A. 54:4-23.12.  
Farmland Reg. 18:15-4.4; 18:15-5.2.  
Handbook, par. 504.24.

504.53 Farm buildings. All structures, whether used for agricultural or horticultural purposes or otherwise, must be valued, assessed, and taxed by the same standards, methods, and procedures used for other properties in the taxing district. Except that in assessing structures which are located on land in agricultural or horticultural use the assessor is not to include temporary, demountable plastic covered framework made of portable parts with no permanent understructures. Such structures are commonly known as seed starting plastic greenhouses.

REFERENCES:

N.J.S.A. 54:4-23.12.  
Farmland Reg. 18:15-4.5.

504.54 Entry on the Assessment List. Land which is eligible under the Farmland Assessment Act is entered on the Tax List in the same manner as any other taxable property. However, when only a portion of a parcel is eligible and the remaining portion is not eligible, each portion is shown on the Tax List on a separate line.

REFERENCES:

N.J.S.A. 54:4-23.15; 54:4-23.19.  
Farmland Reg. 18:15-5.3; 18:15-7.2; 18:15-10.1.  
Handbook, par. 407.21.

504.6 Roll-back taxes. The Farmland Assessment Act provides special treatment for land which is continued in active agricultural or horticultural use. In order to re-capture some of the taxes which would have been paid by this land if it had been taxed on the same true value standard as all other property, the Farmland Assessment Act provides for roll-back taxes if the use of the land

changes. It is important to realize that roll-back taxes do not necessarily attach when a change of ownership of qualified farmland occurs. Provided the new owner continues to devote the land to agricultural or horticultural use within the requirements of the Farmland Assessment Act, the land is entitled to continuance of farmland assessment.

REFERENCES:

N.J.S.A. 54:4-23.8.

Farmland Reg. 18:15-7.1; 18:15-12.1.

Handbook, par. 504.35.

504.61 Period of roll-back taxes. Any land which changes from an eligible use under the Farmland Assessment Act to some other use is subject to roll-back taxes for the year in which the change takes place and the two previous tax years. However, roll-back taxes are levied only for such years during which the land was assessed under the Act.

Examples:

- (1) A parcel of land is assessed under the Farmland Assessment Act for the tax years 1987, 1988 and 1989. A change in use occurs in March, 1989. Roll-back taxes would apply for all three years, 1987, 1988 and 1989.
- (2) A parcel of land is assessed under the Farmland Assessment Act for the tax years 1988 and 1989. A change in use occurs in March, 1989. Roll-back taxes would apply only for 1988 and 1989 since the land was not assessed under the Act in 1987.
- (3) A parcel of land is assessed under the Farmland Assessment Act in 1987 and 1988. A change in use occurs in March, 1989. Roll-back taxes would apply only for 1987 and 1988.
- (4) A parcel of land is assessed under the Farmland Assessment Act for the tax years 1986, 1987, 1988 and 1989. A change in use occurs in June, 1989. Roll-back taxes would apply for 1987, 1988 and 1989.

REFERENCES:

N.J.S.A. 54:4-23.8.

Farmland Reg. 18:15-7.4, 18:15-7.5.

Local Property Tax Bureau News, October, 1964, p.1.

504.62 Amount of roll-back tax. The amount of the roll-back tax for each year involved is calculated by the assessor on any particular parcel, use of which has changed from agricultural or horticultural in the following manner:

- (1) the assessor must determine the full and fair value of the land for each year respectively that roll-back taxes apply by the same standards applied to all other land in the tax district; (The concept of full and fair value as contained in the statute is the same as that traditionally applied in the assessment of property, i.e., the fair market value. Thus in a district where assessments have not been annually maintained at true value, the subject property's assessment should be initially determined at the fair market value for each October 1 pretax year the property is subject to roll-back taxes and then subjected to the common level range established each tax year pursuant to Section 5, Chapter 123, Laws of 1973).
- (2) the assessment on this basis is calculated by the assessor by multiplying the full and fair value of the land by the county percentage level as determined by the county board of taxation in accordance with N.J.S.A. 54:4-2.27;
- (3) the assessor must then determine the amount of the additional assessment on the land by subtracting the actual assessment under the Farmland Assessment Act from the assessment calculated in (2);
- (4) finally, the assessor must calculate the amount of the roll-back tax by multiplying the additional assessment calculated in (3) by the tax rate for the tax year in question.

An example of the foregoing steps is demonstrated in EXHIBIT V-10.

REFERENCES:

N.J.S.A. 54:4-23.8.

Farmland Reg. 18:15-7.3.

Frank Schere et al v. Township of Freehold, 150 N.J.Super. 404  
(App.Div.1977).

Attorney General's letter opinion dated 2/16/88.

504.63 Assessment and collection of roll-back taxes. The assessment, collection, apportionment, and payment of roll-back taxes follows the same procedure used for omitted assessments, with the exception that the time limitation of the omitted assessment procedure (current tax year and one previous year) does not apply. The alternate method for levying omitted assessments does not apply when an assessor is assessing roll-back taxes, but rather the action must proceed under provisions of the regular omitted assessment law (see N.J.S.A. 54:4-63.12 et seq.). This involves the filing of a complaint with the county board of taxation by the tax collector, the municipal governing body, or any taxpayer (See EXHIBIT V-11), a hearing held by the county board after having given at least 5 days written notice to the affected taxpayer; (See EXHIBIT V-12) rendering of a judgment by the county board (See EXHIBIT V-13); entry of the property with the proper assessment on the Omitted Property Assessment List, which is filed by the assessor with the county board of taxation on October 1; and issuance of tax bills by the municipal tax collector at least one week prior to November 1 following certification of the Omitted Property Assessment List. If the judgment is rendered by the county board of taxation prior to October 1 of any year, roll-back taxes are due on November 1 of that year. If the judgment is rendered after October 1 and before December 31, the roll-back taxes are due November 1 of the following year.

REFERENCES:

N.J.S.A. 54:4-23.9.

Farmland Reg. 18:15-7.6; 18:15-7.7; 18:15-7.10.

Handbook, sec. 702.1 to 702.9.

504.64 Liability for roll-back taxes. The liability for roll-back taxes attaches upon a change in land use or upon noncompliance with other requirements of the Act, but not upon a change in land ownership. Roll-back taxes become a lien upon the land from January of the year in which the judgment of the county board of taxation is rendered.

REFERENCES:

N.J.S.A. 54:4-23.15.  
Farmland Reg. 18:15-7.2; 18:15-7.8; 18:15-10.1.  
Handbook, sec. 204.4.

504.65 Appeals of roll-back taxes. Tax appeals from county board of taxation judgments concerning roll-back taxes follow the same procedure used for appeals of omitted assessments (see Section 702.9). This includes the filing of a complaint with the Tax Court within 45 days of the date of the county board of taxation judgment.

REFERENCES:

Rules of the Tax Court, 8:4-1 (a)(2).  
Farmland Reg. 18:15-7.9.  
Handbook, sec. 702.9 and 1104.1.

504.7 Effect of changes in land use.

504.71 Change in use during the tax year. If a parcel of land assessed under the Farmland Assessment Act changes from agricultural or horticultural use to some other use during the tax year, roll-back taxes are to be assessed for the applicable years using the omitted assessment procedures.

REFERENCES:

N.J.S.A. 54:4-23.8; 54:4-23.9.  
Farmland Reg. 18:15-7.1; 18:15-8.1.  
Handbook, par. 504.61 to 504.65; 702.1 to 702.9.

504.72 Change in use between October 1 and December 31 with application pending. If a parcel of land assessed under the Farmland Assessment Act changes from agricultural to horticultural use to some other use between October 1 and December 31, while an application is pending, the assessor should deny the application and should enter the property on the Tax List



on January 10 of the tax year in the same manner as any other property not under the Act. If the assessor does not deny the application, the county board of taxation, if it has knowledge of the change in use, should correct the Assessment List before it is certified on or before May 3 of the tax year.

If the application is not denied by either the assessor or the county board of taxation, and the land is assessed under the Farmland Assessment Act, the assessor must include the land on the Added Assessment List, which is filed with the county board of taxation on October 1 (see Sections 407.4, 701.1 to 701.9). The added assessment should be the difference between the assessment actually made under the Farmland Assessment Act and the assessment which would have been made if the application had been denied.

The added assessment is applicable for the full tax year, and is not subject to proration. The use of this procedure does not affect the liability of the property to roll-back taxes for any prior years during which it was assessed under the Act.

**EXAMPLE:**

A parcel of land is assessed under the Farmland Assessment Act for the tax years 1986, 1987 and 1988 and an application is filed on July 20, 1988 for a continuation of such assessment for the tax year 1989. On November 23, 1988, the use of the land changes, but this does not become known to the assessor or county board of taxation until June 15, 1989.

An added assessment should be made for the tax year 1989, and the omitted assessment procedure should be used to recapture the roll-back taxes for the tax years 1986, 1987 and 1988.

**REFERENCES:**

N.J.S.A. 54:4-23.13.

Farmland Reg. 18;15-8.2; 18:15-8.3.

Handbook, sec. 407.4; 407.5; 701.1 to 702.9.

504.73 Separation and split-offs. The separation or split-off portions of a parcel assessed under the Farmland Assessment Act affects the eligibility of the land only if the new parcels do not meet the requirements of the act. For example, if a 200 acre farm under the Act is split into two 100-acre farms, and both continue in agricultural or horticultural use and meet all other requirements, they may both continue under the Act. If the use of one of them changes, it would not be eligible under the Act, and, therefore, would be subject to roll-back taxes. However, if the remaining land continued to meet all requirements, it would continue to be assessed under the Farmland Assessment Act and roll-back taxes would not apply.

REFERENCES:

N.J.S.A. 54:4-23.16.

Farmland Reg. 18:15-11.1.

505. Wetlands, Flood Hazard Areas and Coastal  
Area Facilities Review Act

Lands located in coastal wetlands areas, as well as lands situated in areas subject to risk from flood and lands located in coastal areas generally are subject to use regulations as set forth in state statute. Use restrictions may affect value, and the assessor must be cognizant of factors influencing property values in his jurisdiction.

Wetlands

505.1 Purpose. Laws governing the use of coastal wetlands have as their purpose the protection of natural resources and the ecological balance in lands flowed by tidal waters and lands nearby. Wetlands are broadly defined as including any bank, marsh, swamp, meadow, flat or other low land subject to tidal action or flow in New Jersey along both Delaware Bay and the Delaware River, the Raritan Bay, the Barnegat Bay, the Sandy Hook Bay, the Shrewsbury, Navesink

and Shark Rivers, and the coastal inland waterways from Manasquan Inlet to Cape May Harbor. Included along these areas is any land which is 1 foot or less above local extreme high water. Maps delineating the exact areas subject to regulation have been drafted by the Department of Environmental Protection, and show the coastal wetlands affected to run continuously southward from the Raritan River, around the coastal areas of the southernmost parts of New Jersey and generally northward up the Delaware River to Trenton. The Hackensack Meadowlands area is specifically excluded from the operation of the Wetlands Act.

REFERENCES:

N.J.S.A. 13:9A-2.

505.11 Regulated activity. Activity subject to regulation includes any draining, dredging, excavation or removal of soil, mud, sand aggregate or gravel, or dumping of rubbish, discharging of liquid wastes, and the erection of structures, driving of piling or placing of obstructions. Activity not subject to regulation is the continuance of commercial production of salt hay or other agricultural crops.

REFERENCES:

N.J.S.A. 13:9A-4a.

505.12 Permit required. In order to carry out any regulated activity a permit is required. In order to obtain a permit an individual must file an application for the permit with the Commissioner of the Department of Environmental Protection. In granting or denying the permit the Commissioner must consider the effect the proposed activity will have on the public health and welfare, shellfish and marine fisheries, wildlife, the natural environment, the ecological balance of the area and the effect of the work with regard to protection of life and property from flood, hurricane and other natural disasters.

REFERENCES:

N.J.S.A. 13:9A-4c; 13:9A-4d.

## Flood Hazard Areas

505.2 Purpose. Laws governing land use in flood prone areas have as their object the reduction of danger of flood damage to persons and property in such areas, as well as preservation of the natural beauty of those areas. Separate provision is made for regulation of uses of land situated in so called "Floodway" areas, as opposed to lands situated in "Flood fringe" areas. Other terms used in the Flood Hazard Areas legislation include "Flood plain" and "Flood hazard area". EXHIBIT V-14 is a graphic representation illustrating the meaning of these terms.

### REFERENCES:

N.J.S.A. 58:16A-51.

505.21 Floodway areas. The floodway includes the channel of a natural stream and portions of the flood plain adjoining the channel which are reasonably required to carry the flood water or flood flow of a natural stream. Development and use of land located in a designated floodway is subject to regulation by the Department of Environmental Protection. Such regulations are designed to preserve the flood carrying capacity of natural streams and thereby to minimize the threat to public safety health and general welfare. Examples of uses permitted in floodway areas are public recreation areas such as playgrounds and picnic spots, agricultural activity for grazing, nurseries, farming, forestry and soil conservation programs. None of these uses include utilization of fill material to build up river banks, building of structures on the floodway or modification of river channels. The object is to keep out any building that would impede the flow of water on to the flood plain where it may be dissipated and thereby not add to flooding downstream.

### REFERENCES:

N.J.S.A. 58:16A-51; 58:16A-55.

505.22 Flood fringe areas. Flood fringe areas are those portions of the flood hazard area not designated as "Floodway". The development and use of these

areas are subject to local rules and regulations. The Department of Environmental Protection is required to promulgate minimum standards which must be met by local regulations for flood fringe land area usage.

REFERENCES:

N.J.S.A. 58:16A-56.

505.23 Assessment of floodway or flood fringe lands. The law requires local assessors to consider the impact of rules or regulations issued under provisions of the Flood Hazard Areas law in establishing full value of lands situated in floodway or flood fringe areas.

REFERENCES:

N.J.S.A. 58:16A-61.

505.24 Mapping of flood hazard areas. The Division of Water Resources in the Department of Environmental Protection is to delineate flood hazard areas in portions of the flood plains throughout the state where, in their judgment, the improper development and use of such areas could constitute a threat to the safety, health and general welfare. Once the flood hazard area, flood fringe area and floodway area have been mapped and delineated, rules and regulation for these areas may proceed as mentioned in Section 505.21 and 505.22 above.

REFERENCES:

N.J.S.A. 58:16A-52.

Coastal Area Facilities Review Act

505.3 Purpose. This Act has as its aim the development of land uses in the coastal area of New Jersey which will not only improve the overall economic situation of the inhabitants of the coastal area, but which will also permit only that type of development which will preserve the exceptional, unique, irreplaceable and delicately balanced ecology of the coastal area. The boundaries of the area affected are described in the law and run from the southern bank of the Raritan Bay southward down the Atlantic Coast line around the southern coast

along the Delaware Bay, still along the coast up the Delaware River to a point in the Salem County coastline. The area varies in depth from less than a quarter of a mile to more than 15 miles from the coast at some points.

REFERENCES:

N.J.S.A. 13:19-1; 13:19-4.

505.31 Activity regulated. The construction of buildings or structures to be used in certain types of activity is subject to regulation by the Commissioner of the Department of Environmental Protection. Structures used in these activities are called "facilities" in the Act and include such uses as electric power generation, food and food byproducts, incineration wastes, housing, agri-chemical production, inorganic acids and salts manufacture, chemical processes, storage, metallurgical processes, and many other uses as set forth in the Act.

REFERENCES:

N.J.S.A. 13:19-3.

505.32 Permit required. No facility as described in the law is to be constructed in the coastal area until a permit has been applied for and issued by the Commissioner of the Department of Environmental Protection. An application for receipt of a permit must be accompanied by an environmental impact statement (sometimes called an EIS). The environmental impact statement must provide information needed to evaluate the effects of a proposed project upon the environment of the coastal area. The statement must contain an inventory of existing environmental conditions at the project site, an assessment of the probable impact of the project upon the environmental conditions, a listing of adverse environment impacts which cannot be avoided, steps to be taken to minimize adverse environment impacts at the project site and in the surrounding region, alternatives to all or any part of the project with reasons for their acceptability or nonacceptability, and other presentations required in the Act.

REFERENCES:

N.J.S.A. 13:19-5; 13:19-6; 13:19-7.

505.33 Ruling by the Commissioner. In ruling on applications for permits the Commissioner of the Department of Environmental Protection, in accordance with the law, must determine that the proposed facility, among other things, conforms to certain ecological and air and water pollution standards, and that it minimizes adverse environment effects and threats to the public health, safety and welfare.

REFERENCES:

N.J.S.A. 13:19-10.

506. Lands Affected by Conservation Restrictions;  
Historic Preservation Restrictions

- 506.1 Purpose. The purpose of this law is to permit landowners to convey or assign land use restrictions to the State or to local governmental units or to certain charitable, nonprofit organizations. The objective is that the assignment of such restrictions may serve to maintain any property upon which such restrictions have been assigned, in its historical or natural, open and scenic state.
- 506.2 Conservation restriction. A conservation restriction is an interest in the title of a parcel of land or water area which is less than full title (fee simple absolute) and which is given by the owner in order to hold the land predominantly in its natural, scenic or open or wooded condition. It may also be given to hold the land for conservation of soil or wildlife, or for outdoor recreation or park use or as suitable habitat for fish or wildlife. A conservation restriction may forbid or limit any or all of the following uses or activities:
1. Construction or placing of buildings, roads, signs, billboards or other advertising, or other structures on or above ground;

2. Dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste or unsightly or offensive materials;
3. Removal or destruction of trees, shrubs or other vegetation;
4. Excavation, dredging or removal of loam, peat, gravel, soil, rock or other mineral substance;
5. Surface use except for purposes which permit the land or water area to remain predominately in its natural condition;
6. Activities detrimental to drainage, flood control, water conservation, erosion control or soil conservation, or fish and wildlife habitat preservation;
7. Other acts or uses detrimental to the retention of land or water areas according to the purposes of this act.

REFERENCES:

N.J.S.A. 13:8B-2.

506.3 Historic preservation restriction. A historic preservation restriction is an interest in the title to land which is less than full title (fee simple absolute), and which is given by the owner in order to preserve a structure or site which is historically significant for its architecture, archeology or for its historic associations. A historic preservation restriction may forbid or limit any or all of the following uses or activities:

1. Alteration in exterior or interior features of a structure;
2. Changes in appearance or condition of such site;
3. Use of such structure or site which are not historically appropriate;
4. Other acts or uses detrimental to the appropriate preservation of such structure or site.

REFERENCES:

N.J.S.A. 13:8B-2.



506.4 Information concerning conservation and historic preservation restrictions.

The laws set forth certain requirements concerning the form conservation and historic preservation restrictions may take, how such restrictions are acquired, the recording of the grant of these restrictions and how the restrictions may be released.

506.41 Form restrictions may take. A restriction may take the forms of a right, easement, covenant or condition in any deed, will or other instrument, other than a lease. The restriction must be executed by or on behalf of the owner.

REFERENCES:

N.J.S.A. 13:8B-2.

506.42 Acquisition of restrictions. A conservation restriction or historic preservation restriction may be acquired by the Commissioner of Environmental Protection in the name of the State, or by any local governmental unit, or by any charitable conservancy. A charitable conservancy is defined as a non-profit corporation or trust whose purposes include acquisition and preservation of land or water areas. The restrictions, once acquired, may be enforced in the same manner as other interests in land. The holder of such restrictions is to be entitled to enter the land or water area involved so as to assure compliance with the terms of the restriction. The land subject to restriction is to be described by an adequate legal description or by reference to a recorded plan showing its boundaries.

REFERENCES:

N.J.S.A. 13:8B-3, 13:8B-4.

506.43 Restrictions to be recorded. All conservation and historic preservation restrictions once granted are to be recorded and indexed in the registry of deeds for the county where the land lies, in the same manner as other conveyances of interests in land are recorded.

REFERENCES:

N.J.S.A. 13:8B-4.

506.44 Release of restrictions. A conservation restriction or a historic preservation restriction may be released in whole or in part by the holder of the restriction for such remuneration or consideration as the holder may determine, subject to any conditions which may have been imposed at the time of the granting of the restriction. However, before the release of any restriction a public hearing must be held after three weeks notice of the hearing in a newspaper circulating in the municipality in which the land is located. The hearing must be held by the governmental body holding the restriction. Where the restriction is held by a charitable organization the hearing must be held by the governing body of the municipality in which the land is located. No conservation restriction acquired under the Conservation and Historic Preservation Restriction Act may be released without first having obtained the approval of the Commissioner of Environmental Protection.

REFERENCES:

N.J.S.A. 13: 8B-5, 13: 8B-6.

506.45 Valuation by local assessors. The existence of any conservation restriction or any historical preservation restriction acquired under the Conservation and Historical Preservation Restriction Act are to be considered by local assessors in establishing the full value of any lands subject to such restrictions.

REFERENCES:

N.J.S.A. 13: 8B-7.

# EXHIBITS

Handbook for New Jersey Assessors

INSTRUCTIONS FOR PLOTTING THE DESCRIPTION OF A PARCEL OF LAND

In most deeds transferring land from one owner to another there is a description of a beginning point followed by various courses and distances (usually numbered) running around the boundaries of the land.

Make a list of the courses and distances in the following manner.

In the accompanying EXAMPLE there are six courses listed thus:

- (1) North 33 degrees and 30 minutes East, 600 feet
- (2) South 56 degrees and 30 minutes East, 400 feet
- (3) South 63 degrees and 30 minutes West, 346.41 feet
- (4) South 56 degrees and 30 minutes East, 173.20 feet
- (5) South 33 degrees and 30 minutes West, 300 feet
- (6) North 56 degrees and 30 minutes West, 400 feet

If the symbols for degrees, minutes and feet are used, also since 30 minutes equals  $\frac{1}{2}$  degree, the courses could be abbreviated to read:

- (1) N  $33\frac{1}{2}$  E, 600'

Nearly all modern descriptions follow the boundaries in a clockwise direction while the older ones run counter-clockwise.

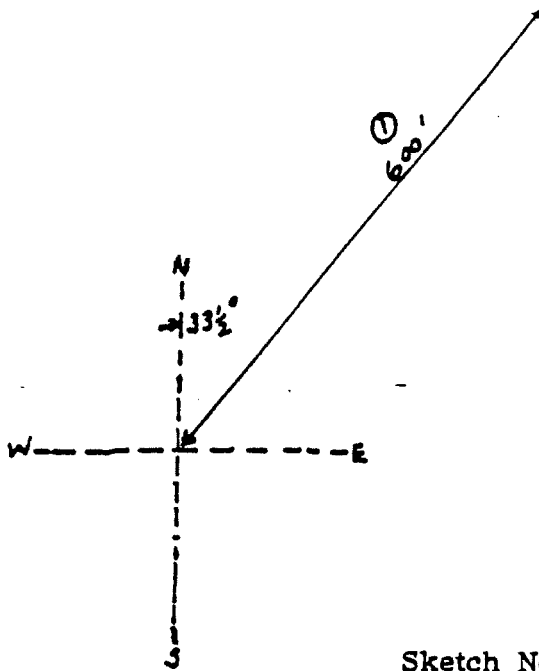
This will not make any difference in the following system of plotting.

Step No. 1

Note in the foregoing list of courses that three run in a Westerly direction.

Usually the last Westerly course ends at the most Westerly point in the description, which would be the point farthest to the left, therefore, start plotting the course immediately following, which in this example happens to be No. 1.

Draw a pair of N-S and E-W lines (and label them) near the left hand edge of the paper and about in the middle, vertically, (see sketch No. 1 on next page).



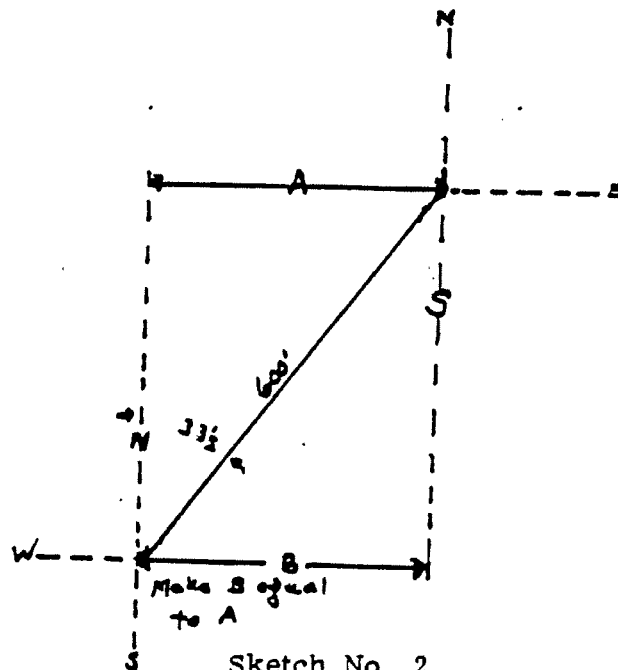
Sketch No. 1

With a protractor lay off an angle of  $33\frac{1}{2}$  degrees East of North from the intersection of the North-South and East-West lines and extend this line, using a suitable scale, a distance of 600 feet.

Step No. 2

Draw a second pair of North-South and East-West lines at the end of this course (Course No. 1), making the N-S line parallel with the N-S line of the first pair in the following manner.

Extend the first N-S line to a point opposite the end of course No. 1 and measure the distance (A) between them (see sketch No. 2).

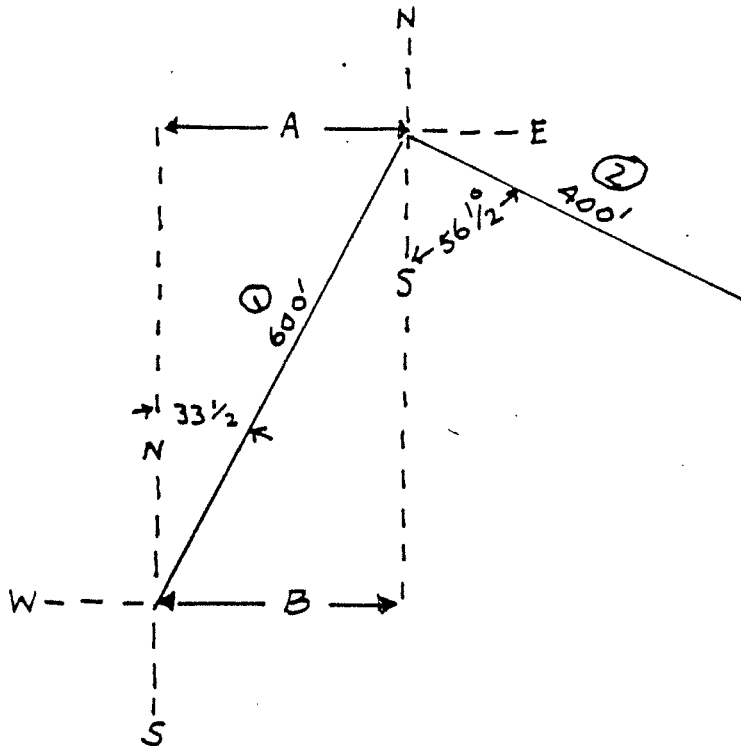


Sketch No. 2

Now lay off distance B, equal to A, from the intersection of the first North-South and East-West lines and draw a line from this point through the point at the end of the course No. 1. This line is the second N-S line.

NOTE: This step will not be necessary if ruled paper or cross section paper is used because the ends of the courses will fall close enough to a ruled line so that the N-S or E-W lines may be drawn parallel with less difficulty.

The second course may now be drawn from the end of the first course in the same manner as the first was drawn from the point of beginning except that since it runs Southeast the angle of departure (bearing angle) is laid off East of South (See Sketch No. 3).

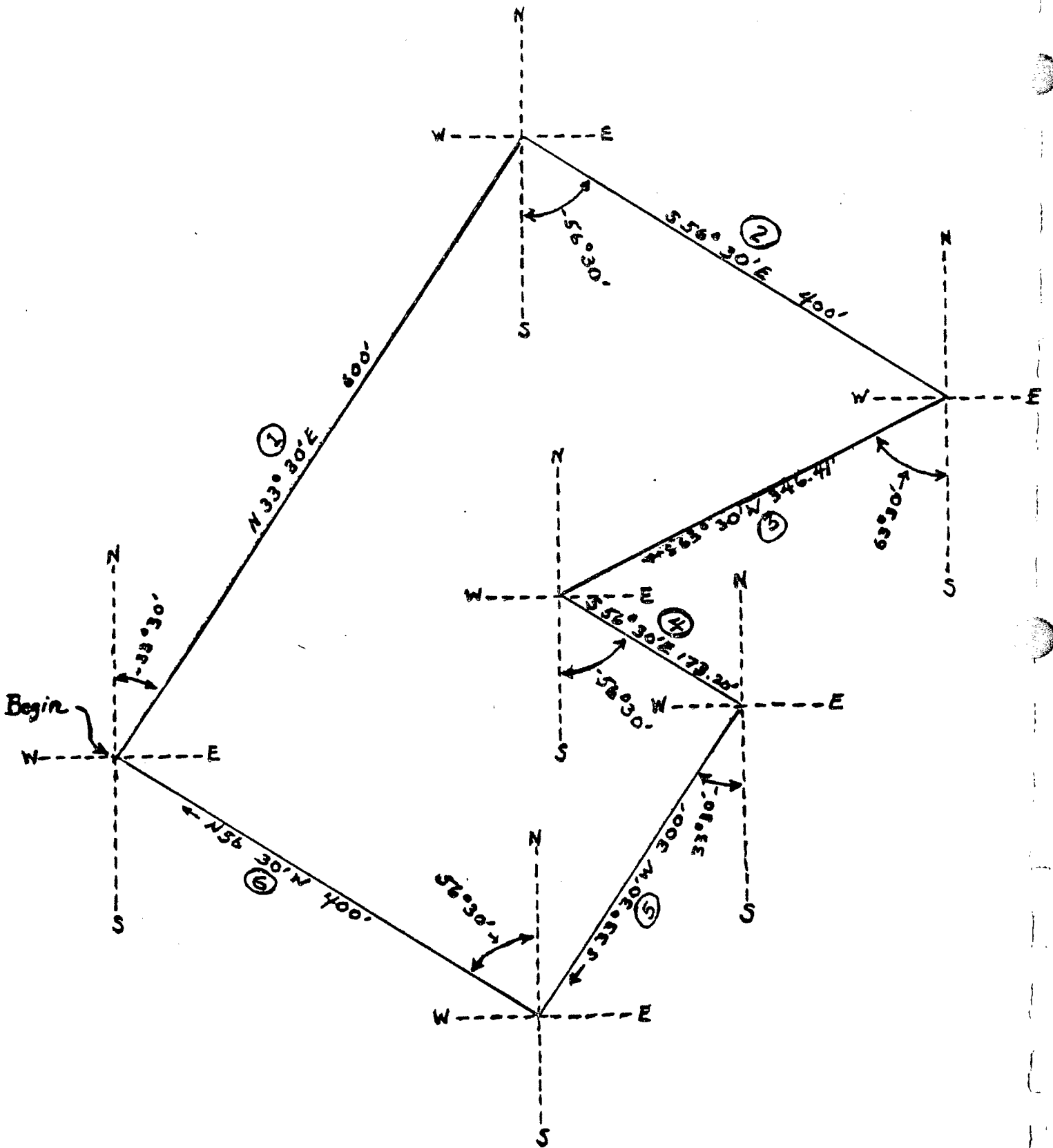


Sketch No. 3

The accompanying EXAMPLE clearly illustrates that the angle given in the bearing of the course is always measured away from North or from South, a Southwesterly course angle is measured West from South, a Northwesterly is measured West from North etc.

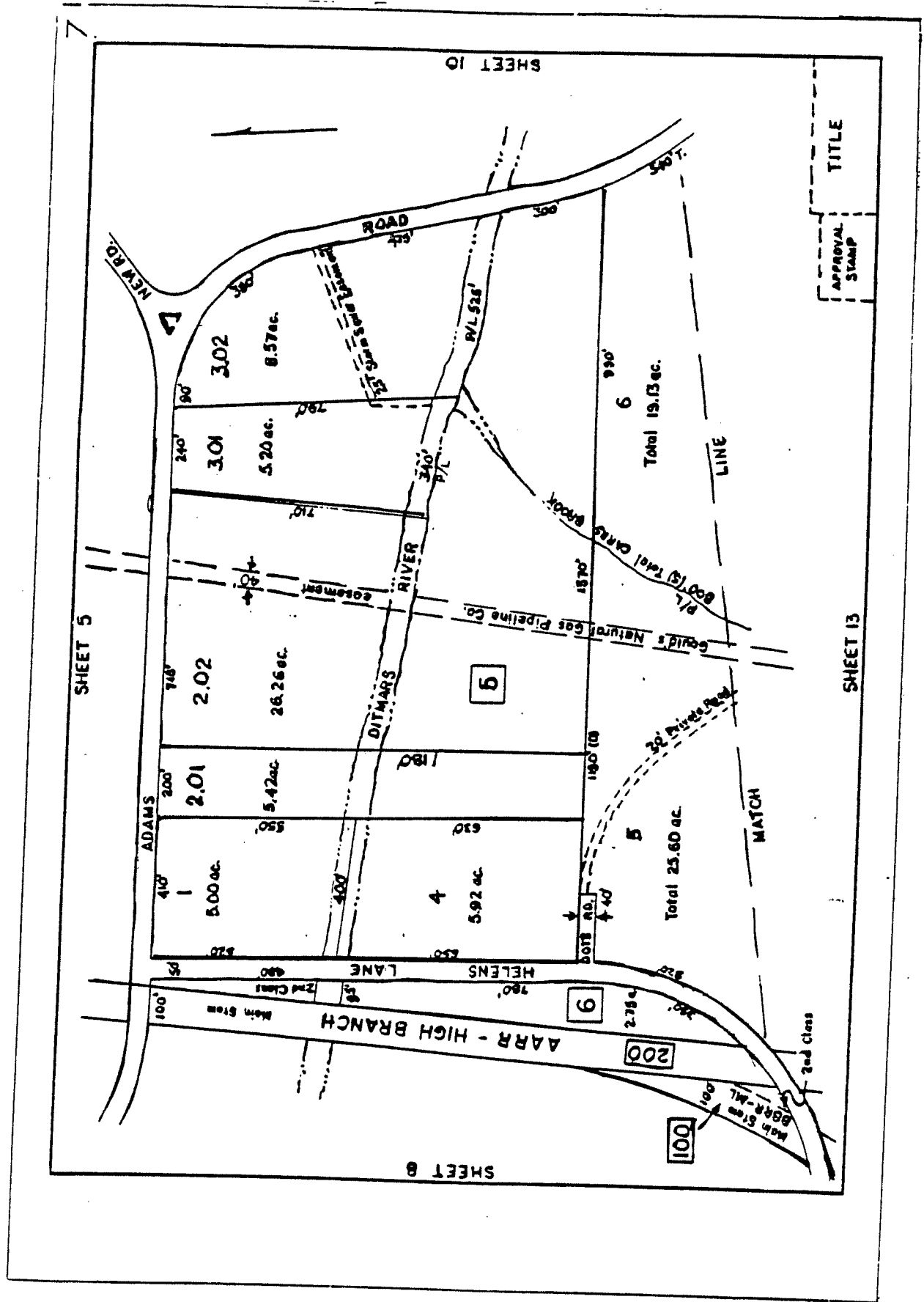
If the bearing angle has three dimensions, such as N30 - 25' - 30" W, disregard the third dimension which is 30 seconds (1/2 minute) because with the type of protractor generally used for assessing purposes an angle cannot be laid out any closer than the nearest 15 minutes (1/4 degree).

If the lengths of the courses are given in chains and links, convert to feet by multiplying by 66 thus, 2 chains and 6 links would be  $2.06 \times 66 = 135.96$  feet. Note that one (1) link is 1/100th of a chain.



**EXAMPLE**  
 Scale  $1'' = 100'$

EXHIBIT V-2: Example of Typical Rural Tax Map

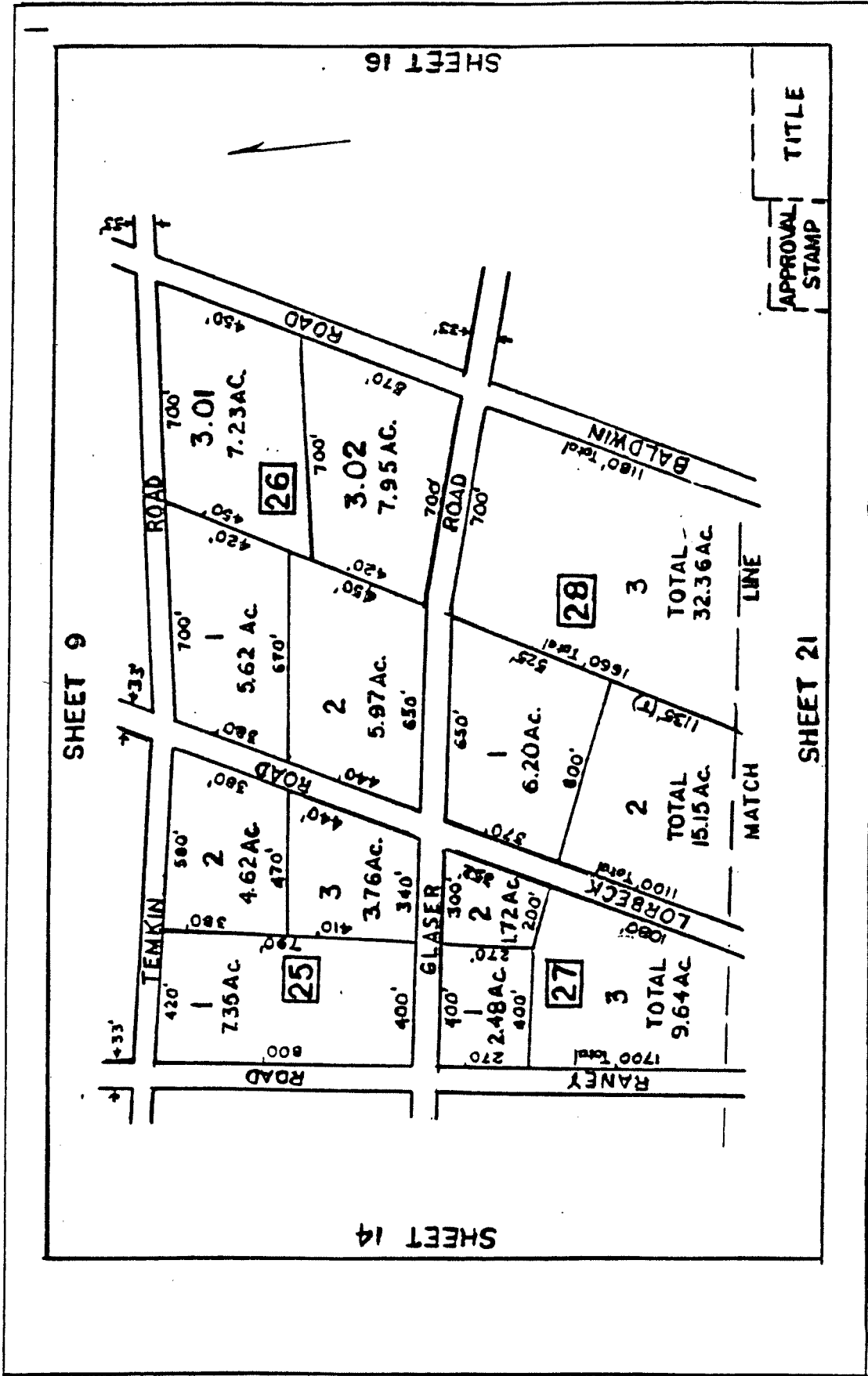


TAX MAP - RURAL AREA





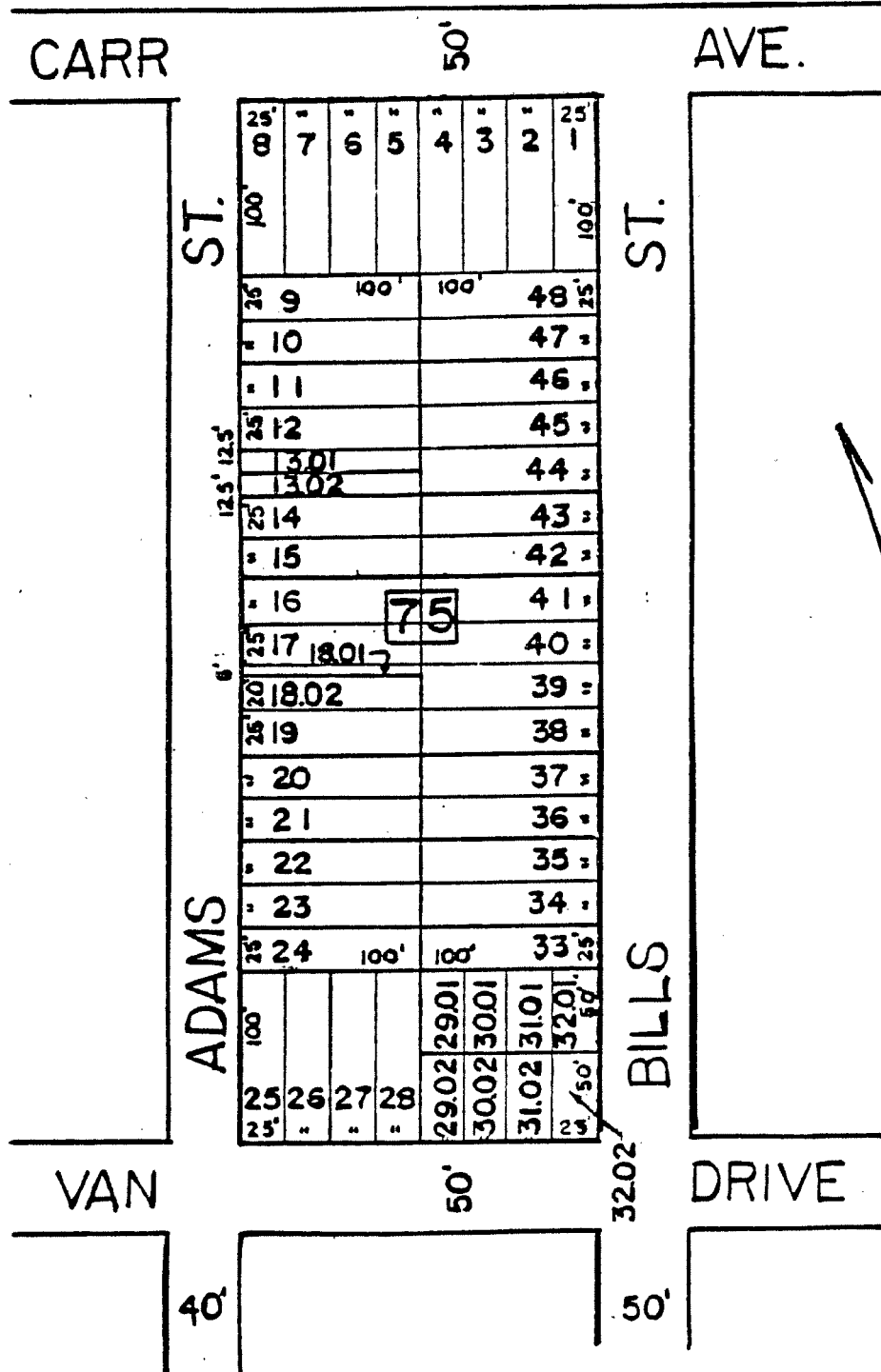
EXHIBIT V-3: Example of Typical Suburban Tax Map



TAX MAP - SUBURBAN AREA



# TAX MAP - URBAN AREA



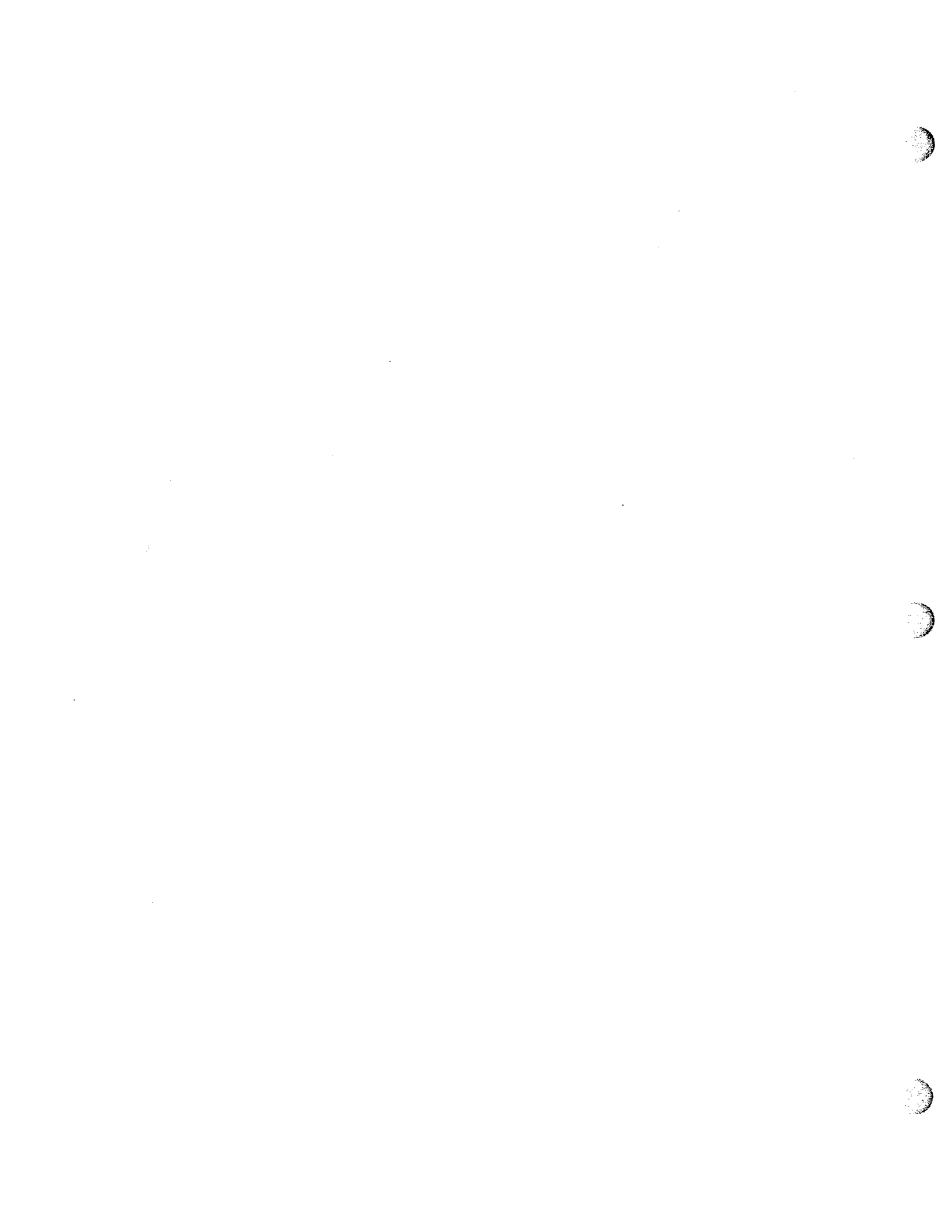


EXHIBIT V-5: Questionnaire Used in Obtaining Sales Information

SR-5-REV. 10-88



State of New Jersey  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION

LOCAL PROPERTY BRANCH  
CN 251  
50 BARRACK STREET  
TRENTON, N.J.  
08625-9986

To Whom It May Concern:

The State School Aid Laws of New Jersey require that the Director of the Division of Taxation shall promulgate a Table of Equalized Valuations to be used in the calculation and equitable distribution of State School Aid Funds to each municipality.

In the discharge of this statutory obligation the Director conducts continuous state-wide statistical studies of real estate values.

We have secured information about a real estate transaction with which you were connected from public records in the County Court House. Certain transactions such as those between members of a family, partition sales or transfers in lieu of foreclosure among others do not represent sales valid for our statistical purposes. In such cases it is essential to obtain additional facts from one of the parties to the transaction for verification purposes.

In the interest of accuracy, we request that you answer the questions listed on the REVERSE SIDE of this letter which pertain to the property you purchased unless otherwise indicated.

Your cooperation in furnishing the requested information will promote a more equitable distribution of State School Aid Funds and thereby help to assure that your municipality will receive its full fair share. An addressed business reply envelope is enclosed for your use. Your cooperation will be greatly appreciated.

*John C. Raney*  
John C. Raney  
Superintendent  
Local Property Branch

JCR / dmd  
Enclosure

FOR OFFICE USE

Batch No. \_\_\_\_\_ D.L.N. No. \_\_\_\_\_

Date \_\_\_\_\_

SR-1A # \_\_\_\_\_ Name Control \_\_\_\_\_

Location of property transferred \_\_\_\_\_

Grantor: \_\_\_\_\_

- Grantor (Seller)
- Grantee (Buyer)
- Attorney

Grantee (Buyer) \_\_\_\_\_

Grantor (Seller) \_\_\_\_\_

Location of property purchased or transferred \_\_\_\_\_

THE INFORMATION BELOW IS BEING REQUESTED for statistical purposes in connection with the distribution of State School Aid Funds and tax equalization studies being conducted for the Director, Division of Taxation.

- 1. Is there a family relationship between the buyer and seller?  
If yes, specify relationship. \_\_\_\_\_  
 Yes     No
- 2. Was this an outright sale? \_\_\_\_\_  
Was this a sale of convenience? \_\_\_\_\_  
(i.e. to correct defects in title, create joint tenancy, etc.)
- 3. Was this sale between:  
 affiliated corporations  
 a corporation and its subsidiary  
 a corporation and its stockholders  
 another corporation whose ownership is the same  
 none of the above
- 4. Was the seller forced to sell the property; and if so, why?  
\_\_\_\_\_
- 5. Was the buyer compelled to buy this particular property; and if so, why?  
\_\_\_\_\_
- 6. Was the property traded for other real estate?  
\_\_\_\_\_
- 7. Date agreement for sale was signed indicating intention to buy.  
Month \_\_\_\_\_ Date \_\_\_\_\_ Year \_\_\_\_\_
- 8. Did the selling price include:  
Any unpaid real estate taxes?  
Amount - \$ \_\_\_\_\_  
Any unpaid municipal assessments for special improvement?  
Amount - \$ \_\_\_\_\_

9. TOTAL SALE PRICE FOR THE REAL ESTATE INCLUDING ANY MORTGAGE(S) - \$ \_\_\_\_\_

- 10. The PROPERTY USE at time of transfer was:  
Vacant Land  Size \_\_\_\_\_ Residential (four families or less)   
Apartment (five or more families)  Farm  Acreage \_\_\_\_\_  
Commercial  \_\_\_\_\_ Industrial  \_\_\_\_\_  
Condominium  \_\_\_\_\_ Other  \_\_\_\_\_ Age of Building \_\_\_\_\_

**- RESIDENTIAL -**

- 11. Was HOUSEHOLD FURNITURE included in the purchase price of the real estate?  
 Yes     No    (DO NOT INCLUDE ANY OF THE FOLLOWING ITEMS AS BEING HOUSEHOLD FURNITURE):  
Refrigerator, kitchen range, washer, air conditioner, storm sash, venetian blinds and wall-to-wall carpeting or such similar fixtures and appliances.  
Actual amount paid for HOUSEHOLD FURNITURE only (Exclusive of the items noted immediately above)  
\$ \_\_\_\_\_ . Other items - (specify) \_\_\_\_\_ Amount - \$ \_\_\_\_\_

**- FARM, COMMERCIAL AND INDUSTRIAL -**

- 12. Were any of the following items included with the price of the real estate? If so check below as to type and indicate amount paid if definitely known.  
 License - \$ \_\_\_\_\_     Goodwill - \$ \_\_\_\_\_     Machinery - \$ \_\_\_\_\_  
 Furniture & Fixtures - \$ \_\_\_\_\_     Inventories - \$ \_\_\_\_\_     Farm Stock - \$ \_\_\_\_\_  
 Other (specify) \_\_\_\_\_ - \$ \_\_\_\_\_

Date \_\_\_\_\_ Signed \_\_\_\_\_

Please return to Local Property Branch, CN 251, 50 Barrack St., Trenton, N.J. 08625-9986

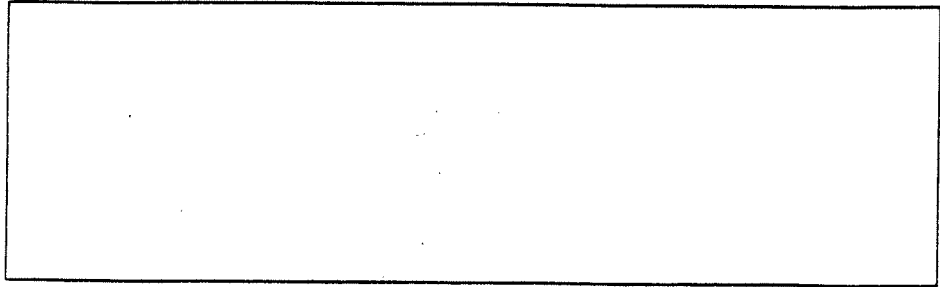












EXHIBIT V-7: Property Record Card - Commercial

LAND OF CARDS

IDENTIFICATION DATA										SITE DATA																																																																																																																																																																																																																																																																																																																																																																																	
<p><b>STAFF CONTROL DATA</b></p> <p>Card Code _____</p> <p>Source of Information 1 = Owner 2 = Spouse 3 = Tenant 4 = Agent 5 = Other</p> <p>6 = Estimate 7 = Refusal</p> <p>Interior Inspection 0 = No 1 = Yes</p> <p>Cost Base Year _____</p> <p>Enumerated By _____</p> <p>Appraisal Date Month/Year _____</p> <p>Reviewed By _____</p> <p>Review Date Month/Year _____</p> <p>Permanent Land Review Code _____</p> <p>Permanent Improvement Review Code _____</p> <p>Number of Principal Buildings _____</p>										<p><b>Land Use Code</b></p> <p>Neighborhood type 1 = Rural 2 = Crossroads 3 = Suburbs 4 = Urban</p> <p>5 = Subdivision 6 = Commercial 7 = Industrial</p> <p>Road Type 0 = None 1 = Dirt 2 = Gravel 3 = Paved</p> <p>Traffic 1 = Light 2 = Medium 3 = Heavy</p> <p>View Influence 0 = None 1 = Detrimental 2 = Enhancing</p> <p>Topography 1 = Level 2 = Low 3 = High 4 = Rolling</p> <p>Corner Lot 0 = No 1 = Yes</p> <p>Alley Adjoining Lot 0 = No 1 = Yes</p> <p>Back Lot 0 = No 1 = Yes</p> <p>Street Lights 0 = No 1 = Yes</p> <p>Sidewalks 0 = No 1 = Yes</p> <p>Underground Utilities 0 = No 1 = Yes</p> <p>Water 0 = None 1 = Septic 2 = Private 3 = Public</p> <p>Other Utilities 0 = None 1 = Gas 2 = Electricity 3 = Gas and Electricity</p> <p>Essentials 0 = None 1 = Moderate 2 = Extensive</p> <p>Neighborhood Conformity 1 = Inferior 2 = Typical 3 = Superior</p> <p>Neighborhood Trend 1 = Declining 2 = Static 3 = Improving</p> <p>Proximity to Services 1 = Inferior 2 = Typical 3 = Superior</p> <p>Cul-de-sac 0 = No 1 = Yes</p> <p>Landscaping 1 = Inferior 2 = Typical 3 = Superior</p>																																																																																																																																																																																																																																																																																																																																																																																	
<p><b>SALES VERIFICATION DATA</b></p> <p>Card Code _____</p> <p>Sales Price _____</p> <p>Sales Date Month/Year _____</p> <p>Source 1 = Buyer 2 = Seller 3 = R.T. Fee 4 = Agent 5 = DM-1A</p> <p>Validity 0 = Not Valid 1 = Valid</p> <p>Type of Sale 1 = Land 2 = Building 3 = Land and Building</p>										<p><b>NOTES</b></p> <p>_____</p> <p>_____</p> <p>_____</p>																																																																																																																																																																																																																																																																																																																																																																																	
<p><b>UNIT DATA</b></p> <p>Unit Code 1 = Front foot 2 = Square foot 3 = Acreage 4 = Site</p> <p>Influence Factor Codes 1 = Depth Factor 2 = Frontage Factor 3 = Backlot Factor 4 = Triangulo Factor .30 or .40 5 = Corner Lot Factor</p>										<p><b>SUMMARY</b></p> <p>Building No. _____ Building Value _____</p>																																																																																																																																																																																																																																																																																																																																																																																	
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Owner: \_\_\_\_\_ Street Address: \_\_\_\_\_ COMMERCIAL BUILDING DATA

Card Code: \_\_\_\_\_ Building Number: \_\_\_\_\_ Building Type: \_\_\_\_\_

Predominant Shell Type: \_\_\_\_\_

Overall Quality: 1 - Low 3 - Average 5 - High

Year Built: \_\_\_\_\_

Condition: 1 - Poor 2 - Fair 3 - Normal 4 - Good 5 - Excellent

Effective Age in Years: \_\_\_\_\_

100% - (Efr. Age Dep. \_\_\_\_\_) \$ Observ. Phys. Cond. \_\_\_\_\_ \$

100% - (Frac. Observ. \_\_\_\_\_) \$ + Econ. Observ. \_\_\_\_\_ \$

Physical Net Cond. \_\_\_\_\_ \$ + Observ. Net Cond. \_\_\_\_\_ \$

Final Net Condition: \_\_\_\_\_ \$

RECREATION

REPAIRS/MAINTENANCE

STRUCTURAL SHELL

100% - (Frac. Observ. \_\_\_\_\_) \$ + Econ. Observ. \_\_\_\_\_ \$

Physical Net Cond. \_\_\_\_\_ \$ + Observ. Net Cond. \_\_\_\_\_ \$

Final Net Condition: \_\_\_\_\_ \$

STRUCTURAL SHELL

Structural Shell Type Codes: 101 - Lt. Wood Frame 102 - Heavy Timber  
103 - Masonry Load Bearing 104 - Reinf. Conc. 105 - Steel 106 -  
Fireproof Steel 107 - Lt. Steel with Galvanized Steel Exterior 108 -  
Lt. Steel with Painted Steel or Aluminum Exterior 109 - Lt. Steel with  
Insulated Sandwich Panel Exterior 110 - Beam, with Conc. Floor 111 -  
Beam, with Wood Floor 112 - Deck High Foundation 123 - Low Quality  
Service Station 124 - Below Average Quality Service Station 125 -  
Average Quality Service Station 126 - Above Average Quality Service  
Station 127 - Good Quality Service Station 133 - Low Quality Specialty  
Bldg. 134 - Below Average Quality Specialty Bldg. 135 - Average Quality  
Specialty Bldg. 136 - Above Average Quality Specialty Bldg. 137 - Good  
Quality Specialty Bldg. 145 - Garden Apartments  
Shell Segment Quality Codes: 1 - Low 3 - Average 4 - Above Avg. 5 - High

Segment	Qt.	Type	Sq./Hq.	Ground Area	Perimeter
30	31	32	33	34	35
48	49	50	51	52	53

Card Code: \_\_\_\_\_

Card Code	Qt.	Type	Sq./Hq.	Rate	Factor	Cost
30	31	32	33	34	35	36
48	49	50	51	52	53	54

Structural Shell Base Cost: \_\_\_\_\_

28

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EXTERIOR WALL FINISH

Exterior Wall Finish Codes: 1 - Grooved Plywood or Eqvty. 2 - Wood Siding  
or Eqvty. 3 - Cement Block or Eqvty. 4 - Tilt-up Concrete Panels or  
Eqvty. 5 - Common Brick on Block or Eqvty. 6 - Face Brick on Wood  
Sheathing or Eqvty. 7 - Face Brick on Block or Eqvty. 8 - Common Brick  
on Reinf. Conc. or Eqvty. 9 - Face Brick on Reinf. Conc. or Eqvty. 10 -  
Precast Con. Panels with Exposed Aggregate or Eqvty. 11 - Metal and Glass  
Curtain Walls or Eqvty. 12 - Stone or Eqvty. 13 - Limestone or Eqvty.  
14 - Marble or Eqvty. 15 - Polished Granite or Eqvty. 16 - Stone Front  
Quality Codes: 1 - Low 3 - Average 5 - High

Type	Qt.	Wall Area	Rate	Factor	Cost
10	11	12	13	14	15
16	17	18	19	20	21
22	23	24	25	26	27
28	29	30	31	32	33
34	35	36	37	38	39
40	41	42	43	44	45
46	47	48	49	50	51
52	53	54	55	56	57
58	59	60	61	62	63
64	65	66	67	68	69
70	71	72	73	74	75
76	77	78	79	80	81
82	83	84	85	86	87
88	89	90	91	92	93
94	95	96	97	98	99
100	101	102	103	104	105

Exterior Wall Total Cost: \_\_\_\_\_

28

INTERIOR FINISH

Interior Finish Codes: 1 - Apt. - Avg. Size 300 s.f., 400 s.f., 500 s.f.,  
600 s.f., 700 s.f., 800 s.f., 900 s.f., 1000 s.f., and over 2 - Apt. Utility  
Areas 3 - Hotel or Eqvty. 4 - Small Off. or Eqvty. 5 - Large Open  
Offices or Eqvty. 6 - Prof. Off. or Eqvty. 7 - Clinics or Eqvty. 8 -  
Large Retail Stores or Eqvty. 9 - Retail Stores or Eqvty. 10 - Banks  
or Eqvty. 11 - Warehouses 12 - Light Mfg. Areas 13 - Heavy Mfg. Areas  
Quality Codes: 1 - Low 2 - Below Average 3 - Average 4 - Above Average  
5 - High

Type	Qt.	Floor Area	Rate	Factor	Cost
14	15	16	17	18	19
20	21	22	23	24	25
26	27	28	29	30	31
32	33	34	35	36	37
38	39	40	41	42	43
44	45	46	47	48	49
50	51	52	53	54	55
56	57	58	59	60	61
62	63	64	65	66	67
68	69	70	71	72	73
74	75	76	77	78	79
80	81	82	83	84	85
86	87	88	89	90	91
92	93	94	95	96	97
98	99	100	101	102	103

Interior Finish Total Cost: \_\_\_\_\_

28

HEATING/COOLING

Building Use Type Codes: 1 - Apt. 2 - Comm. 3 - Indust.  
Heating/Cooling Unit Type Codes: 1 - Hot Water 2 - Forced Hot Air 3 -  
Unit Heaters 4 - Central Cooling 5 - Package Cooling 6 - Central  
Combined 7 - Package Combined  
Heating/Cooling Quality Codes: 1 - Low 3 - Average 5 - High  
Boiler Present for Type 1 Unit: 0 - No 1 - Yes

Building Unit Use Code	Qt.	Floor Area	Rate	Factor	Cost
11	12	13	14	15	16
17	18	19	20	21	22
23	24	25	26	27	28
29	30	31	32	33	34
35	36	37	38	39	40
41	42	43	44	45	46
47	48	49	50	51	52
53	54	55	56	57	58
59	60	61	62	63	64
65	66	67	68	69	70
71	72	73	74	75	76
77	78	79	80	81	82
83	84	85	86	87	88
89	90	91	92	93	94
95	96	97	98	99	100

Heating/Cooling Base Cost: \_\_\_\_\_

28

PLUMBING FITTINGS

Small Ind. Ht. \_\_\_\_\_  
Med. Ind. Ht. \_\_\_\_\_  
Large Ind. Ht. \_\_\_\_\_  
Unit Heaters Total Cost: \_\_\_\_\_

Plumbing Fixtures Quality Codes: 1 - Low 3 - Average 5 - High

Plumbing Total Cost: \_\_\_\_\_

28

ELECTRICAL INSTALLATION

Light Intensity: 1 - Minimum 2 - Adequate 3 - Bright  
Quality Codes: 1 - Low 3 - Average 5 - High

Electrical Installation Total Cost: \_\_\_\_\_

28

BUILDING ACCESSORY CODES

EXTERIOR ACCESSORY CODES

Item	Code	Measure One	Measure Two	Codes	Quality Adj.
Special Purpose Doors	SD01	No. of Units		1, 3, 5	No
Auto. Sliding Pedestrian Door	SD02	No. of Leaves		1, 3, 5	No
Auto. Slide Pedestrian Door	SD03	No. of Leaves		1, 3, 5	No
Air Curtain Pedestrian Door	SD04	No. of Leaves		1, 3, 5	No
Wood Sectional Industrial Door	SD05	No. of Doors	S.F. Door Area	1, 3, 5	No
Steel Sectional Industrial Door	SD06	No. of Doors	S.F. Door Area	1, 3, 5	No
Steel Roll-Up Industrial Door	SD07	No. of Doors	S.F. Door Area	1, 3, 5	No
Steel Hangar Door	SD08	No. of Doors	S.F. Door Area	1, 3, 5	No
Electric Door Operator	SD09	No. of Units		1, 3, 5	No
Exterior Stairs					
Wood Stairs	ES01	No. of Flights		1, 3, 5	No
Reinforced Concrete Stairs	ES02	No. of Flights		1, 3, 5	No
Steel and Concrete Stairs	ES03	No. of Flights		1, 3, 5	No
Steel Stairs	ES04	No. of Flights		1, 3, 5	No
Fireplaces	FP01	No. of Units		1 thru 5	No
Floor Adjustments					
Concrete Slab Floor	FA01	S.F. Floor Area		SEE NOTE	No
Wood Deck Floor	FA02	S.F. Floor Area		SEE NOTE	No
Concrete Deck Floor	FA03	S.F. Floor Area		SEE NOTE	No
Reinforced Concrete Floor	FA04	S.F. Floor Area		SEE NOTE	No
Balconies and Decks					
Wood Balcom/Deck	BD01	S.E. Floor Area		1, 3, 5	No
Concrete Balcom/Deck	BD02	S.F. Floor Area		1, 3, 5	No
Steel/Concrete Balcom/deck	BD03	S.F. Floor Area		1, 3, 5	No
Floor Grating					
Steel Grating	FG01	S.F. Grating Ar.		1, 3, 5	No
Aluminum Grating	FG02	S.F. Grating Ar.		1, 3, 5	No
Plastic Grating	FG03	S.F. Grating Ar.		1, 3, 5	No
Roof Adjustments					
Light Wood	RA01	S.F. Roof Area		SEE NOTE	No
Heavy Timber	RA02	S.F. Roof Area		SEE NOTE	No
Steel	RA03	S.F. Roof Area		SEE NOTE	No
Concrete	RA04	S.F. Roof Area		SEE NOTE	No
Galvanized Steel	RA05	S.F. Roof Area		SEE NOTE	No
Enamelled Steel	RA06	S.F. Roof Area		SEE NOTE	No
Insulated Sandwich Panels	RA07	S.F. Roof Area		SEE NOTE	No
Precast Concrete	RA08	S.F. Roof Area		SEE NOTE	No
Canopies	RA09	S.F. Canopy Ar.		SEE NOTE	No
Wide Span Roofing					
Wood Truss	WR01	Span Width	S.F. Roof Area	1, 3, 5	Yes
Wood Glu-Lam Beam	WR02	Span Width	S.F. Roof Area	1, 3, 5	Yes
Steel Truss	WR03	Span Width	S.F. Roof Area	1, 3, 5	Yes
Precast Concrete Beam	WR04	Span Width	S.F. Roof Area	1, 3, 5	Yes
Bank Vaults and Doors					
Cash Type Bank Vault	BV01	S.F. Floor Area		None	No
Record Type Bank Vault	BV02	S.F. Floor Area		None	No
Cash Type Vault Door	BV03	Door Thickness	S.F. Door Area	None	No
Record Type Vault Door	BV04	Door Thickness	S.F. Door Area	None	No
Bank Accessories					
Drive-In Windows	BA01	No. of Units		1, 3, 5	No
Night Depositories	BA02	No. of Units		1, 3, 5	No
Pneumatic Tube System	BA03	No. of Stations		1, 3, 5	No
Cold Storage Rooms					
Cooler (35° - 40°)	CS01	S.F. Floor Area		None	No
Chiller (35° - 35°)	CS02	S.F. Floor Area		None	No
Freezer (-15° - 5°)	CS03	S.F. Floor Area		None	No
Quick Freezer (-45° - -15°)	CS04	S.F. Floor Area		None	No
Escalators					
10 Foot Height	EF01	No. of Flights	Unit Width	1, 3, 5	Yes
12 Foot Height	EF02	No. of Flights	Unit Width	1, 3, 5	Yes
14 Foot Height	EF03	No. of Flights	Unit Width	1, 3, 5	Yes
16 Foot Height	EF04	No. of Flights	Unit Width	1, 3, 5	Yes
18 Foot Height	EF05	No. of Flights	Unit Width	1, 3, 5	Yes
20 Foot Height	EF06	No. of Flights	Unit Width	1, 3, 5	Yes
Elevators					
Passenger - Auto. - Local	EV01	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Passenger - Auto. - Express	EV02	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Passenger - Manual - Local	EV03	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Passenger - Manual - Express	EV04	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Passenger - Hydraulic	EV05	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Freight - Electric	EV06	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Freight - Hydraulic	EV07	No. of Units	Capacity (Lbs.)	1, 3, 5	Yes
Passenger Elevators - Total Stops	EV08	No. of Stops		1, 3, 5	Yes
Freight Elevators - Total Stops	EV09	No. of Stops		1, 3, 5	Yes
Sidewalk - Electric	EV10	No. of Units		None	No
Sidewalk - Hydraulic	EV11	No. of Units		None	No
Sidewalk - Manual	EV12	No. of Units		None	No
Dumbwaiters - Electric	EV13	No. of Units		None	No
Dumbwaiters - Manual	EV14	No. of Units		None	No
Personal Lift - Vertical Belt Type	EV15	No. of Units		None	No
Personal Lift - Total Floors Over 2	EV16	No. of Units		None	No

NOTE: QUALITY CODES FOR THESE ITEMS 1, 3, 4 & 5

Item	Code	Measure One	Measure Two	Codes	Quality Adj.
Service Station Accessories					
Tire Pump Island - Concrete	SS01	No. of Islands		None	No
Three Pump Island - Concrete	SS02	No. of Islands		None	No
Four Pump Island - Concrete	SS03	No. of Islands		None	No
Canopies	SS04	S.F. Canopy Ar.		1 thru 5	No
Paving					
Concrete - Light	PV01	S.F. Paved Area		None	No
Concrete - Average	PV02	S.F. Paved Area		None	No
Concrete - Heavy	PV03	S.F. Paved Area		None	No
Asphalt - Light	PV04	S.F. Paved Area		None	No
Asphalt - Average	PV05	S.F. Paved Area		None	No
Asphalt - Heavy	PV06	S.F. Paved Area		None	No
Curbing	PV07	S.F. Paved Area		None	No
Swimming Pools					
Rectangular Shape	SP01	S.F. Surface Ar.		1, 3, 5	Yes
Irregular Shape	SP02	S.F. Surface Ar.		1, 3, 5	Yes
Pole-Mounted Floodlights					
Poles - Wood	FL01	No. of Poles		1, 3, 5	No
Poles - Steel	FL02	No. of Poles		1, 3, 5	No
Poles - Aluminum and Concrete	FL03	No. of Poles		1, 3, 5	No
Light Fixtures - Incandescent	FL04	No. of Fixtures		1, 3, 5	No
Light Fixtures - Fluorescent	FL05	No. of Fixtures		1, 3, 5	No
Light Fixtures - Mercury Vapor	FL06	No. of Fixtures		1, 3, 5	No
Mobile Home Parks/Drive-In Theatres					
Drive-In Theatre	MT01	No. of Spaces		1 thru 5	No
Mobile Home Park	MT02	No. of Spaces		1 thru 5	No
Theatre Screen	MT03	S.F. Screen Ar.		1 thru 5	No
Utility Buildings					
Wood Frame	UB01	S.F. Floor Area		1, 3, 5	No
Wood Frame with Metal Siding	UB02	S.F. Floor Area		1, 3, 5	No
Concrete Block	UB03	S.F. Floor Area		1, 3, 5	No
Shed Load-to Addition	UB04	S.F. Floor Area		1, 3, 5	No
Greenhouses					
Unheated	GH01	S.F. Floor Area		1, 3, 5	Yes
Heated	GH02	S.F. Floor Area		1, 3, 5	Yes
Utility Building/Greenhouse Flooring					
Wood Floor	FB01	S.F. Floor Area		1, 3, 5	No
Concrete Floor	FB02	S.F. Floor Area		1, 3, 5	No
Fencing and Gates					
Wood Fence	FG01	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Concrete Block Fence	FG02	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Brick/Stone Fence	FG03	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Chain Link Fence	FG04	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Chain Link Spring Gate	FG05	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Wood Sliding Gate	FG06	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Extra Rail/Barbed Wire Top Bracket	FG08	Fence Hgt. (Ft.)	Fence Lgt. (Ft.)	1, 3, 5	Yes
Marine Decks					
Small Boat Berthage	MB01	S.F. Area		1 thru 5	No
Enclosure Roof	MB02	S.F. Area		1 thru 5	No
Enclosure Walls	MB03	S.F. Area		1 thru 5	No
Skid Deck	MB04	S.F. Area		1 thru 5	No
Marine Bulkhead - Wood	MB05	L.F. Perimeter		1 thru 5	No
Marine Bulkhead - Steel	MB06	L.F. Perimeter		1 thru 5	No
Marine Bulkhead - Concrete	MB07	L.F. Perimeter		1 thru 5	No
Bulkhead - Residential Type	MB08	L.F. Perimeter		1 thru 5	No
Grain Elevators					
50 Foot Height	GE01	Diameter (Ft.)	Perimeter (Ft.)	None	No
70 Foot Height	GE02	Diameter (Ft.)	Perimeter (Ft.)	None	No
90 Foot Height	GE03	Diameter (Ft.)	Perimeter (Ft.)	None	No
110 Foot Height	GE04	Diameter (Ft.)	Perimeter (Ft.)	None	No
130 Foot Height	GE05	Diameter (Ft.)	Perimeter (Ft.)	None	No
Headhouse/Conveyor Gallery	GE06	Ever Yes or No		None	No
Industrial Stacks/Chimneys					
Unlined Bricks	IC01	Diameter (Ft.)	Height (Ft.)	None	No
Lined Firebricks	IC02	Diameter (Ft.)	Height (Ft.)	None	No
Concrete	IC03	Diameter (Ft.)	Height (Ft.)	None	No
Cranways					
Indoor	CR01	Capacity (Tons)	Length (Ft.)	None	No
Outdoor	CR02	Capacity (Tons)	Length (Ft.)	None	No
Truck Scales	TS01	Capacity (Tons)		None	No
Loading Decks					
Lightwood Deck	LD01	S.F. Surface Ar.		1 thru 5	No
Heavy Timber Deck	LD02	S.F. Surface Ar.		1 thru 5	No
Concrete Deck	LD03	S.F. Surface Ar.		1 thru 5	No
Deck Ramp	LD04	S.F. Surface Ar.		1 thru 5	No
Ramp Floor to Floor	LD05	S.F. Surface Ar.		1 thru 5	No
Mechanical Leveler	LD06	S.F. Surface Ar.		None	No
Hydraulic Leveler	LD07	S.F. Surface Ar.		None	No
Railroad Signs					
Bumper Stop	RS01	No. of Units		None	No
Switch	RS02	No. of Units		None	No
Pair Flasher Signals	RS03	No. of Units		None	No
Sliding Gate	RS04	Length (Ft.)		None	No
Steel Grain Storage Tanks	ST01	No. of Tanks	Capacity (Bbl.)	None	No
Elevated Storage Tanks					
Wood Tank and Tower	ST01	Height (Ft.)	Capacity (Gal.)	None	No
Steel Tank and Tower	ST02	Height (Ft.)	Capacity (Gal.)	None	No
Bulk Petroleum Storage Tanks					
Flat or Cone Roof	PT01	No. of Tanks	Capacity (Bbls.)	None	No
Floating or Pontoon Roof	PT02	No. of Tanks	Capacity (Bbls.)	None	No
Double Deck Roof	PT03	No. of Tanks	Capacity (Bbls.)	None	No
Fuel Storage Tanks					
Underground	FT01	No. of Tanks	Capacity (Gal.)	None	No
Above Ground - Horizontal	FT02	No. of Tanks	Capacity (Gal.)	None	No
Above Ground - Vertical	FT03	No. of Tanks	Capacity (Gal.)	None	No
Propane Pressure Storage Tanks	PR01	No. of Tanks	Capacity (Gal.)	None	No
Large Pressure Storage Tanks					
5 PSI Hemisphere Type	LT01	No. of Tanks	Capacity (Bbls.)	None	No
10 PSI Hemisphere Type	LT02	No. of Tanks	Capacity (Bbls.)	None	No
20 PSI Hemisphere Type	LT03	No. of Tanks	Capacity (Bbls.)	None	No
30 PSI Sphere Type	LT04	No. of Tanks	Capacity (Bbls.)	None	No
50 PSI Sphere Type	LT05	No. of Tanks	Capacity (Bbls.)	None	No
75 PSI Sphere Type	LT06	No. of Tanks	Capacity (Bbls.)	None	No

Note Quality Codes  
 1 = Low  
 2 = Below Average  
 3 = Average  
 4 = Above Average  
 5 = High

# Exhibit V-8

FORM FA-1  
(REVISED APRIL, 2003)

## APPLICATION FOR FARMLAND ASSESSMENT REFER TO EXCERPTS OF THE LAW AND INSTRUCTIONS BEFORE COMPLETING

DIV. OF TAXATION

COUNTY \_\_\_\_\_ MUNICIPALITY \_\_\_\_\_ TAX YEAR \_\_\_\_\_  
SECTION 1 - IDENTIFICATION INFORMATION (Please print or type all information)

(1) Owner's Name \_\_\_\_\_ (8) Farm operator(s) other than owner: \_\_\_\_\_  
 (2) Mailing Address \_\_\_\_\_ (a1) Name \_\_\_\_\_  
 \_\_\_\_\_ (b1) Address \_\_\_\_\_  
 (3) Telephone ( ) \_\_\_\_\_ (c1) Telephone ( ) \_\_\_\_\_  
 (4) Land Location \_\_\_\_\_ (a2) Name \_\_\_\_\_  
 (5) Block(s) Lot(s) \_\_\_\_\_ (b2) Address \_\_\_\_\_  
 (a) Qualification No. (if assigned by assessor) \_\_\_\_\_ (c2) Telephone ( ) \_\_\_\_\_  
 (6) The land is  farmed solely by owner  
 rented to farmer  
 farmed by owner and tenant  
 (7) Is farm deed restricted to agriculture? Yes  No  # of Acres \_\_\_\_\_

### SECTION 2 - BREAKDOWN OF LAND USE CLASSES (All entries and totals must be accurate)

Insert the current year's acreage in the appropriate land use class. Indicate acres to the nearest hundredth (0.00) - DO NOT USE DIMENSIONS

REFER TO DEFINITIONS OF LAND USE CLASSES UNDER "INSTRUCTIONS"

ACTIVELY DEVOTED LAND	Acreage	LAND NOT ACTIVELY DEVOTED	Acreage
(1) Cropland harvested	(1) _____	(8) Land under and land used in connection with farmhouse	(8) _____
(2) Cropland pastured Don't include acreage in #8	(2) _____	(9) All other land not devoted to agricultural or horticultural use	(9) _____
(3) Permanent pasture	(3) _____	(10) TOTAL NOT DEVOTED TO AGRICULTURAL OR HORTICULTURAL USE (Sum of lines 8 & 9)	(10) _____
(4) Non-appurtenant woodland (See instructions before making entry)	(4) _____	(11) TOTAL ACREAGE OF ALL LAND (Sum of lines 7 & 10)	(11) _____
(5) Appurtenant woodland or wetland (See instructions before making entry)	(5) _____	*If less than 5 acres, cite the municipality, block(s) and lot(s) of contiguous acreage in adjacent municipality	
(6) Acres used for (don't include pastured acres) (a) _____ (b) _____ (c) _____	(6) _____	(12) Is there a claim for land under:	
(7) TOTAL DEVOTED TO AGRICULTURAL OR HORTICULTURAL USE (Sum of lines 1 to 6)	(7) _____	• Seasonal farm markets? Yes <input type="checkbox"/> No <input type="checkbox"/>	
		• Seasonal agricultural labor housing? Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Total a, b & c	

### SECTION 3 - CURRENT YEAR FARMING ACTIVITY - Indicate acres to nearest tenth (0.0) Include Double Cropping, for example, two plantings on fifty acres should be reported as 100.0 acres.

INSERT CURRENT YEAR HARVESTED OR TO BE HARVESTED ACRES FOR LAND ONLY IN SECTION II

A. FIELD CROPS (Harvested Acres)	Acres	Tree & shrubs (nursery)	(30)	Eggplant	(53)
Irrigated Acres	(80)	Sod (cultivated)	(31)	Lettuce	(54)
Barley (grain)	(11)	Christmas trees	(32)	Onions	(55)
Corn for grain	(12)	Other	(specify) _____	Peas	(56)
Corn for silage	(13)	<b>D. LIVESTOCK</b>		Peppers (sweet)	(57)
Hay (alfalfa)	(15)	<b>Avg. No. of Livestock</b>		Potatoes (white)	(58)
Hay (other excluding salt hay)	(16)	All beef cattle	(33)	Potatoes (sweet)	(59)
Oats (grain)	(17)	Dairy	(34)	Pumpkins	(60)
Rye (grain)	(18)	Dairy (young)	(35)	Spinach	(61)
Sorghum	(19)	Horses & ponies	(36)	Squash	(62)
Soybeans	(20)	Sheep	(37)	Tomatoes	(63)
Wheat	(21)	Swine	(38)	Melons	(64)
Cover Crops Planted:		Bees (Hives)	(39)	Mixed and other vegetable crops	(65)
(specify) _____		Ducks	(40)	Other crops:	
Other Field Crops		Fur animals	(41)	(specify) _____	
(specify) _____		Goats	(42)	<b>F. AQUACULTURE</b>	<b>Acres</b>
<b>B. FRUIT CROPS (Bearing Acres)</b>	<b>Acres</b>	Chickens (meat)	(43)	Clams, oysters (other specify)	(66)
Irrigated Acres	(81)	Chickens (layers)	(44)	Fresh water, pond fish	(67)
Apples	(22)	Turkeys	(45)	Other:	
Blueberries	(23)	Other	(specify) _____	(specify) _____	
Cranberries	(24)	<b>E. VEGETABLE CROPS (Harvested Acres)</b>		<b>G. ANNUAL HARVEST OF WOODLAND PRODUCTS</b>	<b>Cords, Board Feet, Etc.</b>
Grapes	(25)	Irrigated Acres	(83)	Fuelwood (cords)	(68)
Nectarines	(86)	Asparagus	(46)	Pulpwood (cords)	(69)
Peaches	(26)	Beans, lima	(47)	Timber (Bd. Ft.)	(70)
Strawberries	(27)	Beans snap	(48)	Other:	
Other fruit crops		Cabbage	(49)	(specify) _____	
(specify) _____		Carrots	(50)	<b>H. LAND IN FEDERAL GOVERNMENT PROGRAM</b>	
Non-bearing fruit		Corn, sweet	(51)	Name of Program	_____
(specify) _____		Cucumbers	(52)	Program Number	_____
<b>C. ORNAMENTAL CROPS</b>	<b>Acres</b>			Acres in Program	(73)
Irrigated Acres	(82)				
Bedding plants	(28)				
Flowers (cut)	(29)				

### SECTION 4 - SIGNATURE AND VERIFICATION OF OWNER(S) ANNUALLY FILE BY AUGUST 1 (SEE INSTRUCTION 2d)

The undersigned declares under the penalties provided by law, that this application, including any accompanying schedules and statements, has been examined by him (her) and to the best of his (her) knowledge and belief is true and correct. Filing of this application is also a representation that the land will continue to be devoted to an agricultural or horticultural use during the year for which farmland assessment is requested.

Signature of Individual Owner or Co-owner \_\_\_\_\_ Date \_\_\_\_\_ OR Signature of Corporate Officer \_\_\_\_\_ Date \_\_\_\_\_ Corporate Name \_\_\_\_\_  
 This application is ( ) APPROVED ( ) DISAPPROVED  
 RESERVED FOR OFFICIAL USE

Date \_\_\_\_\_ ASSESSOR  
APPLICATION IN DUPLICATE TO BE FILED WITH LOCAL TAX ASSESSOR  
TAXPAYER SHOULD RETAIN A COPY FOR HIS FILES  
(IF ENTRY MADE IN SECTION II, LINE 4, COPY MUST ALSO BE FILED WITH DEPT. OF ENVIRONMENTAL PROTECTION)



## INSTRUCTIONS

1. GENERAL—For the purpose of these instructions, the term "farmland assessment" shall refer to valuation, assessment and taxation under the Farmland Assessment Act, C. 48, L. 1964, N.J.S.A. 54:4-23.1, et seq. **Only one application form in duplicate shall be filed for each farm made up of contiguous land.** Application form is to be filed with local tax assessor. If an entry is made in Section 2, line 4, Form WD-1 (woodland data form) must also be filed with this application.
2. GENERAL QUALIFICATIONS—Land may be eligible for "farmland assessment" when it meets the following qualifications:
- It has been actively devoted to agricultural or horticultural use for at least the 2 successive years immediately preceding the tax year for which "farmland assessment" is requested.
  - The area of the land actively devoted to agricultural or horticultural use, exclusive of the land upon which the farmhouse is located and such additional land as may be actually used in connection with the farmhouse, is not less than 5 acres.
  - Gross sales, fees, or payments average at least \$500 annually on the first 5 acres and on all acreage above 5 acres average sales of \$5.00 per acre on farmland and \$0.50 per acre on woodland and wetland. (See N.J.S.A. 54:4-23.5)
  - Application by the owner for "farmland assessment" has been made on or before August 1 of the year immediately preceding the tax year (See N.J.S.A. 54:4-23.13a and 54:4-23.6)

**SECTION 1-IDENTIFICATION INFORMATION**—Complete the information noted under this Section for items 1 through 8.

For item #1, "Owner's Name." List every individual, partnership or corporation having an interest in the land as owner.

For item #5, "Blocks and Lots." State block(s) and lot(s) as shown on the official tax map or page(s) and line(s) on the current year's tax list that make up a farm unit of contiguous land. This information may be obtained from your tax bill.

**SECTION 2-BREAKDOWN OF LAND USE CLASSES**—Complete the information noted under this Section for items 1 through 12.

For item #1, "Cropland Harvested." This is land that is the heart of a farming enterprise and represents the highest use of land in agriculture. All land from which a crop was harvested in the current year falls into this category.

For item #2, "Cropland Pastured." This is land that can be and often is used to produce crops but its maximum income may not be realized in a particular year.

For item #3, "Permanent Pasture." This is land that is not cultivated because its maximum economic potential is realized from grazing or as part of erosion control programs. Animals may or may not be part of the farm operation for land to be qualified in this category.

For item #4, "Non-appurtenant Woodland." This is woodland devoted exclusively to the production for sale of trees and forest products, except for Christmas trees which should be entered in the cropland harvested classification (item #1). Also woodland which is not "supported and subordinate" to land entered in land use classification #1, 2, or 3 should be entered under this classification (item #4). The owner of this classification of woodland must submit information noted under excerpt N.J.A.C. 18:15-2.7.

For item #5, "Appurtenant Woodland." This is woodland which is not devoted to the production for sale of trees and forest products, but nevertheless can be eligible for farmland assessment on the basis of being "beneficial to a tract of land" which is 5 acres or more and is otherwise actively devoted and qualified farmland (land uses #1, 2, or 3). Generally, only woodland acreage less than the otherwise actively devoted qualified farmland acreage (land uses #1, 2, or 3) will be considered as "appurtenant woodland." Woodland acreage exceeding the otherwise actively devoted farmland should only be entered as "appurtenant woodland" when proof of its benefit to the otherwise actively devoted farmland can be explained and substantiated to the assessor.

For item #6, "Acres Used for Boarding, Rehabilitating or Training Livestock." For this acreage to be deemed actively devoted to an agricultural use it must be contiguous to land which otherwise qualifies for farmland assessment.

For item #8, "Land Under And Land Used in Connection With Farmhouse." This is land on which a farmhouse is located, together with such land area as may be devoted to lawns, flower gardens, shrubs, swimming pools, tennis courts and like purposes related to the use and enjoyment of the farmhouse. This is land not deemed to be in agricultural or horticultural use and, therefore, is assessed and taxed in accordance with the true value standard.

For item #9, "All Other Land Not Devoted To Agricultural Or Horticultural Use." This is land other than used in connection with the farmhouse that is not devoted to an agricultural or horticultural use nor is it necessary to support or enhance land actively devoted to an agricultural or horticultural use. This land will be assessed and taxed in accordance with the true value standard.

For item #12 enter "YES" or "NO".

For purposes of this application certain land uses shall be considered to be in the categories as noted below:

Land Use	Category	Land Use	Category
Land under farm buildings	Cropland Harvested	Nurseries, Christmas trees	Cropland Harvested
Swampland, wetland	Appurtenant Woodland	Crops grown under glass	Cropland Harvested
Lakes, ponds, streams, irrigation ditches	Appurtenant Woodland	Wood and forest products	Non-appurtenant Woodland
Land in government programs	Cropland Harvested	Seasonal Farm Markets	Cropland Harvested
		Agricultural Labor Housing	

**SECTION 3-CURRENT YEAR FARMING ACTIVITY**—Complete this Section by inserting the current year acreage or other information that is specified.

**SECTION 4-SIGNATURE AND VERIFICATION**—In the case of multiple ownership, one of the owners may sign on behalf of the other co-owners, except corporate co-owners. Any such signer will be presumed to have authority to sign in behalf of the other non-corporate owners. In the case of a corporate owner, the full name of the corporation must be separately filled in, accompanied by the signature and the title of the corporate officer authorized to sign the application in its behalf.

### CHANGE IN USE-ALL APPLICANTS PLEASE NOTE

- When land, which is in agricultural or horticultural use and is being valued under the Farmland Assessment Act, is applied to a use other than agricultural or horticultural, it is subject to additional taxes, referred to as roll-back taxes, in an amount equal to the difference, if any, between the taxes paid or payable on the basis of "Farmland Assessment" and the taxes that would have been paid or payable had the land been valued, assessed and taxed as other land in the taxing district.
- In the case of a change in use, the roll-back taxes shall be applicable in the year in which the change took place and in such of the 2 tax years, immediately preceding, in which the land was valued, assessed and taxed under the Farmland Assessment Act.

### FARMLAND ASSESSMENT EXCERPTS

#### EXCERPTS FROM N.J.S.A. 54:4-23.1 et seq.

N.J.S.A. 54:4-23.3 - Land shall be deemed to be in agricultural use when devoted to the production for sale of plants and animals useful to man, including but not limited to: forages and sod crops; grains and feed crops; dairy animals and dairy products; poultry and poultry products; livestock, including beef cattle, sheep, swine, horses, ponies, mules or goats, including the breeding, boarding, raising, rehabilitating, training or grazing of any or all of such animals, except that "livestock" shall not include dogs; bees and apiary products; fur animals, trees and forest products; or when devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil conservation program under an agreement with an agency of the federal government... (See N.J.A.C. 18:15-2.7 for additional conditions imposed on woodland not deemed to be appurtenant).

N.J.S.A. 54:4-23.4 - Land shall be deemed to be in horticultural use when devoted to the production for sale of fruits of all kinds, including grapes, nuts and berries; vegetables, nursery, floral ornamental and greenhouse products; or when devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil conservation program under an agreement with an agency of the federal government.

N.J.S.A. 54:4-23.5 - Land, five acres in area, shall be deemed to be actively devoted to agricultural or horticultural use when the amount of the gross sales of agricultural or horticultural products produced thereon, any payments received under a soil conservation program, fees received for breeding, raising or grazing any livestock, income imputed to land used for grazing in the amount determined by the State Farmland Evaluation Advisory Committee created pursuant to section 20 of P.L. 1964, c.48 (C.54:4-23.20), and fees received for boarding, rehabilitating or training any livestock where the land under the boarding, rehabilitating or training facilities is contiguous to land which otherwise qualifies for farmland assessment, as long as income from one or more have averaged at least \$500.00 per year during the 2-year period immediately preceding the tax year in issue, or there is clear evidence of anticipated yearly gross sales and such payments amounting to at least \$500.00 within a reasonable period of time. In addition, where the land is more than five acres... (See instructions 2c)

N.J.S.A. 54:4-23.6 - Land which is actively devoted to agricultural or horticultural use shall be eligible for valuation, assessment and taxation as herein provided when it meets the following qualifications:

- It has been so devoted for at least the two successive years immediately preceding the tax year for which valuation under this act is requested;
- The area of such land is not less than five acres when measured in accordance with the provisions of section 11 hereof; and
- Application by the owner of such land for valuation hereunder is submitted on or before August 1 of the year immediately preceding the tax year to the assessor of the taxing district in which such land is situated on the form prescribed by the Director of the Division of Taxation in the Department of the Treasury;
- The assessor may grant an extension of time for filing an application required by this section, which extension shall terminate no later than September 1 of the year immediately preceding the tax year, in any event where it shall appear to the satisfaction of the assessor that failure to file by August 1 was due to (1) the illness of the owner and a certificate of a physician stating that the owner was physically incapacitated and unable to file on or before August 1 and the application is filed with the assessor; or (2) the death of the owner or an immediate member of the owner's family and a certified copy of the death certificate and the application is filed with the assessor by the individual legally responsible for the estate of the owner, or the owner, as the case may be.

As used in this act, "immediate family member" means a person's spouse, child, parent or sibling residing in the same household.

### EXCERPTS FROM N.J.A.C. 18:15-1 et seq.

(Adopted pursuant to P.L. 1986, c201)

N.J.A.C. 18:15-1.1 - "Appurtenant woodland" means a wooded piece of property which is contiguous to, part of, or beneficial to a tract of land, which tract of land has a minimum area of at least 5 acres devoted to agricultural or horticultural uses other than the production for sale of trees and forest products, exclusive of Christmas trees, to which tract of land the woodland is supportive and subordinate.

"Beneficial to a tract of land" means land which enhances the use of other land devoted to agricultural or horticultural production by providing benefits such as, but not limited to, windbreaks, watershed, buffers, soil erosion control, or other recognizable enhancements of the viability of the qualifying land.

"Supportive and subordinate woodland" means a wooded piece of property which is beneficial to or reasonably required for the purpose of maintaining the agricultural or horticultural uses of a tract of land, which tract of land has a minimum area of at least five acres devoted to agricultural or horticultural uses other than to the production for sale of trees and forest products, exclusive of Christmas trees.

N.J.A.C. 18:15-2.7- Additional conditions to be fulfilled.

- The owner of land which is devoted exclusively to the production for sale of trees and forest products other than Christmas trees or the owner of woodland which is not supportive and subordinate woodland shall annually submit to the assessor, in addition to a completed and timely filed application for farmland assessment (Form FA-1), the following accompanying information:
  - A copy of a woodland management plan prepared in accordance with provisions noted under N.J.A.C. 18:15-2.10;
  - A scaled map of the land showing the location of woodland activity and the soil group classes of the land; and
  - A completed woodland data form (Form WD-1), as prescribed by the Director of the Division of Taxation.

N.J.A.C. 18:15-2.8 - Supportive and subordinate woodland presumption

- A wooded piece of property as described in the definition of supportive and subordinate woodland in N.J.A.C. 18:15-1.1 shall be presumed to be supportive and subordinate woodland when its area is less than the area of the farmland property qualifying for agricultural or horticultural uses other than the production for sale of trees and forest products, exclusive of Christmas trees.
- An owner claiming farmland assessment for a wooded piece of property exceeding the amount set forth in (a) above as presumed to be supportive and subordinate woodland shall submit an explanation and additional proofs the assessor may require to support the claim that such woodland is supportive and subordinate.

**WOODLAND DATA FORM**  
**SUBMIT WITH APPLICATION FOR FARMLAND ASSESSMENT**  
**SEE REVERSE SIDE FOR FILING INFORMATION**

**TYPE OR PRINT**

MUNICIPALITY \_\_\_\_\_ COUNTY \_\_\_\_\_

File in each municipality where woodland is situated.

**SECTION I—IDENTIFICATION INFORMATION**

Owner's Name \_\_\_\_\_ Phone ( ) \_\_\_\_\_

Mailing Address \_\_\_\_\_

Location of land (nearest road, etc.) \_\_\_\_\_

Block(s) and Lot(s) \_\_\_\_\_

If portions of the same tract are in more than one municipality, name the municipalities and give acreage in each. \_\_\_\_\_

How are boundary lines of woodland property established, i.e., fence, paint, blazes, etc.? \_\_\_\_\_

**SECTION II—WOODLAND MANAGEMENT INFORMATION**

Woodland Management Plan prepared by \_\_\_\_\_

Date plan prepared \_\_\_\_\_ Amount of acres in plan \_\_\_\_\_

Plan developed for year(s) \_\_\_\_\_ to \_\_\_\_\_

Date of last revision to plan previously submitted \_\_\_\_\_

Status of Woodland Management Plan (Check appropriate statement):

- New plan for the land is being filed with this form.
- Revisions to plan are being filed with this form.
- Plan previously filed continues to be followed.

NOTE—A PLAN MUST BE SUBMITTED THE FIRST TIME THIS FORM IS FILED

**SECTION III—FOREST MANAGEMENT PRACTICES COMPLETED DURING PAST YEAR\***

PRACTICE	ACRES	Products	Income received/	PRACTICE	ACRES	Comments
		Harvested (cords, board feet, etc.)	anticipated from sale of forest products or cost share payments			
Timber Stand Improvement (TSI)				Reforestation Regeneration (Natural)		
Commercial Harvest				Weed Control Treatment		
Firewood/Pulpwood				Insect Control Treatment		
Sawtimber/Veneer				Prescribed Burning		
Other Products				Site Preparation		
Comments or description of other activities _____						

\*PLEASE BE CERTAIN TO SUBMIT A SCALED MAP SHOWING WOODLAND ACTIVITY

**SECTION IV—CERTIFICATION STATEMENTS (Owner and forester must sign)**

I certify that the above property is actively devoted to an agricultural use and I am following the approved woodland management plan and program as evidenced by the forest management practices completed this year.

I certify that I have reviewed this woodland data form, supporting schedules, and documents. I hereby attest that the forest management practices as listed on this form have been completed.

Signature (owner) \_\_\_\_\_ Date \_\_\_\_\_

Approved  
Forester's Name (print) \_\_\_\_\_

Signature (forester) \_\_\_\_\_ Date \_\_\_\_\_

FILE THIS FORM AND THE INFORMATION NOTED UNDER N.J.A.C. 16:15-2.7 WITH:

**LOCAL TAX ASSESSOR  
AND  
DIVISION OF PARKS AND FORESTRY  
BUREAU OF FOREST MANAGEMENT, CN 404  
TRENTON, NEW JERSEY 08625**

## FILING INFORMATION

WHO IS REQUIRED TO FILE THIS FORM? - An owner seeking farmland assessment status for land devoted exclusively to the production for sale of tree and forest products, with the exception of Christmas trees, is required to file this form. An owner of woodland not supportive or subordinate woodland as defined in N.J.A.C. 18:15-1.1 is also required to file this form. (Refer to N.J.A.C. 18:15-1.1 and 2.8)

IS THERE OTHER INFORMATION THAT I MUST FILE WITH THIS FORM? - Yes. In addition to completing and submitting this form and an application for farmland assessment, a map drawn to scale showing woodland activity during the past year is required to be filed on an annual basis. Also, a woodland management plan must be submitted with this form when it is initially filed. If still appropriate, the plan does not have to be resubmitted in subsequent tax years; however, any revisions to the plan are required to be filed. (Please be certain to check appropriate statement under "Status of Woodland Management Plan" in Section II of this form.)

WHEN AND WHERE DO I FILE? - An application together with all other information, must be filed annually on or before August 1 of the pretax year, with the local tax assessor and the Division of Parks & Forestry, Bureau of Forest Management. (Refer to excerpt N.J.S.A. 54:4-23.13a on the Farmland Assessment Application for further information regarding timely filing.)

WHAT IS A WOODLAND MANAGEMENT PLAN? - A woodland management plan is a written document prepared in accordance with criteria noted under N.J.S.A. 18:15-2.10.

HOW WILL COMPLIANCE WITH THE WOODLAND MANAGEMENT PLAN BE DETERMINED? - An approved forester must annually certify, as provided on this form, that a landowner is in compliance with the provisions of the filed woodland management plan. In addition, a forester from the Bureau of Forest Management will inspect the land at least once every three years to determine compliance with the submitted plan.

HOW DO I KNOW IF A FORESTER IS APPROVED? - The Bureau of Forest Management will provide a list of approved foresters on request. (The Department of Environmental Protection has adopted approved forester qualifications under N.J.A.C. 7:3-2.7.)

## EXCERPTS FROM REGULATIONS

N.J.A.C. 18:15-1.1 "Supportive and Subordinate woodland" means a wooded piece of property which is beneficial to or reasonably required for the purpose of maintaining the agricultural or horticultural uses of a tract of land, which tract of land has a minimum area of at least five acres devoted to agricultural or horticultural uses other than to the production for sale of trees and forest products, exclusive of Christmas trees.

N.J.A.C. 18:15-2.7 The owner of land which is devoted exclusively to the production for sale of trees and forest products other than Christmas trees or the owner of woodland which is not supportive and subordinate woodland shall annually submit to the assessor, in addition to a completed and timely filed application for farmland assessment (Form FA-1), the following accompanying information:

1. A copy of a woodland management plan prepared in accordance with provisions noted under N.J.A.C. 18:15-2.10;
2. A scaled map of the land showing the location of woodland activity and the soil group classes of the land; and
3. A completed woodland data form (Form WD-1), as prescribed by the Director of the Division of Taxation.

N.J.A.C. 18:15-2.8 Supportive and subordinate woodland presumption.

- (a) A wooded piece of property as described in the definition of subordinate woodland in N.J.A.C. 18:15-1.1 shall be presumed to be supportive and subordinate woodland when its area is less than the area of the farmland property qualifying for agricultural or horticultural uses other than the production for sale of trees and forest products, exclusive of Christmas trees.
- (b) An owner claiming farmland assessment for a wooded piece of property exceeding the amount set forth in (a) above as presumed to be supportive and subordinate woodland shall submit an explanation and additional proofs the assessor may require to support the claim that such woodland is supportive and subordinate.

EXHIBIT V-10: Rollback Tax Worksheet

FORM RBTW  
DIVISION OF TAXATION  
JUNE, 1988

**ROLL-BACK TAX WORKSHEET**

THIS FORM IS TO BE COMPLETED AND FILED BY THE ASSESSOR WITH A ROLL-BACK TAX COMPLAINT FORM OR WITHIN 5 DAYS OF NOTIFICATION BY THE COUNTY BOARD OF TAXATION THAT A COMPLAINT OF ROLL-BACK HAS BEEN FILED, AS THE CASE MAY BE.

Farm Town  
Municipality

1. Block(s) & Lot(s) of land subject of complaint Block 1, Lot 1
2. Area of land subject to roll-back tax assessment 10 Acres
3. Current owner's name and mailing address Mr. Developer
4. Year(s) roll-back tax would be applicable if change in use is determined.
- |             |             |             |
|-------------|-------------|-------------|
| <u>1989</u> | <u>1988</u> | <u>1987</u> |
| Year        | Year        | Year        |

A COPY OF THE TAX MAP IDENTIFYING THE LAND SUBJECT TO THE COMPLAINT MUST BE SUBMITTED WITH THIS FORM.

**ROLL-BACK COMPUTATION**

	<u>1989</u>	<u>1988</u>	<u>1987</u>
1. Full & Fair Value	\$ 500,000	450,000	400,000
2. X Common level percentage*	90%	95%	Revaluation Year
3. = Taxable Value if not assessed under P.L. 1964, c.48	\$ 450,000	427,500	400,000
4. - Assessment under the Farmland Assessment Act	\$ 9,000	8,900	8,800
5. = Assessment subject to roll-back tax	\$ 441,000	418,600	391,200
6. X Tax rate for each applicable roll-back tax year	\$ 1.90	1.82	1.75
7. = Roll-back taxes due	\$ 8,379	7,619	6,846

TOTAL AMOUNT OF PROJECTED ROLL-BACK TAXES \$ 22,844

\*COMMON LEVEL RANGE, pursuant to Section 5, Chapter 123, Laws of 1973, as amended by Chapter 51, Laws of 1979.

John Doe

Assessor's Signature

7/5/89

Date



EXHIBIT V-11: Complaint to Invoke Roll-back Taxes

FORM RBT  
DIVISION OF TAXATION  
JUNE, 1988

**COUNTY**  
**BOARD OF TAXATION**

**COMPLAINT TO INVOKE ROLL-BACK TAXES**  
(See reverse side for instructions and excerpts from statutes)

**SECTION A—LAND SUBJECT TO COMPLAINT**

1. Land located in \_\_\_\_\_ Municipality \_\_\_\_\_ County
2. Block(s) & Lot(s) of subject land \_\_\_\_\_
3. Owner of land \_\_\_\_\_
4. Owner's address \_\_\_\_\_
5. Size of land subject to change in use \_\_\_\_\_
6. Location of subject land \_\_\_\_\_
7. If known, this new tract was subdivided from: Block(s) & Lot(s) \_\_\_\_\_

**SECTION B—NATURE OF COMPLAINT**

1. Specify the nature of the change in use \_\_\_\_\_
2. Year of the change in use \_\_\_\_\_

**SECTION C—ROLL-BACK ASSESSMENTS (See Instruction No. 3)**

Tax Year	Qualified Farmland Assessment	Taxable Value if Not Q-Farm	Roll-back Assessment	Tax Rate	Projected Taxes
19 _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
19 _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
19 _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL PROJECTED TAXES</b>					\$ _____

**SECTION D—COMPLAINANT INFORMATION & SIGNATURE**

The complainant hereby alleges that the land herein described and assessed under the provisions of the Farmland Assessment Act of 1964 has changed to a use other than agricultural or horticultural.

Name of Complainant \_\_\_\_\_ Official Position (if any) \_\_\_\_\_

Address \_\_\_\_\_ Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

\_\_\_\_\_  
Signature of Complainant \_\_\_\_\_ Date \_\_\_\_\_

A COPY OF THIS COMPLAINT MUST BE FILED WITH THE \_\_\_\_\_ COUNTY BOARD OF TAXATION AND THE OWNER OF RECORD OF THE SUBJECT PROPERTY. NOTIFICATION OF THE TIME AND PLACE OF A HEARING ON THE ABOVE ROLL-BACK COMPLAINT WILL BE SENT BY THE BOARD TO ALL INTERESTED PARTIES.

## INSTRUCTIONS

1. This form is to be filed with the county board of taxation when it is alleged there is a change in the use of land, which is assessed under the provisions of the Farmland Assessment Act of 1964 (P.L. 1964, c.48), to a use other than agricultural or horticultural.
2. The complainant shall file the original of this form and a copy with the county board of taxation. A copy shall also be served by the complainant on the owner of the land which is the subject of the complaint.
3. If this complaint is filed by an individual in his or her capacity as a taxpayer of the municipality, Section C of the form does not have to be completed, unless the complainant taxpayer in addition to alleging a change in the use of the land is also prepared to submit evidence of such land's true value.

### **N.J.S.A. 54:4-23.8. Roll-back taxes; determination of amounts**

When land which is in agricultural or horticultural use and is being valued, assessed and taxed under the provisions of this act, is applied to a use other than agricultural or horticultural, it shall be subject to additional taxes, hereinafter referred to as roll-back taxes, in an amount equal to the difference, if any, between the taxes paid or payable on the basis of the valuation and the assessment authorized hereunder and the taxes that would have been paid or payable had the land been valued, assessed and taxed as other land in the taxing district, in the current tax year (the year of change in use) and in such of the 2 tax years immediately preceding, in which the land was valued, assessed and taxed as herein provided.

If in the tax year in which a change in use of the land occurs, the land was not valued, assessed and taxed under this act, then such land shall be subject to roll-back taxes for such of the 2 tax years, immediately preceding, in which the land was valued, assessed and taxed hereunder.

In determining the amounts of the roll-back taxes chargeable on land which has undergone a change in use, the assessor shall, for each of the roll-back tax years involved, ascertain:

- (a) The full and fair value of such land under the valuation standard applicable to other land in the taxing district;
- (b) The amount of the land assessment for the particular tax year by multiplying such full and fair value by the county percentage level, as determined by the county board of taxation in accordance with section 3 of P.L. 1960, chapter 51 (C.54:4-2.27);
- (c) The amount of the additional assessment on the land for the particular tax year by deducting the amount of the actual assessment on the land for that year from the amount of the land assessment determined under (b) hereof; and
- (d) The amount of the roll-back tax for that tax year by multiplying the amount of the additional assessment determined under (c) hereof by the general property tax rate of the taxing district applicable for that tax year.

### **N.J.S.A. 54:4-63.13. Hearing upon complaint, resolution or motion; notice; disbursements and per diem of collector of taxes**

On the written complaint of the collector of taxes, or any taxpayer, of the taxing district, or of the governing body thereof, or upon a resolution by the county board of taxation, of its own motion, the county board of taxation shall hear the matter. Any such complaint or motion shall specify the property alleged to have been omitted and the particular year of the assessment. At least five days notice in writing shall be given to the owner of the property of the time and place of the hearing and the notice shall specify the property alleged to have been omitted and the particular year of the assessment. The notice may be served by registered mail. The collector shall present such complaints and serve such notices as the governing body may direct and shall attend before the county board of taxation and subpoena proper witnesses and pay their fees. He shall receive reimbursement therefore and two dollars (\$2.00) for every day he shall attend for his services from the taxing district.

EXHIBIT V-12: Roll-back Assessment Notice of Hearing

FORM RBAH  
DIVISION OF TAXATION  
JUNE, 1988

**COUNTY  
BOARD OF TAXATION  
ROLL-BACK ASSESSMENT  
NOTICE OF HEARING**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_ 19 \_\_\_\_\_

Block(s) & Lot(s) \_\_\_\_\_  
\_\_\_\_\_

THE \_\_\_\_\_ COUNTY BOARD OF TAXATION has fixed \_\_\_\_\_

\_\_\_\_\_ as the date and time, and \_\_\_\_\_

\_\_\_\_\_ as the place that a hearing on the complaint

to invoke roll-back taxes will be heard.

Attached is a copy of the complaint filed with this Board. Your failure to appear at the herein scheduled hearing shall not preclude the Board from rendering judgment. The Board shall render judgment as shall be proper upon the proofs presented. If the Board approves the presented roll-back assessment or an adjusted assessment, such assessment will be listed on the next October 1 Omitted Assessment List. You will receive a tax bill from your local collector at least one week prior to the November 1 due date for payment of taxes.

Please advise the \_\_\_\_\_ County Board of Taxation by return mail of your intent to attend the hearing. If you do not plan to contest the complaint, your presence is not required.

\_\_\_\_\_  
COUNTY TAX ADMINISTRATOR





EXHIBIT V-13: Roll-back Memorandum of Judgment

FORM RMJ  
DIVISION OF TAXATION  
JUNE, 1988

**ROLL-BACK  
MEMORANDUM  
OF  
JUDGMENT**

\_\_\_\_\_  
Petitioner

vs

\_\_\_\_\_  
Respondent

A complaint in writing having been filed with the \_\_\_\_\_ County Board of Taxation that the property listed herein is subject to Roll-back Taxes pursuant to N.J.S.A. 54:4-23.8 and same having been heard on 19 \_\_\_\_.

It is therefore on this date \_\_\_\_\_, 19\_\_\_\_, ORDERED, ADJUDGED and DECREED that a Roll-back Tax Assessment be entered as follows on the 19\_\_\_\_. Omitted Assessment List:

Block and Lot	Year	Qualified Farmland Assessment	Non-Qualified Taxable Value	Roll-back Assessment	Tax Rate	Amount of Taxes
				Total Rollback Taxes		

It is further ORDERED that a copy of this Judgment be sent to the Assessor and Collector of the Taxing Municipality and the Owner of Property.

ROLL-BACK TAXES ARE PAYABLE TO THE TAXING MUNICIPALITY UPON RECEIPT OF A BILL FROM THE COLLECTOR OF THAT MUNICIPALITY.

COUNTY BOARD OF TAXATION

ATTEST: \_\_\_\_\_  
County Tax Administrator

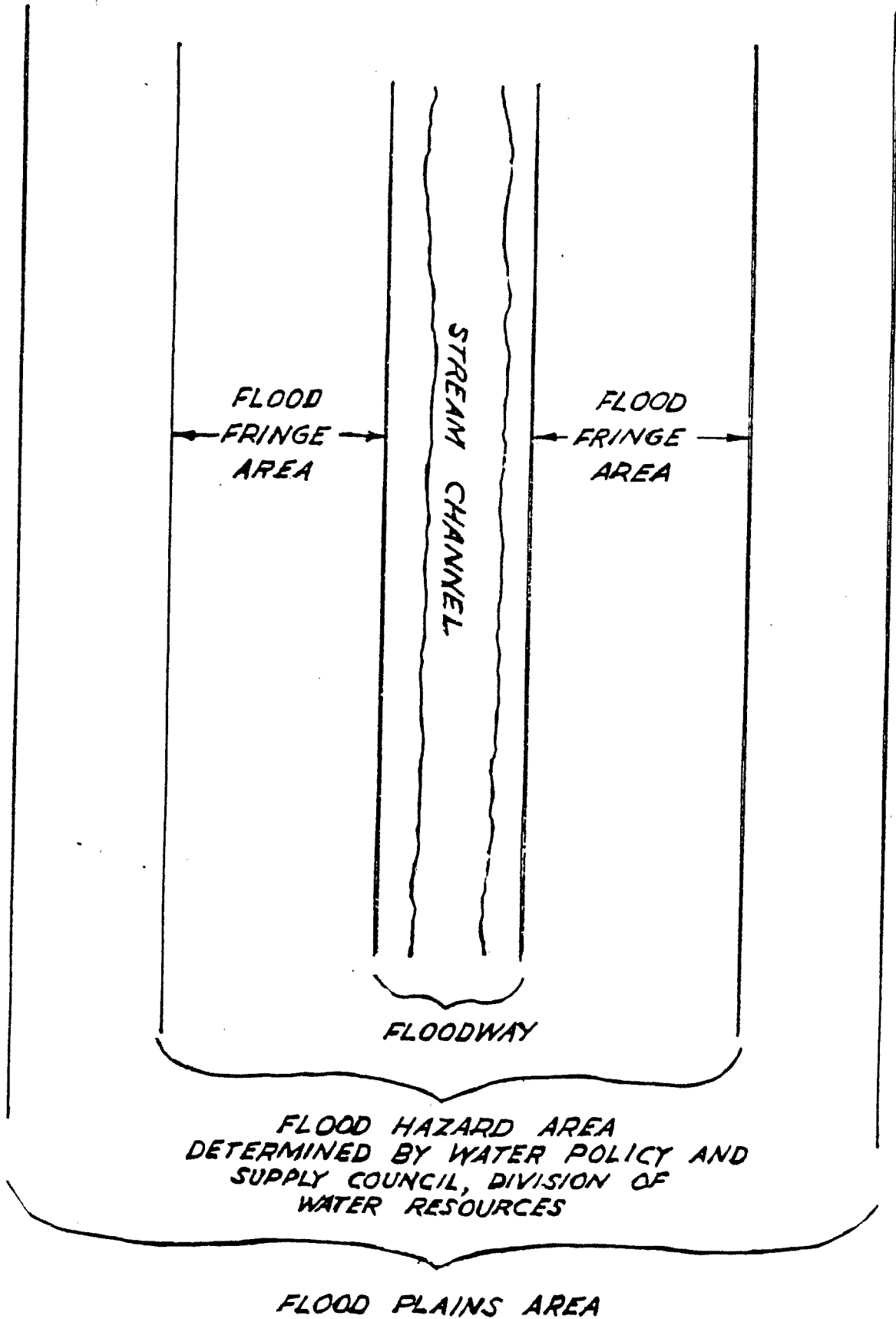
DATE MAILED: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**FILING COMPLAINT WITH TAX COURT**

The Judgment of the County Board of Taxation may be appealed to the Tax Court of New Jersey by filing a complaint with the Clerk of the Tax Court within 45 days from the date of the service of the judgment (date of mailing). The Tax Court of New Jersey is located at the Richard J. Hughes Complex, 25 Market Street, Trenton, New Jersey 08625. Mailing Address: CN 972, Trenton, New Jersey 08625.

EXHIBIT V-14: Illustration of Flood Plains Area Designation



## PERSONAL PROPERTY ASSESSMENT

## 601. Background

601.1 At the present time the only personal property listed and assessed by the tax assessor is machinery and equipment exclusive of inventories, used in the business of "local exchange telephone companies", telegraph and messenger systems companies. "Local exchange telephone companies" are defined as telecommunications carriers providing dial tone and access to substantially all of a local telephone exchange. Prior to 1966, however, almost all tangible personal property was taxable locally. During 1966 legislation was enacted which exempted household personal property, personal property not used in business other than household personal property, personal property used in the business of farming and all goods held as inventory. As a result of the 1966 legislation business personal property, exclusive of inventories, except that used in the business of telephone, telegraph, and messenger systems corporations, is to be assessed, and the taxes therefrom collected by the Director of the Division of Taxation. The taxes lost to municipalities through removal of authority to assess most types of personal property were replaced by revenue raised from four State administered taxes: (1) a tax on unincorporated businesses; (2) a tax on business personal property; (3) a tax on retail gross receipts; and (4) an increase in the corporation business tax.

Municipalities were assured they would receive no less than the largest amount each respectively had received in any of the four years of 1964, 1965, 1966 or 1967 from the local levy on personal property. Subsequently (1976) as part of the New Jersey Gross Income Tax Act the law was changed to pro-

vide for annual State distribution of replacement revenues to municipalities which would not be less than those which were certified by the Director of the Division of Taxation for payment to municipalities on October 15, 1976. At the same time the Unincorporated Business Tax and the Retail Gross Receipts Tax were repealed. More recently (1989) legislation limited the taxation of telephone companies to "local exchange telephone companies" which are defined as telecommunication's carriers providing dial tone and access to substantially all of a local telephone exchange. In addition to the State administered taxes described, certain business personal property remained subject to assessment at the municipal level (see paragraph 602.13 and section 603.1 et seq.)

REFERENCES:

Local Property Tax Bureau News, July-August, 1966, p.1.

602. Basis of Personal Property Assessment

602.1 Statutory provisions. As a general rule, personal property is all property which is not attached to the land or to a building, structure, or improvement to the land in some permanent manner. It includes all movable machinery or equipment which is not constructed as an integral part of the building, structure, or super-structure, and which is removable without material injury. Any tank having a capacity of more than 30,000 gallons is deemed to be real property. The line of demarcation between real and personal property is not always clear. In doubtful cases, assessors should consult their municipal attorneys for guidance (See: Section 204.2).

Although some tangible personal property is taxable in New Jersey, intangible personal property, such as cash, accounts receivable, and securities has not been taxable under the property tax laws of this State since 1945.

The Constitution of New Jersey provides that all property shall be assessed under general laws and by uniform rules, and that real property shall be assessed according to the "same standard of value." Since personal property is not subject to the "same standard of value" requirement applicable to real property, the Legislature, in adopting general laws and uniform rules with respect to the assessment of personal property, has, over the years, provided for differing treatment for several major categories of tangible personal property such as: household personal property and personal effects; personal property not used in business other than household personal property; personal property, excepting inventories, used in the business of local exchange telephone, telegraph and messenger systems companies; and personal property used in all other types of business, excepting inventories, motor vehicles and farm personal property.

REFERENCES:

Constitution of New Jersey, Article VIII, Section 1, Paragraph 1.  
Exemption of Intangible Personal Property, Chapter 163, Laws of 1945;  
Chapter 2, Laws of 1989.  
N.J.S.A. 54:4-1.  
N.J.A.C. 18:12-10.2

602.11 Household personal property and effects. Household personal property and personal effects were taxable by local assessors for many years. Statutes enacted in 1960 provided for the optional elimination by municipal ordinance of assessments against household personal property and personal effects. The majority of New Jersey municipalities voluntarily eliminated household personal property assessments, so that by tax year 1966 only 12 municipalities assessed this type of personal property. Beginning with the tax year 1967 the Legislature eliminated the assessment of household personal property and personal effects altogether. This exemption continues in force

at this time.

REFERENCES:

Local Property Tax Bureau News, April-May, 1966, p. 1; April-May, 1967, p. 4.

602.12 Personal property not used in business other than household personal property. Personal property of this type was eliminated from taxation in 1966 by Act of the Legislature.

602.13 Local exchange telephone, telegraph and messenger systems companies personal property. Business personal property of this type, except for inventories, is assessable at the local level by the tax assessor. Taxable value of this class of personal property is calculated by the local tax assessor, is placed in the tax list, and becomes part of the ratables of the municipality in which it is situated. (see Section 603.1 et seq.).

REFERENCES:

N.J.S.A. 54:4-1, 54:4-2.44 et seq.

602.14 Other business personal property. Machinery and equipment situated in New Jersey is assessed and taxed by the Division of Taxation, State of New Jersey. Owners of business personal property other than telephone, telegraph and certain messenger systems companies are required to file with the Division of Taxation a statement (Form BPT-1, see Exhibit VI-1) showing the original cost of their personal property used in business. Business inventories are not required to be reported and are not taxed, nor are motor vehicles or any personal property used in the business of farming.

- (1) The tax imposed is calculated by multiplying a rate of \$1.30 per hundred dollars times 50% of the original cost of personal property used in business.
- (2) Acquisitions of machinery and equipment by businesses after January 1, 1977 are not required to be reported, and are thereby effectively eliminated from impingement of the tax on business personal property.

(3) An individual who is a qualified veteran and is also the owner of taxable business personal property may apply his \$50 veteran deduction or any portion thereof against the tax levied against him as the owner of business personal property.

REFERENCES:

N.J.S.A. 54:11A-1 et seq.

Constitution of New Jersey, Article VIII, Section 1, paragraph 3.

603. Local Assessment of Personal Property Used in Business

603.1 Taxpayers subject to local business personal property assessment. Taxpayers subject to local assessment for their business personal property are local exchange telephone, telegraph and messenger service companies, corporations and associations who are subject to franchise taxes on their gross receipts (Chapter 4, Laws of 1940). Examples of such taxpayers are New Jersey Bell Telephone Company, Western Union Company, Inc., and others.

REFERENCES:

N.J.S.A. 54:4-1, 54:4-2.44 et seq.

603.2 Standard of value. The standard of value at which locally assessable business personal property is to be assessed is the true value of the property. The true value is the original cost of the business personal property less depreciation as shown on the books and records of the company owning the personal property. The true value of business personal property to be reported by the taxpayer may not be less than 20% of its original cost so long as it remains in use.

REFERENCES:

N.J.S.A. 54:4-2.44, 54:4-2.45.

603.3 Assessment date. The true value or net book value of business personal property is to be determined annually as of January 1. This date is the date as of which assessment is to be made with respect to the taxes pay-



able in the succeeding year. Therefore the assessment date for business personal property taxes to be placed on the 1980 list is January 1, 1979.

REFERENCES:

N.J.S.A. 54:4-2.45, 54:4-2.46.

603.4 Taxpayers required to file a return. Each local exchange telephone, telegraph and messenger system company, corporation or association subject to Franchise Tax and owning tangible goods and chattels, exclusive of inventories, is required to file a return annually with the tax assessor. The return form, which is promulgated by the Director of the Division of Taxation, is designated Form PT-10 (See Exhibits VI-2 and VI-3). Since only a few of such forms are needed for each taxing district, the Local Property and Public Utility Branch furnishes the Form PT-10 to taxpayers required to report their personal property to local tax assessors.

REFERENCES:

N.J.S.A. 54:4-2.48.

603.41 Separate returns required. Taxpayers required to file a return must file a separate return with the tax assessor of each municipality in which they hold tangible personal property used in business, exclusive of inventories, which is owned by them on the assessment date.

REFERENCES:

N.J.S.A. 54:4-2.48.

603.42 Due date for filing return forms. The return Form PT-10 must be filed by the taxpayer on or before September 1, of the pretax year with the assessor of the taxing district in which business personal property is located.

REFERENCES:

N.J.S.A. 54:4-2.48.

603.43 Extension of time for filing. The assessor may, upon request made to him on or before September 1 of the pretax year provided good cause is shown, extend the time to file a Form PT-10 up to the end of a 2-month period

next following September 1 of the pretax year.

REFERENCES:

N.J.S.A. 54:4-2.49.

603.5 Value to be reported. The value of depreciable machinery, implements and equipment as reported to the Internal Revenue Service for federal income tax purposes for the year immediately prior to the tax year for which the PT-10 is being filed is the value which must be reported and which forms the basis for calculation of the taxable value of this type of property (See line 8, Exhibits VI-2 and VI-3).

REFERENCES:

N.J.S.A. 54:4-2.45.

Form PT-10, Instructions To Taxpayer, 3.

603.51 Property depreciated below 80% of original cost but not fully depreciated. The figure, developed by taking the difference between 20% of the original cost of this category of business personal property and the amount reported in with the original total of depreciated personal property but depreciated beyond 80% of its original cost, must be reported on the PT-10 return form (See line 6, Exhibit VI-2).

REFERENCES:

N.J.S.A. 54:4-2.45.

Form PT-10, Instructions To Taxpayer.

603.52 Property fully depreciated. Taxable personal property which has been fully depreciated on the taxpayer's books but which was in use or being held for use must be reported at not less than 20% of original cost to the taxpayer (See line 7, Exhibits VI-2 and VI-3)

REFERENCES:

N.J.S.A. 54:4-2.44, 54:4-2.45.

Form PT-10, Instructions To Taxpayer, 5.

603.53 Assessor to review Form PT-10. Once filed by the taxpayer, the assessor must review and audit the figures contained on the Form PT-10 filed with him. This review and audit must be completed by January 10 at which time the taxable value of business personal property is placed on the tax list and becomes a part of the ratables of the municipality.

REFERENCES:

N.J.S.A. 54:4-2.48.

603.54 Power of subpoena. The assessor and the county board of taxation have the power to subpoena any person or officer of a corporation to appear and produce any books and papers concerning the taxable property of persons or corporations. If a person refuses to comply with the subpoena, the assessor may apply to the Superior Court or County Court for an order compelling appearance. The person so subpoenaed may be examined under oath by the assessor.

REFERENCES:

N.J.S.A. 54:4-16, 54:4-17.

603.6 Taxable situs. Business personal property subject to taxation locally is to be taxed in the taxing district where it has acquired permanent location. This is a question of fact which must be resolved by consideration of all the circumstances in the particular case. Situs for tax purposes does not include property found temporarily, casually or in mere transition in the community.

603.7 Penalties. In any situation where a taxpayer owning personal property used in the business of a local exchange telephone, telegraph or messenger systems companies refuses or neglects to file a return Form PT-10, the tax assessor should value the taxpayer's taxable personal property at such an amount as the assessor may, from any information available to him, reasonably determine to be the taxable value of such property. A taxpayer who does not file a

Form PT-10 by September 1 of the pretax year will be penalized \$100.00 for each day the form remains unfiled beyond that date. However, the total of the penalty may not exceed 25% of the amount of the tax, or \$100 whichever of these two amounts is the greater. The penalties are to be assessed by the assessor and are to be added to and become a part of the tax. As with the regular property tax, any penalties once imposed and assessed by the are payable to and recoverable by the tax collector.

REFERENCES:

N.J.S.A. 54:4-2.49.

603.8 Calculation of the tax. Taxable value of locally assessed personal property used in business is to be calculated by the tax assessor from figures contained on the Form PT-10 once the assessor is satisfied as to the correctness of those figures. The method of calculating the taxable value will differ depending upon whether or not a revaluation or reassessment has been placed upon the tax list for the particular year at issue.

REFERENCES:

N.J.S.A. 54:4-2.47.

Form PT-10, Instructions To Assessor, A and B.

603.81 Where no revaluation or reassessment has been implemented. To calculate the taxable value of personal property used in business for a municipality which has not placed a revaluation on its tax list, the lower of the county percentage level or the Director's State school aid ratio promulgated October 1 of the pretax year shall be multiplied times the net book value (line 8, Form PT-10 Exhibit VI-2) reported by the taxpayer. Exhibit VI-2 shows a completed return form with a taxable value calculated for an un-revalued taxing district.

REFERENCES:

N.J.S.A. 54:4-2.47.

Form PT-10, Instruction To Assessor, B.

603.82 Where a revaluation or reassessment has been implemented. To calculate the taxable value of personal property used in business in cases where a district-wide adjustment of real property taxable values has been placed in effect to conform to the percentage level established in the county, the percentage level so established will be multiplied times the net book value (line 8, Form PT-10 Exhibit VI-3) reported by the taxpayer. Exhibit VI-3 shows a completed return form with a taxable value calculated for a taxing district which has completed and placed a revaluation on its tax list, in a county where the county board of taxation has established a 100% percentage level.

REFERENCES:

N.J.S.A. 54:4-2.47.

Form PT-10, Instructions To Assessor, A.

603.9 Listing of personal property used in business. Upon completion of the review and audit of figures filed with him by business personal property taxpayers, and once having calculated the taxable values of personal property used in business, the assessor shall include such taxable values in his tax list and duplicate to be filed with the county board of taxation January 10 of the tax year.

REFERENCES:

N.J.S.A. 54:4-2.49.

603.91 Tax rate to be applied. The taxable value of personal property used in business (see 603.81 or 603.82) is to be multiplied by and taxed at the general tax rate of the taxing district in which such personal property is found.

REFERENCES:

N.J.S.A. 54:4-2.47, 54:4-2.48.

604. Equalization of Locally Assessed Personal Property Used in Business

604.1 County equalization. Locally assessed business personal property is equalized separately from real property by each county board of taxation, and is shown separately in the equalization table promulgated by each county board of taxation.

REFERENCES:

N.J.S.A. 54:3-17(f) through (i).

604.11 Aggregate assessed value. The assessed value of all individual items of locally assessed business personal property in each separate municipality are verified and are totaled to develop an aggregate assessed value for such property for each municipality respectively.

REFERENCES:

N.J.S.A. 54:3-17.

604.12 Aggregate true value. The county board of taxation calculates the aggregate true value of locally assessed business personal property by dividing the aggregate assessed value of such property in each particular taxing district in the county by the lower of either the county percentage level or the Director's State School Aid Ratio promulgated October 1 of the pretax year.

REFERENCES:

N.J.S.A. 54:3-17.

604.13 Aggregate equalized valuation. The aggregate equalized valuation of locally assessed business personal property is computed by multiplying the aggregate true value of such property (see paragraph 604.12) by either the county percentage level or the Director's State School Aid Ratio promulgated October 1 of the pretax year. Whichever of the two percentages is the lower is that percentage which is used in the calculation.

REFERENCES:

N.J.S.A. 54:3-17.

604.2 State equalization. The taxable value of locally assessed business personal property is added to and becomes a part of the equalized valuation for each taxing district in which it is situated. In the Director's Table of Equalized Valuations the aggregate assessed value of business personal property is added to the equalized value of real property for each taxing district. To this sum the true value of Class II railroad property is further added to arrive at a taxing district's equalized value.

REFERENCES:

N.J.S.A. 54:1-35.2.

# EXHIBITS

Handbook for New Jersey Assessors



EXHIBIT VI-1: Business Personal Property Return Form BPT-1

FRONT

19  
BPT

FOR OFFICIAL USE ONLY

ANNUAL  
RETURN

NEW JERSEY BUSINESS PERSONAL PROPERTY TAX

THIS RETURN DUE FEBRUARY 15, \_\_\_\_\_ OMT CENTS - LINES 1 TO 4

MAKE CHECKS PAYABLE TO:  
STATE OF NEW JERSEY - BPPT  
CN-242  
TRENTON, N.J. 08646-0242

IDENTIFICATION NUMBER \_\_\_\_\_  
NAME \_\_\_\_\_  
TRADE NAME (IF APPLICABLE) \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY AND STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

BPT-1 M (REV. 2-88)

1	ORIGINAL COST - DO NOT INCLUDE REAL PROPERTY, INVENTORIES OR OTHER EXEMPT PROPERTY LISTED AT INST. 1C	\$	
2	POLLUTION ABATEMENT EQUIPMENT - SEE INST. 2		
3	TAXABLE PROPERTY - LINE 1 LESS LINE 2 - SEE INST. 3	\$	
4	TAXABLE VALUE - 50% OF LINE 3 - SEE INST. 4	\$	
5	TAX RATE - (\$1.30 PER \$100.00) - SEE INST. 5		.013
6	TAX LIABILITY - LINE 4 MULTIPLIED BY LINE 5 - SEE INST. 6	\$	
7	VETERAN'S TAX DEDUCTION - (\$50.00 MAXIMUM) SEE INST. 7		
8	TAX LIABILITY - LINE 6 LESS LINE 7 - SEE INST. 8	\$	
9	PENALTY AND INTEREST		
10	AMOUNT DUE - SEE INST. 10	\$	
	FOR OFFICIAL USE ONLY		

BOTH SIDES OF THIS RETURN MUST BE COMPLETED.

BACK

DID YOU HAVE IN YOUR POSSESSION ON OCTOBER 1, OF LAST YEAR, ANY ITEMS OF TANGIBLE PERSONAL PROPERTY WHICH WERE LEASED BY YOU FROM ANOTHER BUSINESS ENTITY? ( ) YES ( ) NO - SEE INSTRUCTION 1C, ITEM 6. IF YES, SUBMIT A RIDER INDICATING THE FULL NAME AND ADDRESS OF THE LESSOR (OWNER) AND A DESCRIPTION OF THE PROPERTY.

DATE TAXPAYER COMMENCED DOING BUSINESS IN NEW JERSEY \_\_\_\_\_ MO. \_\_\_\_\_ YR.

DATE TAXPAYER CEASED OWNING TAXABLE PERSONAL PROPERTY IN NEW JERSEY \_\_\_\_\_ MO. \_\_\_\_\_ YR.

IF TAXPAYER HAS SOLD ITS BUSINESS OR OTHERWISE TRANSFERRED ITS ASSETS PRIOR TO OCTOBER 1, OF LAST YEAR, INDICATE HERE THE DATE OF SALE OR TRANSFER AND NAME OF THE PURCHASER OR TRANSFEREE.

Under the penalties of perjury, I declare that I have examined this return, including accompanying schedules and to the best of my knowledge and belief, it is true, correct, and complete. If prepared by a person other than taxpayer, this declaration is based on all information of which the preparer has any knowledge.

DATE \_\_\_\_\_ TAXPAYER'S SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_  
DATE \_\_\_\_\_ PREPARER'S SIGNATURE, (IF OTHER THAN TAXPAYER) \_\_\_\_\_ ADDRESS \_\_\_\_\_  
PREPARER'S I.D. NO. \_\_\_\_\_

EXHIBIT VI-2  
Unrevalued Taxing District

FORM PT-10

Assessor's Code No.  
1989-5

TAX  
YEAR 1990

RETURN OF TANGIBLE PERSONAL PROPERTY USED IN BUSINESS  
BY

LOCAL EXCHANGE TELEPHONE COMPANIES, AND TELEGRAPH AND MESSENGER SYSTEMS, COMPANIES,  
CORPORATIONS OR ASSOCIATIONS SUBJECT TO TAX UNDER CHAPTER 4 LAWS OF 1940, AS AMENDED  
(N.J.S.A. 54:4-1, as amended)

Clearwater Township  
Taxing District (Municipality)

Sussex, New Jersey  
County

FORWARD THIS RETURN ON OR BEFORE SEPTEMBER 1, 1989 TO THE MUNICIPAL ASSESSOR 7

Taxpayer's Name and Address (Type or Print)

Assessor's Address

Loud and Clear Telephone Company, Inc.  
620 Broad Street  
Elizabeth, New Jersey

Harvey Baker  
Municipal Building  
Clearwater, New Jersey

Name and address of person or office to be contacted for information regarding this return.

SCHEDULE A - DEPRECIATED VALUE OF MACHINERY, EQUIPMENT, FURNITURE, FIXTURES AND OTHER DEPRECIABLE  
PERSONAL PROPERTY TAXABLE IN THIS TAXING DISTRICT AS OF JANUARY 1, 1989.

ITEM	VALUE
1. Original cost of taxable Tangible Personal Property Used in Business, owned as of January 1, 1989.	\$ 525,000.
2. Depreciation reserve on taxable Tangible Personal Property Used in Business allowed as of January 1, 1989.	225,000.
3. Net Value. (line 1 minus line 2).	\$ 300,000.
4. Adjustments. (See Instruction 4).	-----
5. Adjusted net value. (line 3 plus or minus line 4).	\$ 300,000.
6. Additional value of depreciable personal property in use, or held for use, and depreciated below 80% of original cost to the taxpayer, but not fully depreciated as of January 1, 1989. Enter 20% of original cost of such depreciable property, less net value of such property included in line 5. (See line below, for treatment of property fully depreciated).	15,000.
7. 20% of original cost to the taxpayer of personal property in use or held for use and fully depreciated as of January 1, 1989. (See Instruction 5).	10,000.
8. Total Net Value, January 1, 1989. (Total of Lines 5, 6 and 7).	\$ 325,000.

FOR ASSESSOR'S USE ONLY

SCHEDULE B - TAXABLE VALUE COMPUTATION

1. Total net value, January 1, 1989. (from line 8 schedule A).	\$ 325,000.
2. Applicable percent - (See Instructions to Assessor).	92.54%
3. Taxable value - line 1 multiplied by line 2.	\$ 300,755.

SIGNATURE AND VERIFICATION

The undersigned declares under the penalties provided by law, that this return (including any accompanying schedules and statements) has been examined by him and to the best of his knowledge and belief is a true, correct, and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has knowledge.

_____ (Date)	_____ (Signature of Taxpayer or Officer of Taxpayer)	_____ (Title)
_____ (Date)	_____ (Signature of Individual or Firm Preparing Return)	_____ (Address)

PENALTIES - TO AVOID PENALTIES EVERY TAXPAYER MUST FILE THIS RETURN WITH THE ASSESSOR ON OR BEFORE SEPTEMBER 1, 1989. (SEE INSTRUCTION 9).

## INSTRUCTIONS TO TAXPAYER

### 1. TAXPAYERS REQUIRED TO FILE RETURN:

- a. Only local exchange telephone companies, and telegraph and messenger systems, companies, corporations and associations subject to tax under Chapter 4, laws of 1940, as amended and owning tangible goods and chattels, exclusive of inventories, are required to file a return. ("Local exchange telephone company" means a telecommunications carrier providing dialtone and access to substantially all of a local telephone exchange)
- b. Taxpayers required to file this return must file a separate return in each municipality in which tangible personal property used in business, exclusive of inventories, was owned as of the assessment date.

### 2. DUE DATE FOR FILING RETURN FORMS:

The return form must be filed on or before September 1, 1989 with the assessor for the taxing district in which the business personal property is located.

### 3. DEPRECIATION:

- a. Except as may be otherwise provided by regulation, net value for depreciable personal property shall be the depreciated value of such property as reported to the Internal Revenue Service for Federal Income Tax purposes in accordance with the Internal Revenue Code of 1954 and the rules and regulations promulgated thereunder, in effect on January 1, 1989 for the last complete reporting year immediately preceding the listing date, and adjusted to such listing date for additional depreciation, additions and disposals.
- b. If requested by the assessor, taxpayer must furnish Depreciation Schedule filed with the Federal Income Tax return for the calendar year 1988 or for the latest fiscal year ended prior to January 1, 1989.

### 4. ADJUSTMENTS:

Any adjustments entered on line 4 of Schedule A must be fully explained in writing and attached to the return form.

### 5. PROPERTY FULLY DEPRECIATED:

Include in this item not less than 20 percent of original cost of tangible personal property used in business which had been fully depreciated but which, as of the assessment date, remained in use or was held for use.

### 6. GROUP AND COMPOSITE ACCOUNTS:

A taxpayer holding items of like property in more than one taxing district may apply to the Director of the Division of Taxation for permission to report net value on the basis of average valuations of such property in group or composite accounts. He must show that it is impractical to report separately with respect to each item.

### 7. PERSONAL LIABILITY OF OWNERS OF TANGIBLE PERSONAL PROPERTY USED IN BUSINESS FOR TAX:

The person owning tangible personal property used in business is personally liable for the tax due thereon [N.J.S.A. 54:4 - 2.47(b)].

### 8. TAXABLE SITUS:

Tangible personal property used in business and subject to taxation is assessable and taxable in the taxing district where such property is "found" [N.J.S.A. 54:4 - 2.47 (b)]. As a general rule, property is "found" in the taxing district where it has acquired a permanent location. This is a question of fact which must be resolved by consideration of all the circumstances in the particular case.

### 9. PENALTIES:

If any taxpayer shall refuse or neglect to file a return as required by section 54:4-2.48 of the Revised Statutes, the assessor shall value the taxable personal property of such taxpayer at such amount as he may, from any information in his possession or available to him, reasonably determine to be the taxable value at which such property is assessable. Any taxpayer who fails or neglects to file a return within the time required shall be assessed a penalty of \$100.00 for each day of such delinquency, but not in excess of the greater of \$100.00 or 25% of the tax. All penalties shall be added to and become part of the tax and shall be enforceable and collectible in the same manner as the tax or pursuant to the penalty enforcement law (Chapter 58 of Title 2A of the New Jersey Statutes) in a summary manner. Such penalties shall be assessed by the assessor and be payable to and recoverable by the tax collector of the taxing district. The assessor, upon request made on or before the last date for filing any return as fixed by law, may extend the time to file such return to a date not later than the end of a 2-month period next following such last date for filing, for good cause shown. (N.J.S.A. 54:4 - 2.49).

## INSTRUCTIONS TO ASSESSOR

- A. For those taxing districts which shall have completed and put into operation for the tax year 1990 a district-wide adjustment of real property taxable valuations to conform to the percentage level, established for expressing the taxable value of real property in the county, and if a statement to such effect has been included by the assessor in the affidavit prescribed by section 54:4-36 of the Revised Statutes, the average ratio to be entered in line 2, Schedule B shall be the same level as is established for the taxable value of real property in the county (county percentage level).

- B. For those taxing districts not meeting the requirements set forth in paragraph A above for the tax year 1990 there shall be entered in line 2, Schedule B the lower of the 1989 county percentage level or the average ratio of assessed to true value of real property in the taxing district promulgated by the Director of the Division of Taxation as of October 1, 1989 for State school aid purposes pursuant to C.86, P.L. 1954 (N.J.S.A. 54:1-35.1 et seq.). If the Director's 1989 average ratio is the lower, it shall not be rounded off but shall be used exactly as published by the Director.

EXHIBIT VI-3  
Revalued Taxing District

FORM PT-10

TAX  
YEAR 1990

RETURN OF TANGIBLE PERSONAL PROPERTY USED IN BUSINESS  
BY

Assessor's Code No.  
6712-3

LOCAL EXCHANGE TELEPHONE COMPANIES, AND TELEGRAPH AND MESSENGER SYSTEMS, COMPANIES,  
CORPORATIONS OR ASSOCIATIONS SUBJECT TO TAX UNDER CHAPTER 4 LAWS OF 1940, AS AMENDED  
(N.J.S.A. 54:4-1, as amended)

Meadewell Borough  
Taxing District (Municipality)

Monmouth, New Jersey  
County

FORWARD THIS RETURN ON OR BEFORE SEPTEMBER 1, 1989 TO THE MUNICIPAL ASSESSOR

Taxpayer's Name and Address (Type or Print)

Assessor's Address

Loud and Clear Telephone Company  
620 Broad Street  
Elizabeth, New Jersey

Clifford Latshaw  
Municipal Building  
Meadewell, New Jersey

Name and address of person or office to be contacted for information regarding this return.

SCHEDULE A - DEPRECIATED VALUE OF MACHINERY, EQUIPMENT, FURNITURE, FIXTURES AND OTHER DEPRECIABLE  
PERSONAL PROPERTY TAXABLE IN THIS TAXING DISTRICT AS OF JANUARY 1, 1989.

ITEM	VALUE
1. Original cost of taxable Tangible Personal Property Used in Business, owned as of January 1, 1989.	\$ 450,000.
2. Depreciation reserve on taxable Tangible Personal Property Used in Business allowed as of January 1, 1989.	200,000.
3. Net Value. (line 1 minus line 2).	\$ 250,000.
4. Adjustments. (See Instruction 4).	-----
5. Adjusted net value. (line 3 plus or minus line 4).	\$ 250,000.
6. Additional value of depreciable personal property in use, or held for use, and depreciated below 80% of original cost to the taxpayer, but not fully depreciated as of January 1, 1989. Enter 20% of original cost of such depreciable property, less net value of such property included in line 5. (See line below, for treatment of property fully depreciated).	10,000.
7. 20% of original cost to the taxpayer of personal property in use or held for use and fully depreciated as of January 1, 1989. (See Instruction 5).	5,000.
8. Total Net Value, January 1, 1989. (Total of Lines 5, 6 and 7).	\$ 265,000.

FOR ASSESSOR'S USE ONLY

SCHEDULE B - TAXABLE VALUE COMPUTATION

1. Total net value, January 1, 1989. (from line 8 schedule A).	\$ 265,000.
2. Applicable percent - (See Instructions to Assessor).	100%
3. Taxable value - line 1 multiplied by line 2.	\$ 265,000.

SIGNATURE AND VERIFICATION

The undersigned declares under the penalties provided by law, that this return (including any accompanying schedules and statements) has been examined by him and to the best of his knowledge and belief is a true, correct, and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has knowledge.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Taxpayer or Officer of Taxpayer)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Individual or Firm Preparing Return)

\_\_\_\_\_  
(Address)

PENALTIES - TO AVOID PENALTIES EVERY TAXPAYER MUST FILE THIS RETURN WITH THE ASSESSOR ON OR BEFORE  
SEPTEMBER 1, 1989. (SEE INSTRUCTION 9).

## INSTRUCTIONS TO TAXPAYER

### 1. TAXPAYERS REQUIRED TO FILE RETURN:

- a. Only local exchange telephone companies, and telegraph and messenger systems, companies, corporations and associations subject to tax under Chapter 4, laws of 1940, as amended and owning tangible goods and chattels, exclusive of inventories, are required to file a return. ("Local exchange telephone company" means a telecommunications carrier providing dialtone and access to substantially all of a local telephone exchange)
- b. Taxpayers required to file this return must file a separate return in each municipality in which tangible personal property used in business, exclusive of inventories, was owned as of the assessment date.

### 2. DUE DATE FOR FILING RETURN FORMS:

The return form must be filed on or before September 1, 1989 with the assessor for the taxing district in which the business personal property is located.

### 3. DEPRECIATION:

- a. Except as may be otherwise provided by regulation, net value for depreciable personal property shall be the depreciated value of such property as reported to the Internal Revenue Service for Federal Income Tax purposes in accordance with the Internal Revenue Code of 1954 and the rules and regulations promulgated thereunder, in effect on January 1, 1989 for the last complete reporting year immediately preceding the listing date, and adjusted to such listing date for additional depreciation, additions and disposals.
- b. If requested by the assessor, taxpayer must furnish Depreciation Schedule filed with the Federal Income Tax return for the calendar year 1988 or for the latest fiscal year ended prior to January 1, 1989.

### 4. ADJUSTMENTS:

Any adjustments entered on line 4 of Schedule A must be fully explained in writing and attached to the return form.

### 5. PROPERTY FULLY DEPRECIATED:

Include in this item not less than 20 percent of original cost of tangible personal property used in business which had been fully depreciated but which, as of the assessment date, remained in use or was held for use.

### 6. GROUP AND COMPOSITE ACCOUNTS:

A taxpayer holding items of like property in more than one taxing district may apply to the Director of the Division of Taxation for permission to report net value on the basis of average valuations of such property in group or composite accounts. He must show that it is impractical to report separately with respect to each item.

### 7. PERSONAL LIABILITY OF OWNERS OF TANGIBLE PERSONAL PROPERTY USED IN BUSINESS FOR TAX:

The person owning tangible personal property used in business is personally liable for the tax due thereon [N.J.S.A. 54:4 - 2.47(b)].

### 8. TAXABLE SITUS:

Tangible personal property used in business and subject to taxation is assessable and taxable in the taxing district where such property is "found" [N.J.S.A. 54:4 - 2.47 (b)]. As a general rule, property is "found" in the taxing district where it has acquired a permanent location. This is a question of fact which must be resolved by consideration of all the circumstances in the particular case.

### 9. PENALTIES:

If any taxpayer shall refuse or neglect to file a return as required by section 54:4-2.48 of the Revised Statutes, the assessor shall value the taxable personal property of such taxpayer at such amount as he may, from any information in his possession or available to him, reasonably determine to be the taxable value at which such property is assessable. Any taxpayer who fails or neglects to file a return within the time required shall be assessed a penalty of \$100.00 for each day of such delinquency, but not in excess of the greater of \$100.00 or 25% of the tax. All penalties shall be added to and become part of the tax and shall be enforceable and collectible in the same manner as the tax or pursuant to the penalty enforcement law (Chapter 58 of Title 2A of the New Jersey Statutes) in a summary manner. Such penalties shall be assessed by the assessor and be payable to and recoverable by the tax collector of the taxing district. The assessor, upon request made on or before the last date for filing any return as fixed by law, may extend the time to file such return to a date not later than the end of a 2-month period next following such last date for filing, for good cause shown. (N.J.S.A. 54:4 - 2.49).

## INSTRUCTIONS TO ASSESSOR

A. For those taxing districts which shall have completed and put into operation for the tax year 1990 a district-wide adjustment of real property taxable valuations to conform to the percentage level, established for expressing the taxable value of real property in the county, and if a statement to such effect has been included by the assessor in the affidavit prescribed by section 54:4-36 of the Revised Statutes, the average ratio to be entered in line 2, Schedule B shall be the same level as is established for the taxable value of real property in the county (county percentage level).

B. For those taxing districts not meeting the requirements set forth in paragraph A above for the tax year 1990 there shall be entered in line 2, Schedule B the lower of the 1989 county percentage level or the average ratio of assessed to true value of real property in the taxing district promulgated by the Director of the Division of Taxation as of October 1, 1989 for State school aid purposes pursuant to C.86, P.L. 1954 (N.J.S.A. 54:1-35.1 et seq.). If the Director's 1989 average ratio is the lower, it shall not be rounded off but shall be used exactly as published by the Director.

VII

ADDED AND OMITTED ASSESSMENTS

701. Added Assessments

701.1 Purpose. The purpose of the added assessment law is to permit the taxation of real property which becomes taxable during the year following the regular assessment date of October 1. If there were no such law, many properties would escape taxation for a period of several months until the next regular assessment date arrived.

REFERENCES:

N.J.S.A. 54: 4-23a.

701.2 Property taxable. Two types of property are affected by the added assessment law with special provisions affecting newly constructed singly family dwellings:

- (1) Structural changes - New structures, additions to existing structures, and improvements of existing structures are under the added assessment law if they are completed during the year subject to the restriction cited in paragraph 701.55. A structure is completed when it is ready for the purpose for which it was built. This does not mean that the structure actually must be in use; it is taxable when it is ready for use.
- (2) Properties formerly exempt - All real properties which cease during the year to be exempt are taxable under the added assessment law. Sales or leases to a non-exempt owner, changes in use, or any other occurrence during the year which alters the basis on which the exemption was granted, will make the property subject to the added assessment law.

REFERENCES:

N.J.S.A. 54: 4-23a, 54: 4-63.1 to 54: 4-63.3, 54: 4-63.26 to 54: 4-63.30.

L.P.T.B. Bulletin 1.

Handbook, sec. 322.2, par. 701.53, 701.54.

701.3 Property not taxable. Added home improvements which have qualified under the Home Improvements Tax Exemption Law (see Section 328.1 et seq.) as well as added improvements or project which have qualified under the commercial and industrial improvements exemption and abatement laws (see Section 329.1 et seq.) are not subject to added assessment.

701.4 Location of property. The assessor should use every available means to locate property which is subject to the added assessment law.

701.41 Building permits. Building permits are an important source of information because they usually indicate the creation of new property values. The assessor and the building inspector should work closely together in devising procedures that will keep the assessor informed of all new permits issued. In making use of the permits, the assessor should proceed cautiously, for in many instances the dollar value listed may not reflect accurately the full value of the construction underway. It is important that the assessor follow up on every building permit. A separate data sheet should be prepared for each construction job for which a building permit has been issued. The data sheet should include:

- (1) the location of the property by block and lot number.
- (2) the name and address of the owner.
- (3) the name of the contractor.
- (4) the nature of the job done.
- (5) a diagram of the structure with dimensions.
- (6) notes on the type of construction and other specifications.
- (7) the reported estimate of cost.

- (8) the amount of the present assessment .
- (9) the date of completion .
- (10) space for showing the added assessment made upon completion  
and the new total assessment .

The use of such a data sheet will permit the assessor to keep track of all new construction and will aid in the preparation of the Added Assessment List.

REFERENCES:

Local Property Tax Bureau News, March, 1954, p.1.  
Handbook, sec. 701.6.

701.42 Abstracts of deeds. A review of all abstracts of deeds will help the assessor to locate properties which, through sale to a non-exempt owner, have lost their exempt status.

REFERENCES:

Handbook, par. 502.31.

701.43 Other sources of information. The Further Statement, required to be filed every third year for each parcel of exempt property, is designed to check whether the property still is entitled to exemption. Changes in the use of exempt property frequently may be indicated in newspaper articles. Realtors and other persons familiar with property use in the community also are a source of information. Where a change of use of exempt property is indicated, the assessor should investigate carefully. If such action is justified by the facts, an added assessment should be made to place the property on the tax rolls. The certificate of occupancy, required by ordinance in many municipalities, will give the assessor a convenient check on the date on which a property is completed and ready for use.

REFERENCES:

Handbook, sec. 322.1.



701.5 Application of added assessments and taxes. All taxable real property must be valued as of October 1 of the pretax year. In the case of structures which are in the process of construction on this date, the assessment frequently is called a "partial assessment" and is based upon the proportion of the final value which is present on October 1. The added assessment, which eventually is established upon completion of the structure, is based upon the value which has been added between October 1 and the date of completion. The amount of the added assessment and tax depends upon the date and the manner in which the property becomes taxable.

701.51 Structures completed between October 1 and January 1. A new structure or an addition to or alteration of an old structure, which is completed after October 1 and before January 1, is valued as of the first day of the month following the date of completion. If the value on the first of the month following the date of completion is greater than the assessed value placed on the structure on October 1 of the pretax year, an added assessment for the difference must be made. In the case of an added improvement completed in this period, two separate added assessments are required. Both assessments will be filed with the county board of taxation the following October 1. A prorated added assessment would be determined for November and December (or for December only if the improvement was completed during November) of the year in which such an improvement was completed. The tax rate for the year of completion would be applied against this added assessment. Still another added assessment would be levied for the full 12 months commencing with January 1 following the date of completion of the improvement. The tax rate for the year following the year of completion would be applied to the 12 month added assessment. Examples are shown as follows:

EXAMPLE 1: In a county where real property assessments are set at 100% of the true value a \$45,000 structure other than a single family, residential dwelling (see paragraph 701.55) is started March 1, 1983, is 80% complete on October 1, 1983, and is fully completed on October 25, 1983. A partial assessment would be made as of October 1, 1983 and placed on the 1984 Tax List as follows:

<u>Land</u>	<u>Improvement</u>	<u>Total</u>
\$5,000	\$36,000 - Partial	\$41,000

An added assessment for the value of the completed structure prorated for the remaining two months (November and December) of 1983 would be levied in the following manner:

<u>Land</u>	<u>Improvement</u>	<u>Total</u>
-----	\$7,500	\$7,500

In order to reflect the assessment of the added value accruing between October 1, 1982 and October 25, 1983, two separate added assessments will be required, both of which will be filed with the county board of taxation on October 1, 1984.

As stated above a prorated added assessment will be determined for November and December, 1983, in the amount of \$7,500 (2/12 x \$45,000) - covering the two-month period remaining in the tax year 1983, and will be placed on a list known as the "Added Assessment, 1983", to be filed with the county board of taxation on October 1, 1984.

An additional added assessment will be levied in the amount of \$9,000 for the full twelve months of 1984, and will be placed on the regular Added As-

assessment List for 1984. The \$9,000 figure represents the difference between the full taxable value of the structure completed (\$45,000) and the partial assessment of \$36,000 reflecting the completion status of the property on October 1 of the pretax year.

The owner of the property, therefore, will receive (3) tax bills during 1984 as follows:

- (a) A tax bill based on the partial \$41,000 assessment (\$5,000 - Land; \$36,000 - Building, partial) computed by applying the 1984 tax rate;
- (b) a tax bill based on the added assessment of \$9,000 for the full twelve months of 1984 computed by applying the 1984 rate;
- (c) a third tax bill based on the 1983 prorated added assessment of \$7,500. The amount of this tax is computed by applying the 1983 tax rate.

EXAMPLE 2: A fully completed property is originally assessed as of October 1, 1983 and placed on the 1984 Tax List as follows:

<u>Land</u>	<u>Improvement</u>	<u>Total</u>
\$5,000	\$35,000	\$40,000

An added improvement is completed on October 25, 1983, on which there is placed an added assessment of \$2,400 before proration.

<u>Land</u>	<u>Improvement</u>	<u>Total</u>
----	\$2,400	\$2,400

In order to reflect the assessment of the added improvement completed October 25, 1983, two separate added assessments will be required, both of which will be filed with the county board of taxation on October 1, 1984.

A prorated added assessment will be determined for November and December, 1983, in the amount of \$400 -  $(2/12 \times \$2,400)$  - covering the two-month period remaining in the tax year 1983, and will be placed on a list known as the "Added Assessment List, 1983". An additional added assessment will be levied in the amount of \$2,400 for the full twelve months of 1984, and will be placed on the regular Added Assessment List for 1984.

The owner of the property, therefore will receive three (3) tax bills during 1984 as follows:

- (1) A normal tax bill based on the original \$40,000 assessment completed by applying the 1984 tax rate;
- (2) a tax bill based on the added assessment of \$2,400 for the full twelve months of 1984 computed by applying the 1984 rate;
- (3) a third tax bill based on the 1983 prorated added assessment of \$400. The amount of the tax is computed by applying the 1983 tax rate.

REFERENCES:

N.J.S.A. 54:4-63.2.

Assessors' Law Manual, 54:4-63.2.

L.P.P.U.B. Guidelines, November 19, 1974.

Handbook, par. 701.5, 701.6.

701.52 Structures completed between January 1 and October 1. A new structure, or an addition to or alteration of an old structure, which is completed after January 1 and before October 1, is valued as of the first day of the month following completion. If the value upon completion is greater than the assessed value placed on the structure on October 1 of the pretax year, an added assessment based on the difference must be made. The added assessment is prorated according to the number of full months remaining in the tax year. For example, in a county where real property assessments are set at 100 per cent of true value, a \$40,000 structure is started on August 1, 1983, is 20 per cent complete

on October 1, 1983, and is fully completed on March 22, 1984. The 1984 partial assessment on the structure would be \$8,000. An added assessment of 9/12 of \$32,000 or \$24,000 would be made as of April 1, 1984 and entered on the Added Assessment List to be filed on October 1, 1984. The regular taxes due for 1984 would be the 1984 tax rate times the partial assessment, \$8,000. The added taxes, due on November 1, 1984, would be the 1984 tax rate times the added assessment, \$24,000.

REFERENCES:

N.J.S.A. 54:4-63.3

L.P.T.B. Bulletin 1.

Handbook, par. 701.5, 701.6.

701.53 Real property sold by a municipality. Real property sold by a municipality to a non-exempt owner is treated in the same manner as structures completed during the year. If the sale takes place after October 1 and before January 1, the property is valued by the assessor as of the first day of the month following the sale, and is prorated for either the one or two months remaining in the tax year as the case may be. The tax rate for the year when the property was sold by the municipality would be applied against this prorated assessment. A separate added assessment list for any 1 or 2 month prorated assessments from the pretax year would be filed with the county board of taxation on October 1 next following. Still another entry would be made on the regular added assessment list for the full year next following the sale. If the sale takes place after January 1 and before October 1, the property is valued as of the first day of the month following the sale and the added assessment is prorated according to the number of full months remaining in the tax year and entered on the regular added assessment list for that year.

REFERENCES:

N.J.S.A. 54:4-63.2, 54:4-63.3.

L.P.T.B. Bulletin 1.

Local Property Tax Bureau News, May, 1953, p.1.

Handbook, par. 701.51, 701.52.

701.54 Real property formerly exempted. Real property formerly exempted which ceases to be exempt during the year is treated in a manner generally similar to that applied to newly completed structures. If the exemption ceases after October 1 and before January 1, the assessment is made as of the first day of the month following loss of the exemption, and is prorated for either the one or two months remaining in the tax year as the case may be. The tax rate for the year during which the exemption ended would be applied against this prorated assessment. Still another entry would be made in this case on the regular added assessment list for the full tax year next following the end of the exemption. A separate added assessment list for the 1 or 2 month prorated assessments for the pretax year would be filed with the county board of taxation on October 1 next following, together with the regular added assessment list for the tax year. If the exemption ceases after January 1 and before October 1, the assessment is made as of the first day of the month following the end of the exemption and is prorated according to the number of full months remaining in the tax year. An exception to the regular procedure for added assessments must be noted:

- (1) Real property which ceases to be exempt is not valued by the assessor during the tax year for purposes of establishing the assessment... The value placed upon the property in the Exempt Property List, filed with the county board of taxation on January 10 of each year, must be continued for the balance of the tax year when the property becomes taxable. It is essential that the assessor place a realistic value upon all exempt property in order that the correct sum in taxes will be derived from the assessment if the exemption ceases. It is important to note that upon reinstating exempt property on the tax rolls the assessor is required to give notice to the land-owner. The court has held that such failure of notification is a violation of due pro-

cess and any resulting added or omitted assessment is invalid.

REFERENCES:

N.J.S.A. 54: 4-63.26 to 54: 4-63.20.

Reg. 1/1954, par. 6.

Local Property Tax Bureau News, January, 1960, p.2.

Handbook, 322.2, 322.3, 701.51, 701.52.

City of Camden v. Camden Masonic Ass'n, 9 N.J. Tax 331, (July, 1987).

701.6 The Added Assessment List. The assessor must enter all added assessments on an Added Assessment List, which is filed, together with a duplicate, with the county board of taxation on October 1 of each tax year. Added Assessments should be determined throughout the year as new properties become taxable. If the assessor has kept a continual check on all construction underway and all property transfers the compilation of the Added Assessment List will be a simple matter. However, if the task is deferred until just before October 1, the assessor will be faced with a difficult problem in locating all new taxable values, determining when they became taxable, and calculating the correct added assessment. In any year in which added improvements have been completed or property has been sold by a municipality as no longer needed for public use, or exempt property has ceased to be exempt subsequent to October 1 and prior to December 1 of that year, such property shall be prorated for the remaining whole months in that year and placed on a separate added assessment list for that year, which will be filed with the county board of taxation on October 1 of the following year. Such property is to be taxed at the tax rate applicable for the year in which such such property was sold by the municipality as no longer needed for public use, or the year in which such exempt property ceased to be exempt, or the year in which such added improvements were completed. Property becoming taxable in this time period is subject also to added assessment for the full 12 months of the following year at the following year's tax rate (see paragraph 701.51).

REFERENCES:

N.J.S.A. 54: 4-63.5.

Local Property Tax Bureau News, March, 1954, p.1.  
Handbook, par. 407.41 to 407.43, 701.51, 701.52, 701.53.

701.7 Taxes based on added assessments. The county board of taxation reviews the Added Assessment List submitted by the assessor and, on or before October 10, must deliver the duplicate, with any revisions or corrections, to the municipal tax collector. The collector must issue bills to the taxpayers at least a week prior to November 1 of the tax year. Bills are payable on November 1, and are delinquent if not paid by that date.

REFERENCES:

N.J.S.A. 54:4-63.5 to 54:4-63.8.  
Handbook, par. 407.53.

701.8 Notification of taxpayers. Because of the short period of time between the issuance of the tax bills based on added assessments and the date on which the taxes must be paid, it is very desirable that the assessor notify each taxpayer of the added assessment and the probable tax due as soon as the amount can be estimated. Since the municipal tax rate is known by May 3, it will be a simple matter for the assessor to multiply the rate by the added assessment to find the taxes that will be due on November 1. Although not required by law, this step by the assessor will be of considerable assistance to the taxpayer and will help the assessor improve his public relations.

REFERENCES:

N.J.S.A. 54:4-55.  
Local Property Tax Bureau News, August-September, 1959, p.2.

701.9 Appeals of added assessments. Taxpayers and taxing districts which believe that their added assessments are not equitable may appeal the assessments to the county board of taxation on or before December 1 of the tax year. The county board must hear the appeal and render judgment within one month after the last day for filing such appeals. If the taxpayer is dissatisfied with the judgment of the county board, he may file a further appeal to the Tax Court within 45 days. Except for the dates of filing, all appeals of



added assessments follow the same procedures for regular appeals from real property assessments, as outlined in Chapter XI of this Handbook.

REFERENCES:

N.J.S.A. 54:4-63.11.  
Rules of the Tax Court, 8:4-1(a)(2).  
Handbook, Chapter XI.

702. Omitted Assessments

702.1 Purpose. The purpose of the omitted assessment law is to provide for the taxation of real and personal property which, through error, has been omitted from assessment. Two methods are available under the statutes for levying an omitted assessment; the regular method; and the alternate method. They will be discussed separately here (see Sections 703.1 and 705.1).

703. Omitted Assessments - Regular Method

703.1 Property taxable. Any taxable property which has been omitted from assessment during the current tax year or the previous year may be assessed under the omitted assessment law.

The omitted assessment procedure also is used for the assessment and collection of rollback taxes due under the Farmland Assessment Act (see paragraph 504.63).

REFERENCES:

N.J.S.A. 54:4-9.3, 54:4-23.9, 54:4-63.12.  
Local Property Tax Bureau Bulletin No. 2, hereafter L.P.T.B. Bulletin 2.  
Handbook, sec. 322.1 to 322.2, 504.63.  
Farmland Reg. 18:15-7.6, 18:15-7.7, 18:15-7.10.

703.2 Complaint. The levying of an omitted assessment may be initiated by the county board of taxation through the adoption of a resolution, or by a complaint, filed at any time with the county board by the tax collector, the municipal governing body, or any taxpayer of a taxing district. The complaint or resolution must specify the property and the year during which it is alleged to have been omitted from assessment. Although the assessor is not named specifically as a proper

complainant in laws pertaining to the regular omitted assessment procedure, he should take the initiative in notifying the governing body of any omitted properties which he discovers or proceed to levy an omitted assessment under the Alternate Method (see Section 705.1). Under the Regular Omitted procedure the governing body then may file the complaint and prevent any taxable properties from escaping taxation. No standardized complaint form is prescribed for all counties.

REFERENCES:

N.J.S.A. 54:4-63.13.

L.P.T.B. Bulletin 2.

Easthampton Tp. v. Maimon Smith, 9 N.J. Tax 602 (Tax Court, 1988).

703.3 County board of taxation action. Upon receipt of a complaint, the county board of taxation schedules a hearing. At least five days notice of the hearing must be given in writing to the owner of the property alleged to have been omitted. The notice must indicate the time and place of the hearing and must identify the property involved. After hearing the complaint, the county board of taxation renders judgment as to the validity of the complaint, sets the amount of the assessment, and forwards copies of the judgment to the assessor and to the owner of the property.

REFERENCES:

N.J.S.A. 54:4-63.13, 54:4-63.14.

L.P.T.B. Bulletin 2.

703.4 The Omitted Property Assessment List. If the county board of taxation renders judgment that the property was omitted from assessment for a particular year, the assessor must enter the property and the proper assessment as contained in the judgment rendered by the county board of taxation on the Omitted Property Assessment List which is filed, together with a duplicate, with the county board of taxation on the next October 1.

REFERENCES:

N.J.S.A. 54:4-63.15, 54:4-63.17.

L.P.T.B. Bulletin 2.

Handbook, Sec. 407.5.

703.5 Taxes based on omitted assessments. The county board of taxation reviews the Omitted Property Assessment List submitted by the assessor and, on or before October 10, must deliver the duplicate, with any corrections or revisions, to the municipal tax collector. The collector must issue bills to the taxpayers at least one week prior to November 1. Bills are payable on November 1, and are delinquent if not paid by that date.

REFERENCES:

N.J.S.A. 54:4-63.17 to 54:4-63.20.

L.P.T.B. Bulletin 2.

Handbook, par. 407.53.

703.6 Judgments rendered after October 1. If a judgment on an omitted assessment is not rendered by the county board of taxation until after October 1, the omitted assessment is entered on the Omitted Property Assessment List filed on the following October 1, and taxes are not due until November 1 following that date.

It has been held that for an omitted assessment to be effective for the year it is discovered and reported, and for the year prior to the year it is reported, a judgment of the county board of taxation establishing the omitted assessment must be rendered during the year of discovery of the omission. Merely filing a complaint with the county board of taxation prior to the end of the year of discovery will not suffice for a full two year pick-up of property omitted from assessment. The time limitation for pick-up of an omitted property is computed from the time of the judgment of the county board of taxation.

REFERENCES:

N.J.S.A. 54:4-63.20.

L.P.T.B. Bulletin 2.

Township of East Brunswick v. Raritan River Railroad Company,  
Division of Tax Appeals, 1966.

703.7 Notification of taxpayers. Since a copy of the judgment rendered by the county board of taxation must be sent to the owner of an omitted property, there may

be no need for the assessor to notify the taxpayer of the taxes which will be due on November 1. Nevertheless, the assessor will improve his relations with the public if he takes the trouble to make sure that each owner of omitted property understands that he will have taxes due on November 1, only a few days after he receives his tax bill.

REFERENCES:

Handbook, par. 701.8.

703.8 Appeals of omitted assessments. Taxpayers and taxing districts which believe that their omitted assessments are not equitable may appeal the assessments to the Tax Court within 45 days of the date of the county board of taxation judgment establishing the omitted assessment. Except for the date of filing, all appeals of omitted assessments follow the same procedure as other appeals to the Tax Court as outlined in Section 1104.1 et seq. of this Handbook.

REFERENCES:

N.J.S.A. 54:4-63.23.

Rules of the Tax Court, 8:4-1(a)(2).

Handbook, sec. 1104.1.

#### 704. Omitted Added Assessments

704.1 The courts have held that added assessments which, through error, have not been made at the proper time, may be placed on the tax rolls through the omitted property assessment procedure. For example, in a county where real property assessments are set at 100 per cent of true value, a \$40,000 structure, other than a single family residential dwelling (see paragraph 701.55), is started on September 3, 1983, is 10 per cent complete on October 1, 1983 and is finished on June 16, 1984. The partial assessment of \$4,000 is made as of October 1, 1983. An added assessment of 6/12 of \$36,000, or \$18,000, should be made as of July 1, 1984, and placed on the Added Assessment List filed with the county board of taxation on October 1, 1984. However, through oversight, this is not done. At any time before December 31, 1985,

the omission of this added assessment may be brought to the attention of the county board of taxation by the filing of an omitted property complaint. The county board must follow the regular procedure of notice, hearing, and judgment. If the judgment is issued prior to December 31, 1985 sustaining the validity of the complaint, the added assessment should be placed on the Omitted Property Assessment List filed with the county board on the next October 1 following rendering of the judgment by the county board. The taxes due on the following November 1 are calculated by multiplying the omitted added assessment by the tax rate for the year in which the added assessment should have been filed - 1984. In the example described, it is possible that the taxes for a 1984 omitted added assessment might not be due until November 1, 1986.

REFERENCES:

Appeal of the New York State Realty & Terminal Co.,  
21 N.J. 90 (1956); 12 A.2d 21.  
Local Property Tax Bureau News, August-September, 1953,  
p.1; March, 1956, p.1.  
Handbook, sections 701, 702, 703.

705. Omitted Assessments - Alternate Method

705.1 An alternate method for the assessment of property omitted from taxation has been provided for. This method is additional to and does not necessarily supersede the old procedure.

705.2 Purpose. The purpose of the alternate method for levying omitted assessments is to enable the assessor himself to pick up and provide for the taxation of property which, through error, has been omitted from assessment. The alternate method differs from regular omitted assessment procedures in that no complaint is required to be filed with the county board of taxation, and no hearing or notice of hearing is required to be given to the taxpayer by the county board of taxation.

REFERENCES:

N.J.S.A. 54:4-63.31 through 54:4-63.40.

705.3 Property taxable. Any taxable property which has been omitted from assessment during the current tax year and the year immediately prior to the current tax year may be assessed by the assessor.

REFERENCES:

N.J.S.A. 54: 4-63.31.

705.4 Assessor's Omitted Property Assessment List. The assessor enters all omitted assessments known to him on the Assessor's Omitted Property List, which is filed together with a duplicate, with the county board of taxation on October 1 of each tax year.

REFERENCES:

N.J.S.A. 54: 4-63.32.

Local Property Tax Bureau News, August, 1968.

705.5 County board of taxation action. The county board of taxation reviews and makes any necessary corrections to the omitted assessment lists and duplicates submitted by the assessor, and on or before October 10, must deliver the corrected duplicate to the assessor and tax collector. The Assessor's Omitted Property List itself is retained by the county board of taxation and becomes a public record.

REFERENCES:

N.J.S.A. 54: 4-63.32.

Local Property Tax Bureau News, August, 1968.

705.6 Action by the assessor. As soon as the assessor receives the certified copy of the Assessor's Omitted Property List from the county board of taxation he must send notice by certified mail to the owners of the property affected stating that property taxes are due as a result of an omitted assessment having been levied, and that the amount of the tax payable may be ascertained from the tax collector.

REFERENCES:

N.J.S.A. 54: 4-63.35.

Local Property Tax Bureau News, August, 1968.

705.7 Taxes based on omitted assessments. As soon as the tax collector receives the omitted assessment duplicate he must issue bills to the taxpayers affected at least a week prior to November 1 of the tax year. Bills are payable on November 1, and are delinquent if not paid by that date.

REFERENCES:

N.J.S.A. 54:4-63.36.

Local Property Tax Bureau News, August, 1968.

705.8 Appeals of omitted assessments. Taxpayers and taxing districts which believe their assessor's omitted assessments are not equitable may appeal the assessments to the county board of taxation on or before December 1 of the tax year. These appeals must be heard by the county board of taxation within 1 month after the last day for filing such appeals. Further appeal may be taken to the Tax Court within 45 days from the date fixed for final decisions by the county board of taxation.

REFERENCES:

N.J.S.A. 54:4-63.39.

Rules of the Tax Court, 8:4-1 (a)(2).

705.9 Tax Search - Informational Requests. The court has held that where a municipal tax search fails to advise of potential added or omitted assessments or rollbacks which may apply to a subject property, a municipality is precluded from imposing liens therefor. Thus, upon request, assessors are required to advise municipal tax search officials of any such prospective liens, using form MTS-1 (1986) (see EXHIBIT VII-1).

# EXHIBITS

Handbook for New Jersey Assessors





EXHIBIT VII-1: Municipal Tax Search Information Request Form

MTS-1 (1986)

MUNICIPAL TAX SEARCH  
INFORMATION REQUEST\*

Date of Request: \_\_\_\_\_

TO: \_\_\_\_\_

FROM: \_\_\_\_\_

PROPERTY: Block: \_\_\_\_\_ Lot: \_\_\_\_\_ Qualifier: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

Please supply the following information regarding the above referenced property.

If this tax search is on property which has been granted a subdivision approval within the current tax year, provide the original block & lot number.

Block: \_\_\_\_\_ Lot: \_\_\_\_\_

Is tax information given for /\_\_\_\_/ original or /\_\_\_\_/ subdivided lot?

Is the referenced real property subject to any of the following additional assessments:

	YES	NO	NOT KNOWN AT THIS TIME	AMOUNT (IF KNOWN)
Added Assessments	_____	_____	_____	_____
If yes, year(s) _____				
Omitted Assessments	_____	_____	_____	_____
If yes, year(s) _____				
Rollback Assessments	_____	_____	_____	_____
If yes, year(s) _____				

\_\_\_\_\_  
Date

\_\_\_\_\_  
Municipal Tax Assessor

\*Assessors must comply with this request pursuant to the provision of N.J.A.C. 18:17-4.1.

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law and may be reproduced for distribution, but no alteration may be made therein without prior approval.



## VIII

### REVALUATION PROGRAMS

#### 801. The Purpose and Need for Revaluation

801.1 Definitions. The terms "revaluation program", "equalization program" and "re-assessment program" are sometimes confused with one another. The following descriptions of these terms are generally accepted as being applicable today.

801.11 Revaluation program. A revaluation program seeks to spread the tax burden equitably within a taxing district by appraising each property according to its true value and assessing it based on such value. This is accomplished by the mass appraisal of all real property in the taxing district conducted by an outside professional appraisal or revaluation firm. A revaluation program includes a contract between the firm and the municipality. The contract must be approved by the Director of the Division of Taxation, and both the contract and the revaluation firm must meet certain standards which have been established and set forth by the Director in a body of regulations (see Section 802.1). The revaluation contract is also subject to review by the county board of taxation who may make written recommendations to the Director.

#### REFERENCES:

N.J.S.A. 54: 1-35.35 et seq.

N.J.A.C. 18: 12-4.1 et seq.

Rules For County Boards of Taxation, April, 1974, 18: 12A-1.14(g).

801.12 Equalization program. An equalization program seeks to insure that each taxing district, as a whole, is treated equitably. This is done by determining the aggregate true value of all property within the district through a sampling of sales and other sources of information. Equalized valuations are used for such things as the apportionment among taxing districts within a county of the costs of county government; as a component of the formula used for the distribution of State school aid; and for the distribution of costs of school districts

covering more than one municipality.

REFERENCES:

- Aaron K. Neeld, "Modernization of the Assessing Function", New Jersey Municipalities, December, 1957, pp.15-19.
- William Kingsley, "The Urgent Need for Revaluation", New Jersey Municipalities, November, 1960, pp.21-24.
- These articles present general discussions of revaluation programs; they will not be cited specifically hereafter.
- N.J.S.A. 54:1-35.1 et seq.

801.13 Reassessment program. The terms "revaluation program" and "reassessment program" were at one time used interchangeably. Over the years, however, the phrase "reassessment program" has taken on a separate meaning. Broadly defined, a reassessment is an important change in assessment practice in a taxing district, other than a revaluation, which results in a significant difference in the aggregate assessed valuation of that taxing district from one year to a following year, other than that caused by inclusion of added assessments or other new construction, and, further, which results in a variance in values from one year to a following year in a substantial number of individual parcels of real property in that same taxing district. Like a revaluation program, a proper reassessment program seeks to spread the tax burden equitably throughout a taxing district. A reassessment program, rather than being conducted by an outside professional appraisal firm under contract with the municipality, is instead an adjustment or updating of previous revaluation or previous reassessment, carried out by, and under direct supervision of the tax assessor. A reassessment plan must be submitted to and approved by the county board of taxation. The plan must set forth methods to be used, the date of completion and the year in which the reassessment is to take effect. The county board of taxation must advise the assessor of its approval or disapproval of a reassessment proposal within 30 days from the date the reassessment plan was submitted. If the plan is disapproved, the county board of taxation must inform the assessor

of the reasons for the disapproval. If the reassessment plan is approved the county board of taxation must:

- (1) notify the Director of the Division of Taxation of the assessor's reassessment plan and furnish a copy of the plan to the Director;
- (2) require a written monthly progress report from the assessor of taxing district;
- (3) require the assessor of the taxing district to actively participate in the reassessment program.

It is generally accepted that a good reassessment program includes: an analysis of all recent sales of real property occurring within a taxing district, including a comparison of sales with the assessed values of the properties sold; an identification of real property value trends occurring within the taxing district; a review of all real property values, parcel by parcel within a taxing district; a review and revision of all unit land values, with such revisions as are made placed on a land value map as well as on individual property record cards; gathering of pertinent income data and utilization of such data where applicable; development of local cost conversion factors, and application of these factors to improvements contained in the taxing district, with adjustments reflected on individual property record cards; a review and adjustment of depreciation and obsolescence factors with changes reflected on individual property records; a reconciliation and revised true value developed for each property, which revised true value is to be noted on the property record card for each property; and carrying forward revised taxable values to the tax list for the year in which the reassessment is to become effective. Notification of taxpayers of the revised values developed for their properties, with an opportunity for taxpayer review is considered good practice. To avoid discriminatory treatment, reassessment should be district-wide in scope and not be implemented on a piecemeal basis.

REFERENCES:

Township of Willingboro vs. Burlington County Board of Taxation,  
62 N.J. 203 (1973).  
Abraham Ellis and Daverich Realty Corp. v. City of Passaic, Division  
of Tax Appeals, 1965.  
Rules For County Board of Taxation, April 17, 1974, 18:12A-1.14(c),  
(d), (e).

801.2 Assistance in revaluation. The Local Property and Public Utility Branch is available to advise authorities on the undertaking of a revaluation program and on its implementation.

801.3 Determining the need for revaluation. The need for revaluation may be demonstrated by any evidence which indicates that properties within the taxing district are not assessed at the same rate of true value. One of the best sources of information is the assessment-sales ratio data gathered in the equalization program for the distribution of State school aid. An individual assessment-sales ratio is found by dividing the assessment on a property by the amount for which the property has been sold, and expressing the result as a percentage. For example, a property assessed for \$40,000, which is sold for \$50,000, would be said to have an 80 per cent assessment-sales ratio. If the individual assessment-sales ratios vary widely, a revaluation program definitely is needed. If most assessment-sales ratios fall within a narrow range, substantial equality may exist and the need for revaluation may not be so urgent.

REFERENCES:

Handbook, Chapter X - Equalization.

801.31 Coefficients of deviation. One method of analyzing statistically a group of assessment-sales ratios is through coefficients of deviation. A higher coefficient of deviation indicates a poorer degree of uniformity of assessments, and a likely need for revaluation. A lower coefficient of deviation indicates a better degree of assessment uniformity in the taxing district. Each year the Division of Taxation publishes three coefficients of deviation for each municipality: (1) a general coefficient of deviation; (2) a stratified coefficient of deviation; and (3) a

segmented coefficient of deviation. Properly and cautiously used, these coefficients can be useful tools for measuring assessment uniformity, but they are not to be used as the sole and final judgment of assessment practice in a taxing district.

(1) general coefficient - The general coefficient of deviation is a measure of variation in assessment-sales ratios for all properties sampled without regard to property class, property size or any other property characteristic. It is the average deviation of individual assessment-sales ratios from the overall average assessment-sales ratio of all sales occurring in a taxing district, expressed as a percentage of that average assessment-sales ratio for that taxing district. It is calculated from all usable sales (see Section 1002.5) occurring within a particular taxing district as shown in the most recent Director's Table of Equalized Valuations. An example of the calculation of a general coefficient of deviation is shown in Table 8-1. A general coefficient of deviation of 15 or less is considered acceptable. The prior assumption that a coefficient of 20 or less indicated a good degree of uniformity has become obsolete because of improved assessment practices. In a recent sampling, approximately 75% of the municipalities who had either placed revaluations or reassessments on their tax lists exhibited general coefficients of deviation of less than 15.

(2) stratified coefficient of deviation - The stratified coefficient of deviation provides a method to measure assessment uniformity within each class of property (vacant land, residential, farm and all other) within a taxing district. Although the law requires all property to be assessed at the same level of true value, coefficients of deviation calculated for the separate property classes can be helpful in analyzing uniformity of assessments within that class. Caution must be exercised in the use of the stratified coefficient however since it provides no insight into comparability of assessment levels among property classes. It is therefore possible that two classes of property



within a taxing district may be assessed at different average ratios but show similar stratified coefficients of deviation. The stratified coefficient of deviation is the average deviation of individual assessment-sales ratios for all usable sales occurring within a particular property class from the average assessment-sales ratio for that property class, expressed as a percentage of the average assessment-sales ratio for that class. The stratified coefficient of deviation is calculated from sales occurring in each class of property in the same manner as the general coefficient is calculated for all sales regardless of class occurring within the taxing district. An example of the calculation of a stratified coefficient of deviation is shown in Table 8-2.

(3) segmented coefficient of deviation - The segmented coefficient of deviation measures the degree of uniformity of one property class as against all property classes combined. It is the average deviation of all assessment-sales ratios within a particular class of property from the average assessment-sales ratio for all sales of properties occurring within a taxing district, expressed as a percentage of the average assessment-sales ratio for all sales occurring within the taxing district. An example of the calculation of a segmented coefficient of deviation is shown in Table 8-3.

REFERENCES:

Local Property Tax Bureau News, November, 1956, p.1.  
Coefficients of Deviation A Measure Of Property Assessment Uniformity,  
Division of Taxation, March, 1979.

801.32 Other indications of the need for revaluation. The need for a revaluation program also may be indicated by neighborhood and zoning changes which affect values in part of the taxing district or by the lack of adequate records which cause difficulty to the assessor in arriving at sound and equitable assessments.

801.4 Causes of inequality. Basically, the cause of inequality in tax assessments is that the assessments have not been made correctly at some time in the past, or have

not been kept up-to-date. Often, however, inequity arises because adequate records and help have not been provided to the assessor over a long period of time, during which properties within a taxing district may have changed in value at varying rates. Without the proper records and staff even the most able and conscientious assessor will be unable to assess all properties uniformly. Some factors which may lead to development of inequalities of adjustments to assessments are not made are:

- (a) changes in characteristics in areas or neighborhoods within the municipality and in individual properties;
- (b) economics, e.g. inflation and recession;
- (c) fads, e.g. desirability of architecture, size of house;
- (d) Legislation, e.g. Wetlands, Pinelands, etc.;
- (e) the assessor is not receiving the proper funds, working space and equipment to operate the office in the manner it should be;
- (f) failure to process building permits to arrive at tax assessments on new construction;
- (g) failure to be cognizant of, analyze and make use of sales data to check the validity of tax assessments.

#### 802. Revaluation Standards and Procedures

802.1 Early in 1972 a law was enacted requiring the Director of the Division of Taxation to establish standards to be used in the valuation and revaluation of real property. It also required the Director to prescribe minimum qualifications for firms and for individuals engaged in the business of revaluing real property. A governing body intending to revalue property in all or designated portions of a municipality must submit the proposed contract to the Director of the Division of Taxation for his review and approval. Approval is conditioned upon accord of the contract terms with standards for revaluation established by the Director, and is conditioned fur-

Table 8-1  
General Coefficient of Deviation

(1) Assessed Value	(2) Sale Price	(3) Assessment to Sales Ratio (Col. 1 : Col. 2)	Deviation From Average Assessment to Sales Ratio (Col. 3 - Av. Col. 3)
\$ 2,000	\$ 9,500	21.05	30.53
700	2,200	31.82	19.76
8,150	24,500	33.27	18.31
5,050	12,575	40.16	11.42
5,600	12,750	43.92	7.66
17,350	36,000	45.66	5.92
1,350	2,700	50.00	1.58
9,800	18,900	51.85	.27
8,800	14,990	58.71	7.13
7,600	12,250	62.04	10.46
10,550	15,750	66.98	15.40
13,900	18,750	74.13	22.55
16,150	17,750	90.99	39.41
		<b>Total</b> 670.58	<b>Total</b> 190.40

Average (total : 13 samples) = 51.58	Average (total : 13 samples) = 14.65
Average Assessment to Sales Ratio 51.58	Average Deviation 14.65
=	=
	28.40
	General Coefficient of Deviation

Table 8-2  
Stratified Coefficient of Deviation

Class	1 Assessed Value	2 Sale Price	3 Assessment to Sales Ratio (Col. 1: Col. 2)	4 Deviation From Class Average Assessment to Sales Ratio (Col. 3 - Av. Col. 3)
1	\$ 2,000	\$ 9,500	21.05	10.53
1	700	2,200	31.82	.24
1	8,150	24,500	33.27	1.69
1	5,050	12,575	40.16	8.58
		Total:	126.30	Total: 21.04

Class I Average  
(Total : 4 samples = 31.58)

Class I Average  
(Total : 4 samples) = 5.26

Class I Average Deviation 5.26  
Class I Average Assessment to Sales Ratio 31.58 = 16.66 = Class I Stratified Coefficient of Deviation

2	\$ 5,600	\$12,750	43.92	10.25
2	17,350	38,000	45.66	8.51
2	1,350	2,700	50.00	4.17
2	9,800	18,900	51.85	2.32
2	8,800	14,990	58.71	4.54
2	7,600	12,250	62.04	7.87
2	10,500	15,750	66.98	12.81
		Total:	379.15	Total: 50.47

Class II Average  
(Total : 7 samples) = 54.17

Class II Average  
(Total : 7 samples) = 7.21

Class II Average Deviation 7.21  
Class II Average Assessment to Sales Ratio 54.17 = 13.31 = Class II Stratified Coefficient of Deviation

4	\$13,900	\$18,750	74.13	8.43
4	16,150	17,750	90.99	8.43
		Total:	165.12	Total: 16.86

Class IV Average  
(Total : 2 samples) = 82.56

Class IV Average  
(Total : 2 samples) = 8.43

Class IV Average Deviation 8.43  
Class IV Average Assessment to Sales Ratio 82.56 = 10.21 = Class IV Stratified Coefficient of Deviation

Table 8-3  
Segmented Coefficient of Deviation

Class	1 Assessed Value	2 Sale Price	3 Assessment to Sales Ratio (Col. 1 : Col. 2)	4 Deviation From Average Assessment to Sales Ratio (Col. 3 - Av. Col. 3)
1	\$ 2,000	\$ 9,500	21.05	30.53
1	700	2,200	31.82	19.76
1	8,150	24,500	33.27	18.31
1	5,050	12,575	40.16	11.42
			<u>Total:</u>	80.02
			Class I Average =	20.00
			(Total : 4 samples)	
<hr/>				
2	\$ 5,600	\$12,750	43.92	7.66
2	17,350	38,000	45.66	5.92
2	1,350	2,700	50.00	1.58
2	9,800	18,900	51.85	.27
2	8,800	14,990	58.71	7.13
2	7,600	12,250	62.04	10.46
2	10,550	15,750	66.98	15.40
			<u>Total:</u>	48.42
			Class II Average =	6.92
			(Total : 7 samples)	
<hr/>				
4	\$13,900	\$18,750	74.13	22.55
4	16,150	17,750	90.99	39.41
			<u>Total:</u> 670.58	<u>Total:</u> 61.96
			Average =	Class IV
			(Total : 13 samples)	Average
				30.98
			(Total : 2 samples)	

Class I Average Deviation	20.00			
Average Assessment to Sales Ratio	<u>51.58</u>	=	38.77	= Class I Segmented Coefficient of Deviation
Class II Average Deviation	6.92			
Average Assessment to Sales Ratio	<u>51.58</u>	=	13.42	= Class II Segmented Coefficient of Deviation
Class IV Average Deviation	30.98			
Average Assessment to Sales Ratio	<u>51.58</u>	=	60.06	= Class IV Segmented Coefficient of Deviation

ther upon the requirements that the proposed contractor and his employees meet qualifications prescribed by the Director. The Director is required to take action on proposed contracts submitted for his review and approval within 30 days of their submission.

A municipality, firm or individual displeased by any determination of the Director with regard to revaluation approvals, standards or qualifications is entitled to a formal hearing before the Director, who must render his decision as a result of the hearing within 30 days. If the municipality, firm or individual is dissatisfied with the Director's determination they have the further right to appeal the Director's decision within 90 days to the Tax Court. The Tax Court, under the law, must render a decision within 60 days of receipt of a petition of appeal.

REFERENCES:

N.J.S.A. 54:4-35.35, 54:1-35.36, 54:1-35.37, 54:1-35.38.  
Regulations, Revaluation of Real Property, Standards and Qualifications of Appraisal Companies, N.J.A.C. 18:12-4.1 et seq., September, 13, 1972.

802.2 The revaluation firm. A number of revaluation firms are active within the State. Employment of a professional firm, with no local interest, frequently will help to gain acceptance for the program. Any firm and individual engaged in contracting for and carrying out revaluation work must meet certain minimum qualifications established by the Director of the Division of Taxation. The governing body of a municipality considering contracting with an appraisal firm might also look into the qualifications of the firm and its staff and the results of revaluation programs conducted by the firm in other municipalities. The Local Property and Public Utility Branch on request will provide a list of active appraisal firms and taxing districts where the firms have recently completed a revaluation program.

REFERENCES:

N.J.S.A. 54:1-35.35.

802.21 Qualification of the appraisal firm. In order to qualify to operate in New Jersey a revaluation firm must demonstrate that it is in sound financial condition.

Any appraisal firm when submitting its first contract to the Director for approval must also submit a financial statement including balance sheets and income statements for the latest 3 years, showing that it has adequate financial resources. Each year thereafter that it is in business in New Jersey a revaluation firm must submit to the Director of the Division of Taxation a financial statement showing its fiscal condition. The Director may require an appraisal firm to submit a financial statement other than on an annual basis if he deems it necessary and proper. The firm must also submit to the Director a list of municipalities in New Jersey or elsewhere for which it has performed revaluation projects during the immediate past 5 years. A list of the firm's officers must be submitted together with their addresses and a report showing the number of years each officer has been engaged in appraisal work. The firm is required also to report whether it has been or currently is involved in any litigation in connection with appraisal projects in which it has been engaged. The name and address of the firm's parent corporation and subsidiaries, if applicable, must be submitted also.

REFERENCES:

N.J.A.C. 18:12-4.4.

802.22 Qualification of employees. The experience and qualifications of various classes of employees to be used in any revaluation program must meet certain minimum requirements shown following:

- (1) The principals of the revaluation firm shall have not less than five years of practical and extensive appraisal experience involving extensive experience on commercial, industrial, apartment, farm and residential type properties and vacant land.
- (2) The supervisor or supervisors in direct charge of the work in the field shall have not less than four years of practical and extensive appraisal experience in the appraisal of the particular type of properties for which they are responsible. Two years of this experience shall have been in the mass appraisal field and have occurred within

the past five years.

- (3) Field personnel, building enumerators and listers shall have received 150 hours of in-service training to their particular phase of work and shall be generally aware of all other phases of the revaluation project before starting actual field work.
- (4) Personnel determining final land values shall meet the qualifications prescribed for supervisors in direct charge of the work; and
- (5) A resume shall be submitted in behalf of principals and supervisors.

REFERENCES:

N.J.A.C. 18:12-4.6(a)1., 2., 3., 4., and 5.

802.23 Conflict of interest. A revaluation contract submitted for approval to the Director of the Division of Taxation must include the following provisions with respect to officers, stockholders and employees of the firm:

- (1) No commissioner or employee of a county board of taxation within the county and no assessor of a taxing district within the county shall have any interest whatsoever, directly or indirectly, as an officer, stockholder, employee or in any other capacity in the firm.
- (2) No parent company or subsidiary shall represent any property owner or taxpayer filing a tax appeal with respect to a revaluation completed by the affiliated revaluation firm.

REFERENCES:

N.J.A.C. 18:12-4.5.

802.3 Conditions to be met by municipality to be revalued. A municipality contracting with a professional revaluation firm should be ready to provide items for the use of the firm in order that the program may move ahead in a smooth fashion.

802.31 Tax Map. Prior to the municipality's execution of a contract for revaluation, the municipal tax map is to be submitted to the Division of Taxation, Local Property & Public Utility Branch to determine its suitability for revaluation use. A letter from a licensed land surveyor must be submitted with the tax map certi-



fyng the map is up-to-date.

REFERENCES:

N.J.A.C. 18:12-4.7(a)1.i, ii.

802.32 Letters of introduction. A letter of introduction should be supplied by the municipality to each of the revaluation firms authorized representatives to confirm their employment by the firm and facilitate access to properties for inspection purposes by the firm's representatives.

REFERENCES:

N.J.A.C. 18:12-4.7(a) 3.

802.33 Property owners' addresses. A listing of current mailing addresses of all property owners should be supplied by the municipality to the revaluation firm. The assessor should stand ready to affix his signature to informational letters to be mailed by the firm to property owners.

REFERENCES:

N.J.A.C. 18:12-4.7(a)4.

802.34 Official records. The municipality should make available to the revaluation firm official records and render such other assistance as might be required to aid the firm in carrying out the revaluation program.

REFERENCES:

N.J.A.C. 18:12-4.7(a)2.

802.4 Standards for revaluation. A firm carrying out a revaluation of all or even a portion of the real property in a municipality must comply with certain standards and conditions set forth in regulations promulgated by the Director of the Division of Taxation. The standards and conditions which must be met are shown in the following paragraphs of this Section.

REFERENCES:

N.J.S.A. 54:1-35.35.

N.J.A.C. 18:12-4.8(a).

802.41 Real property to be valued. The revaluation firm in effect acts as the agent of the tax assessor. All determinations made by the firm must be submitted to the assessor. Real property within the municipality is to be valued in accordance

with New Jersey property tax law (see N.J.S.A. 54:4-1 et seq). With regard to real property being constructed or altered, the revaluation firm must determine the percentage of completion as well as the appraised value of such property as of October 1 of the pretax year. Land qualified under the Farmland Assessment Act (Chapter 48, Laws of 1964) must be valued in accordance with its qualified farmland value, and also separately valued at its full and fair value in accordance with the highest and best use to which the subject land might reasonably be put.

A Land Value Map must be prepared by the revaluation firm following the formulation of land valuations. The Land Value Map is to show all unit values and underlying data used to derive the unit values. The map is to be reviewed by the tax assessor.

REFERENCES:

N.J.S.A. 54:1-35.35, 54:4-23.1, 54:4-23.8.  
N.J.A.C. 18:12-4.8(a) 1., 2., 4., and 13.

802.42 Exempt Property. The revaluation firm must place a value on each exempt property as if it were taxable. Exempt properties are to be placed on a separate list showing the values of each respective exempt property and enough description to identify each exempt property.

REFERENCES:

N.J.S.A. 54:4-27.  
N.J.A.C. 18:12-4.8(a)3.

802.43 Determination of taxable values. In determining taxable values of all real property within a municipality the revaluation firm must employ the three recognized approaches to value where applicable. In cases where it is used, the capitalization procedure must be included with the property record card and reconciled with the other approaches to value. The Real Property Appraisal Manual For New Jersey Assessors is to be used in revaluation programs. The use of any other appraisal manual as a basis for valuing real property requires the approval of the Director of the Division of Taxation.

REFERENCES:

N.J.A.C. 18:12-4.8 (a) 5, 6.

802.44 Property record cards. The revaluation firm must include real property identification information on every property record card for each individual parcel of real property. Property record cards must be similar in form and content to those illustrated in the Real Property Appraisal Manual For New Jersey Assessors. Property record cards for each of the four classes of property (1. Vacant land; 2. Residential; 3. Farm; 4. Commercial; Industrial; Apartment and all other) must be easily distinguishable from each other. Property record cards are to be provided by the revaluation firm.

Real property information to be entered on individual property record cards must include at least the following:

1. A scaled sketch of the exterior building dimensions;
2. Notations of significant building components as ascertained from both an interior and exterior inspection;
3. Entries on each property record card concerning the values of each lot and building including such items as age, construction, condition, depreciation, obsolescence, additions and deductions, appraisal value, recent sales prices, rental data and all other pertinent information pertaining to the valuation of each property;
4. Where more than one property record card is required in the description of a property, all cards must be assembled in a standard file folder and labeled properly;
5. Each property record card must identify the individual employee who made the inspection, and show the date when the interior inspection was made.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 7, 8.

802.45 Inspection of individual properties. An on the spot inspection must be made by the revaluation firm of each individual parcel of property. Each of the

reevaluation firm's representatives must be provided with photographic identification cards, which are to be supplied by the firm. The following rules pertain to individual inspections of property:

1. No less than three (3) attempts must be made to gain entry to each property;
2. If successful entry is not made with the first attempt, a card must be left at the property indicating a date when a second attempt to gain entry will be made;
3. The card must include a telephone number and address to permit the property owner to contact the firm to make other arrangements if such are necessary;
4. If entry is not gained upon the second visit, a written notice must be left advising that an assessment will be estimated unless a mutually convenient arrangement is made for a third visit to gain access to the property;
5. The reevaluation firm must schedule inspections of properties during reasonable hours including evenings and Saturdays;
6. The reevaluation firm must notify the assessor of each failure to gain entry to a property, and a list of all non-entries and reasons must be provided to the assessor prior to the mailing of values to individual property owners.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 9, 12.

802.46 Progress and control of the reevaluation. Every contract for reevaluation must contain provisions relating to the progress and control of the reevaluation. Provisions to be included in a reevaluation contract on this subject are:

1. A commencement date for the reevaluation program, and a completion date for the reevaluation program which may not be later than

- October 1. Taxpayer reviews of values placed against their properties by the revaluation firm may carry to November 1;
2. A requirement providing for the submission to the assessor of a work schedule or plan of operations;
  3. The firm must provide written monthly progress reports to the assessor for his review. The assessor, in turn, must forward such reports to other persons designated by the contract to receive them;
  4. Each progress report must indicate the status or work progress on the revaluation program which is to serve a basis for proportional payments by the municipality to the revaluation firm. In no event is more than 90 percent of the total contract price to be paid until full completion and performance of the contract, except for any requirement for defense of the tax appeals;
  5. Any change in personnel must be submitted in writing to the assessor and county board of taxation.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 10.

802.47 Taxpayer orientation and education. Each contract for municipal revaluation must contain a provision committing the firm to conduct or assist the municipality in conducting a program of taxpayer orientation and education regarding the revaluation program including but not necessarily limited to the following:

1. Press releases describing the purpose and nature of the revaluation program;
2. Meetings with public groups in the community;
3. Mailings approved by the assessor, at the firm's expense, to all property owners explaining the nature and purpose of the revaluation, setting forth a proposed date for commencement of property inspections in the municipality.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 11.

802.48 Office space and equipment. The firm carrying out the revaluation must provide all office space, furniture, equipment, machines and other items required in connection with the revaluation program unless the terms of the contract provide otherwise.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 14.

802.49 Defense of appeals. The revaluation firm must assist in the defense of appeals by providing expert witnesses for the defense of all valuations the firm has supplied to the assessor which are appealed to the county board of taxation. The firm's obligation is limited to the initial appeal of an assessment filed during the year in which the revaluation is implemented or during the immediately following year. The assistance to be provided shall include a qualified expert from the firm who is knowledgeable with regard to challenged assessments. In the event the municipality elects to utilize the defense services of the firm for appeals or complaints beyond the county board of taxation level which are filed during the year in which the revaluation is implemented or the following year, an hourly rate for such services shall be set forth by the firm. The hourly rate is to apply to services rendered by the firm in connection with preparation, re-inspections, consultations and actual appearances at appeal proceedings.

REFERENCES:

N.J.A.C. 18:12-4.8(a) 15.

802.5 Taxpayer review procedure. With each revaluation the firm carrying out the revaluation must afford each taxpayer an opportunity to review and confer with the firm concerning the proposed value to be placed against his property.

REFERENCES:

N.J.A.C. 18:12-4.9(a).

802.51 Revaluation firm to mail notice. At its own expense, the revaluation firm must mail a written notice to each individual taxpayer, approved by the assessor,

showing the appraised value of the taxpayer's property, and advising the taxpayer of his right to attend an individual informal review concerning the value of his property as developed by the revaluation firm.

REFERENCES:

N.J.A.C. 18:12-4.9(b).

802.52 Conducting informal taxpayer reviews. Informal taxpayer reviews must be held at a designated location within the revalued municipality, and must be scheduled so as to allow the firm sufficient time to fully review and discuss the proposed assessment with the taxpayer. Guidelines dealing with informal taxpayer reviews have been issued and provide:

1. Each taxpayer attending a review must be afforded an individual meeting with a qualified person employed by the firm;
2. Sufficient time must be allotted to hear and conclude reviews on or before November 1;
3. A written record of each review shall be provided to the assessor in a format approved by the assessor;
4. Suggested revisions by the firm resulting from the taxpayer reviews are to be made with the consent of the assessor;
5. Each taxpayer must be informed in writing by the firm of the results of their assessment review within 4 weeks of the conclusion of all reviews.

REFERENCES:

N.J.A.C. 18:12-4.9(c).

802.6 Surety and insurance. Prior to commencement of work under a contract, the revaluation firm must provide assurance that the municipality will be adequately protected and saved harmless from any lawsuit, litigation, demand, or claim arising out of the revaluation contract. To assure such protection the firm must provide certain insurance coverages including the following:

1. Workers compensation insurance coverage in accordance with the standards as set forth in N.J.S.A. 34:15-1 et seq.
2. Public liability and automobile liability in amounts not less than those required by law for any one person and any one occurrence respecting property damage;
3. A performance surety bond in the amount of the contract, executed by a reputable bonding company authorized to do business in New Jersey. The bond is to be subject to reduction to 10 percent of the contract amount upon acceptance of the completed revaluation by the assessor. This reduced amount must remain in effect until the revaluation firm has discharged all its obligations respecting the defense of the contract.
4. The terms and conditions of all the above mentioned coverages may be in greater amounts if required by the municipality, and copies of all policies must be provided to the municipality prior to the commencement of any portion of the contract.

REFERENCES:

N.J.A.C. 18:12-4.10(a).

802.7 Delivery of the revaluation. Once the revaluation has been completed by the firm their obligation nevertheless remains to transmit the results of their work to the assessor in acceptable form and under proper conditions.

802.71 Property record cards. The revaluation firm must provide the assessor with completed property record cards filed in sequence by block and lot numbers for all taxable and exempt properties. All supporting data, documentation and special procedures used in deriving values must be provided to the assessor.

REFERENCES:

N.J.A.C. 18:12-4.11(a).

802.72 Instruction to be provided. The revaluation firm must make available qualified personnel for the purpose of giving a full explanation and complete instructions



to the assessor and his staff with regard to all materials submitted in all phases of the revaluation.

REFERENCES:

N.J.A.C. 18:12-4.11(b).

807.73 Magnetic tape. In the event a magnetic tape containing the new values is provided by the firm, the tape must be in a format consistent with the New Jersey Tax System MOD IV so that entry of the data can be made directly into the taxing district's master file.

REFERENCES:

N.J.A.C. 18:12-4.11 (c).

803. The Role of the Assessor in Revaluation

803.1 The assessor should keep in constant and close touch with revaluation activities through the course of the program. It is the assessor who can most easily determine the need for a revaluation and recommend to the municipal governing body that such a program be authorized. The assessor and the governing body should work together in drawing up specifications, writing the contract, and selecting the appraisal firm. During the revaluation proceedings, he should be in constant contact with the appraisal firm in order that he will understand their procedures and will be able to maintain the program after it has been completed. The assessor should participate in all review meetings and should be present when representatives of the appraisal firm meet with individual taxpayers. Review meetings should be scheduled at a time when it is possible for the assessor to be present.

REFERENCES:

Local Property Tax Bureau News, May, 1960, p.1.  
Handbook, par. 801.2.

## 804. Financing the Revaluation Program

804.1 The cost of revaluation. It is impossible to give precise cost estimates for a revaluation program. Taxing districts containing a number of complicated industrial properties may have to pay more per line item than other districts. Where a large number of similar properties are present, such as in a housing development, the cost may be lower than average.

804.11 Financing the revaluation. The cost of a revaluation program may be spread over a five-year period through the issuance of special emergency notes, with one-fifth of the sum falling due at the end of each fiscal year. The Division of Local Government Services has prepared a model ordinance and a model resolution for this purpose. The model ordinance is shown as EXHIBIT VIII-1, and the model resolution is shown as EXHIBIT VIII-2.

### REFERENCES:

N.J.S.A. 40A:4-53 to 55.

Local Property Tax Bureau News, May, 1956, p.1.

## 805. Using the Results of Revaluation

805.1 Initial application. The appraised values resulting from a revaluation program should never be put into effect on a piecemeal basis. Occasionally an assessor may try to help his municipality obtain more revenue by using only the appraised values which justify assessment increases. This is a false use of the program. Not only does such an approach discriminate against the other taxpayers, who already may be over-assessed, it can also cause considerable trouble for the municipality. The municipal tax rate will be determined by the county board of taxation on the basis of the assessments submitted by the assessor. If his assessments are based on such a discriminatory policy, the ensuing flood of tax appeals may force substantial tax refunds and rate increases in future years. Furthermore, such use of the revaluation results may relieve the appraisal firm of its responsibility for defending tax appeals arising out of the revaluation. The most sensible

course for the assessor, once he is satisfied that the values reported by the firm are substantially accurate, is to treat every property in the municipality in the same manner.

805.2 Maintenance of a revaluation. A revaluation program is an expensive undertaking for any municipality. It should not be allowed to deteriorate during the years following its completion. Adequate provisions should be made for keeping the revaluation up-to-date. This may involve higher expenditures for the assessor's office than were made in the years prior to the revaluation. Unless this is done, however, within a few years the revaluation may have to be done over at a far higher cost to the community. Suggestions for maintaining assessments at their proper level are contained in Chapter IX of this Handbook.

REFERENCES:

Local Property Tax Bureau News, February, 1957, p.1.  
February, 1959, p.1, November, 1958, p.2.

# EXHIBITS

Handbook for New Jersey Assessors

AN ORDINANCE AUTHORIZING AN EMERGENCY APPROPRIATION N.J.S. 40A: 4-53  
(insert purpose for A, B, C, D, E or F as the case may be)

- A. Preparation of an approved tax map.
- B. Preparation and execution of a complete program of revaluation of real property for the use of the local assessor.
- C. Preparation of a revision and codification of its ordinance.
- D. Engagement of special consultants for the preparation and the preparation of the master plan or plans, when required to conform to the planning laws of the State.
- E. Preparation of drainage maps for flood control purposes.
- F. Preliminary engineering studies and planning necessary for the installation and construction of a sanitary sewer system.

BE IT ORDAINED by the \_\_\_\_\_ of the \_\_\_\_\_  
of \_\_\_\_\_, County of \_\_\_\_\_, State  
of New Jersey, that pursuant to N.J.S. 40A:4-53 (Ch. 48, P.L. 1956 as amended  
by Ch. 144, P.L. 1965 and Ch. 38, P.L. 1969) the sum of \_\_\_\_\_  
dollars is hereby appropriated for the (insert purpose for A, B, C, D, E or F  
as provided above) \_\_\_\_\_

\_\_\_\_\_ and shall be deemed a special emergency appropriation as defined and provided  
for in N.J.S. 40A:4-55.

The authorization to finance the appropriation shall be provided for in  
succeeding annual budgets by the inclusion of at least 1/5 of the amount authorized  
pursuant to this act (N.J.S. 40A:4-55).

(The local attorney should be consulted in respect to fixing the date of  
of the hearing on the ordinance, the enactment clause and other particulars.)

FOOTNOTE: A CERTIFIED COPY OF THE ORDINANCE AS FINALLY ADOPTED MUST  
BE SUBMITTED TO THE DIVISION OF LOCAL GOVERNMENT SERVICES.

FORM OF SPECIAL EMERGENCY RESOLUTION, N.J.S. 40A:4-53 AS AMENDED

WHEREAS, an ordinance has been adopted creating a special emergency appropriation of \$ \_\_\_\_\_ to meet certain extraordinary expenses to be incurred for (insert purpose of A, B, C, D, E or F, as the case may be) \_\_\_\_\_, and

WHEREAS, N.J.S. 40A:4-55 provides that it shall be lawful to finance such emergency appropriation by the issuance of "special emergency notes" which notes may be authorized by resolution, the said appropriation to be raised in succeeding annual budgets by the inclusion of at least 1/5 of the amount authorized pursuant to this act.

NOW, THEREFORE, BE IT RESOLVED THAT IN accordance with N.J.S. 40A:4-55:

1. That an emergency note or notes be authorized not in excess of \$ \_\_\_\_\_, the amount appropriated by ordinance as stated above.
2. That said not or notes shall be dated \_\_\_\_\_, 19\_\_\_\_, may be renewed from time to time and at least 1/5 of all such notes and renewals thereof shall mature and be paid in each fiscal year thereafter until all are paid.  
(insert other detail, i.e., place of payment, etc.)
3. That one certified copy of this resolution be filed with the Director of Local Government Services.

\* \* \* \* \*

FORM OF CERTIFICATION

I, \_\_\_\_\_ (NAME OF CLERK), Clerk of \_\_\_\_\_ (NAME OF MUNICIPALITY), County of \_\_\_\_\_, do hereby certify the foregoing to be a true and correct copy of a resolution adopted by the \_\_\_\_\_ (NAME OF GOVERNING BODY) at a meeting of said \_\_\_\_\_ held on \_\_\_\_\_ (MONTH AND DAY), 19\_\_\_\_ and said resolution was adopted by not less than a two-thirds vote of the members of the \_\_\_\_\_ (NAME OF GOVERNING BODY).

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(TITLE)

Witness my hand and seal of the

\_\_\_\_\_  
(NAME OF MUNICIPALITY)

this \_\_\_\_\_ day of

\_\_\_\_\_, 19\_\_\_\_

## IX

### MAINTENANCE OF REAL PROPERTY ASSESSMENTS

#### 901. The Need for Maintenance

901.1 Once it is assumed that assessments on all properties in a taxing district have been made equitably, either as a result of a revaluation program or through local action, the assessor must devote his attention to keeping the assessments equitable. This work breaks down into two principal areas:

- (1) the location and assessment of new taxable property; and
- (2) the identification of trends in property value throughout the taxing district, and the adjustment of assessments where justified.

Unless an organized effort is made to meet these two situations, even the most perfect assessment list soon will become out-of-date, and the funds spent for a revaluation or the effort expended in carrying out a reassessment program will have been wasted.

#### REFERENCES:

Alan F. Hart, "Maintaining a Revaluation Program," New Jersey Municipalities, February, 1961, pp. 9-12.

Daniel P. Kiely, "Maintenance of a Revaluation Program," Proceedings of the Fourth Annual Institute for Assessing Officers, 1957, (New Brunswick: Bureau of Government Research, Rutgers, the State University, July, 1958), pp. 29-32.

#### 902. New Taxable Real Property

902.1 Newly-created land. The land area of each taxing district seldom changes. However, in some cases it is quite possible that newly-created land may have to be added to the assessment list. This happens, for example, in

cases where lagoon lots are created along a waterway. Upon receipt of a grant of a riparian right from the Natural Resource Council in the New Jersey Department of Environmental Protection, a developer may bulkhead or dike to the delineated bulkhead line an area covered by water, fill it in with dredged material, and create new dry land where none existed previously. Assessors in coastal areas should be alert for developments of this kind. The value of the newly-created land may be estimated for tax purposes on the basis of the development cost, as confirmed by sales in the area.

REFERENCES:

Robert E. Fritsch, "Lagoon Lots and Newly Made Land", Proceedings of the Fourth Annual Institute for Assessing Officers, op. cit., pp. 45-46.

902.11 Subdivisions. Most New Jersey communities have ordinances which restrict the subdivision of large tracts into smaller building plots. The very act of granting a subdivision may increase the value of the land involved, although no new land is created physically. The assessor should be prepared to change the assessment on subdivided lots if the market evidence so warrants. This can only be done by keeping constantly informed of subdivisions granted by the planning board and by entering all such changes on the tax map and other property records.

REFERENCES:

Handbook, par. 502.23.

902.2 New improvements. The assessor's task in connection with the assessment of new improvements may be divided into two phases: their location and their appraisal.



902.21 Location of new improvements. New taxable improvements may be located through an organized program which screens building permits, abstracts of deeds, newspapers, certificates of occupancy, and keeps in touch with realtors and other sources of information.

REFERENCES:

Handbook, par. 502.31, 701.41, 701.42, 701.43.

902.22 Appraisal of new improvements. New improvements which have been located must be appraised for tax purposes. It is essential that the same procedures be used in this appraisal as were used in the re-valuation or other program which established the value of the older properties in the taxing district. If the Real Property Appraisal Manual For New Jersey Assessors was used in the original appraisals, it should be used also to appraise the new improvements.

902.23 Annual assessment vs. base year. A literal interpretation of State law requires that every property be re-appraised and re-assessed every year. In practice, this would increase tremendously the cost of administering the property tax. As a practical compromise, most experienced assessors use a base year for their assessments. Each new improvement and each structure which has been modified is appraised at its current value, and that value then is converted to the equivalent value at the time of the base year through the use of a cost conversion factor. An example is shown in Table 9-1.

902.3 Formerly-exempt property. Any exempt properties which cease to be exempt should be placed on the tax rolls at the earliest possible date using the Added Assessment List. Such properties must be entered on

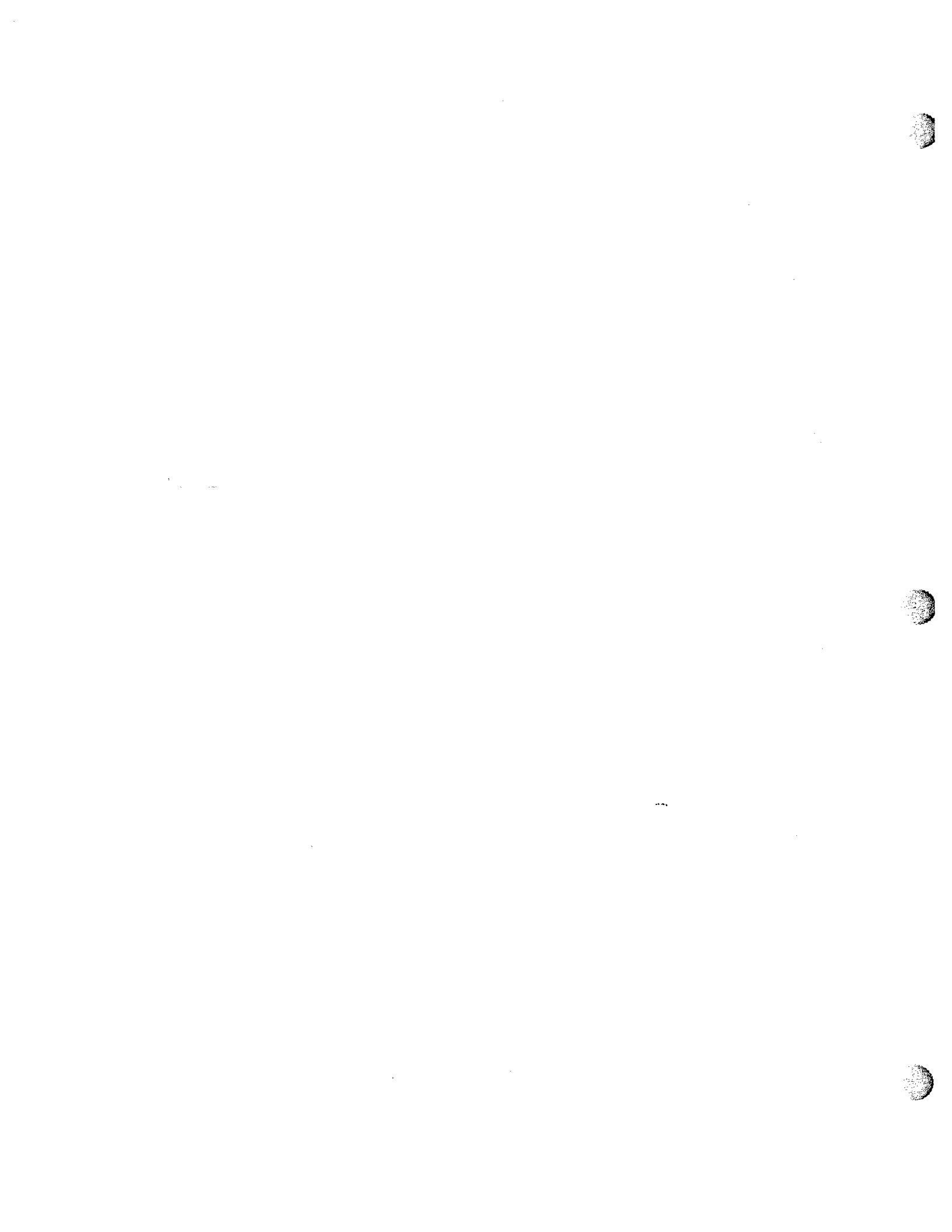
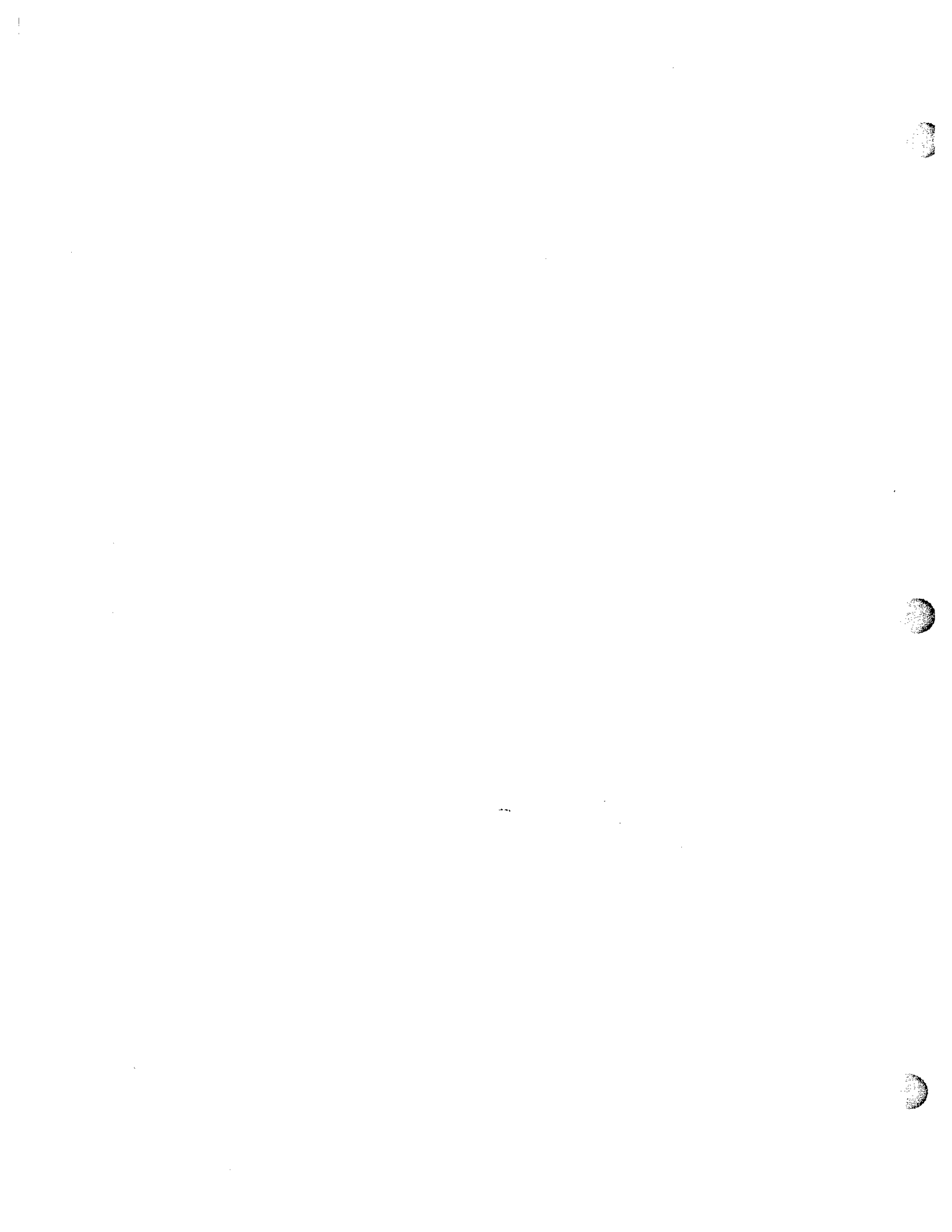


TABLE 9-1: Use of Cost Conversion Factor to Convert Current Cost of Construction to Cost in Base Year

Base Year: 1985; Cost Conversion Factor\* = 1.87

<u>Property</u>	<u>Date Built</u>	<u>Cost of Construction</u>	<u>Cost Conversion Factor*</u>	<u>Construction Cost as of 1985</u>
A	1986	\$110,000	1.95	$\frac{1.87}{1.95} \times \$110,000 = \$105,487$
B	1987	\$125,000	2.03	$\frac{1.87}{2.03} \times \$125,000 = \$115,148$
C	1988	\$138,000	2.12	$\frac{1.87}{2.12} \times \$138,000 = \$121,726$

\*From the Real Property Appraisal Manual for New Jersey Assessors.  
Mercer County Wood Frame Residences.



the Added Assessment List at the value which was assigned to them while they were exempt. Thus, it is highly desirable that a realistic value be placed on exempt property. In the year following the loss of exempt status, such properties should be reappraised by the assessor and reassessed if this step appears justified.

REFERENCES:

Handbook, par. 322.1, 322.2, 322.3, 701.43, 701.54.

903. Trends in Property Value

903.1 The effect of trends. If trends of property value were uniform throughout the taxing district, little attention would have to be paid to them, once all assessments were made on an equitable basis. Unfortunately, this almost never is the case. A great number of economic, social, governmental and physical influences will affect the properties within a taxing district in varying degree. In order to keep assessments equitable, the assessor must keep in constant touch with changing conditions.

903.11 Depreciation. Depreciation is the loss in value of a structure from any cause. A description of the various forms of property depreciation is presented in section 503.23 of this Handbook.

903.12 Appreciation. Appreciation is the gain in value of a property from any cause. The assessor should never lose sight of the fact that properties appreciate in value. Inflation invariably results in appreciated property values. For example, a house built just prior to World War II may now be worth substantially more than it cost to construct, even

though it is more than thirty five years old. The change has been caused largely by inflation. Houses in suburban developments frequently appreciate in value after the development is improved with sewers, and schools make their appearance. Actually, the value of any property is the result of a combination of appreciation and depreciation. The house built in 1940 will have suffered from physical and possibly some other forms of depreciation; at the same time, it has appreciated because of inflation. The net result is today's value.

903.2 Identification of trends. The assessor's task is to identify and measure the trends of property values within the taxing district. This can best be done through a continuing analysis of sales and rentals. The job is not one which can be done once and then forgotten.

903.21 Sources of sales information. Probably the most readily usable source of sales information is the SR-1A forms used in the equalization program for State school aid. The information on these forms should be supplemented by an examination of deed abstracts and by a physical inspection where necessary.

REFERENCES:

Handbook, par. 502.31, 502.32, 502.33.

903.22 Analysis of sales. The ratio between the assessment and the sale price should be examined for every property which has been sold, and a note should be made of all sales which result in a ratio which is substantially above or below that for which the assessor is aiming. Since property appraisal is not an exact science, some margin of error must be expected. Where a substantial error is found, all of the facts con-

cerning the property should be examined. It may be that the property has been improved without the assessor's knowledge. It may be that there are special circumstances involved in the sale which explain the unexpected price. However, if no ready explanation is found, the sale should be recognized as a possible indicator of a trend in property values. Many assessors have found it convenient to plot sales on a map of the taxing district, using different colored pencil or colored pins for assessment-sales ratios of different values. Where a concentration of high or low ratios is noted, the assessor is alerted to a developing trouble spot.

903.23 Analysis of rents. Rents also may be analyzed to detect property value trends, particularly in commercial areas where sales may not be frequent. Considerable caution should be used in analyzing rents, however. All of the details of the lease and the owner's operating expenses should be examined to insure that the new rental figure is not intended merely to cover new services, rather than a changed income to the owner.

903.3 Adjustment of assessments. Once the assessor has determined that the assessments do not reflect equitably the value of property throughout the taxing district, he is faced with the problem of what to do about it. If the variations are very large, or if there are substantial variations with no obvious pattern of property value trends, the best course probably will be to recommend to the municipal governing body that a complete revaluation of the taxing district be authorized. On the other hand, if it appears that assessments in one portion of the taxing district are

generally too high or too low, the assessor may be able to make adjustments which will bring them into line with the assessments on other properties. In making such adjustments, it is essential that they be applied on an area-wide basis. Some assessors have made the mistake of changing assessments only on properties which have been sold. This is a very undesirable practice, for it discriminates against certain property owners. The use of such a procedure will quickly turn a good assessment list into a bad one.



## EQUALIZATION AMONG DISTRICTS

## 1001. The Need for Equalization

1001.1 Historical background. Equalization is the process of insuring that each property in every taxing district carries its fair, legal share of the burden of taxation. When assessments are made by different persons in different places, there always is room for variations in judgment. As early as 1799, all township assessors were directed by law to equalize assessments at an annual meeting in order to spread the cost of county government fairly. Various other administrative devices to achieve the same end were tried during the nineteenth century, but apparently with little success. In 1906, county boards of taxation were established, having equalization as one of their principal responsibilities. Nevertheless, real equalization seldom, if ever, was obtained. Each local assessor was under pressure to keep his assessments low, for the lower the rate at which he assessed the lower the proportion of the cost of county government which his taxing district had to pay. This became known as competitive under-assessment. In the twentieth century a further pressure for competitive under-assessment was introduced by the formula used for distributing State financial aid to local school districts. The formula granted a larger amount of State aid to districts with low assessed valuations. Under-assessment became even more competitive and assessments, in most cases, dropped far below the legal true value level.

At the present time, the equalization program is conducted for two major purposes: the distribution of State school aid, and use by the county board

of taxation in apportionment of the costs of county government and of school districts covering more than one taxing district. The principal part of the work of equalization lies in determining the aggregate true value of all real property in each of the state's 567 taxing districts. This figure is established by a program of assessment-sales ratio analysis. The aggregate true value of real property, together with the value second class railroad property and the assessed value of locally assessed business personal property, is known as the "equalized valuation." Equalized valuation is used as a measure of the wealth of the taxing district.

#### REFERENCES:

- The General Property Tax in New Jersey, A Century of Inequities, Sixth Report of the Commission on State Tax Policy (Trenton, 1953).
- John F. Lotz, The Assessment of Real Estate in Representative Counties of New Jersey (Temple University: Philadelphia, 1951).
- Fred C. McCoy, "Equalization in the County and the State," Proceedings of the First Annual Institute for Assessing Officers (1954) pp. 11-16.
- E. Rowland Major, "Equalization Throughout the State," Proceedings of the First Annual Institute for Assessing Officers (1954), pp. 17-24.
- Aaron K. Neeld, "Equalization - Its Effect on State School Aid," New Jersey Municipalities, January, 1955, pp. 6-9.
- Aaron K. Neeld, "The Role of the State of New Jersey in the Equalization Process," Proceedings of the Second Annual Institute for Assessing Officers (1955), pp. 56-61.
- A. E. Weiler, "The Assessor in the Equalization Process," Proceedings of the Second Annual Institute for Assessing Officers (1955), pp. 62-70.
- Archibald S. Alexander, "Just Taxation Through Assessment Equalization," New Jersey Municipalities, January, 1956, pp. 5-7.
- Michael V. Donovan, "The Role of a County Tax Board in the Equalization Program," New Jersey Municipalities, January, 1956, pp. 9-11.
- A. E. Weiler, "The Role of the Local Assessor in the Equalization Program," New Jersey Municipalities, January, 1956, p.13.
- Aaron K. Neeld, "Equalization for State School Aid Purposes," Proceedings of the Third Annual Institute for Assessing Officers (1956), pp. 1-6.
- Fred C. McCoy, "Equalization for County Purposes," Proceedings of the Third Annual Institute for Assessing Officers (1956), pp. 7-9.
- Alfred N. Beadleston, "Equalization and Revaluation at the Local Level," New Jersey Municipalities, January, 1957, pp. 5-10.

Thomas A. Breen, Sr., "Your Sales-Assessment Ratio for State and County Equalization," New Jersey Municipalities, January, 1957, pp. 19-20.  
Robert S. Johnston, "The Mechanics Employed in the Development of the State Table of Equalized Valuations," Proceedings of the Fourth Annual Institute for Assessing Officers (1957), pp. 24-28.  
Robert S. Johnston, "Is Sales Ratio an Engima?" New Jersey Municipalities, June, 1959, pp. 31-36.  
Local Property Tax Bureau News, May, 1955, p. 1; February, 1956, p. 1;

January, 1959, p. 1; March, 1959, p. 2; August-September, 1959, p. 1.

NOTE: The above articles will provide valuable background on the purposes and procedures of equalization. The reader is cautioned, however, that some procedures have been changed since the equalization program first went into effect. Articles appearing in earlier years may not describe the procedures exactly as they are now carried out.

## 1002. The Sales Ratio Program

1002.1 General outlines. The sales ratio program is based upon a comparison of the sale prices with the assessed values of parcels of real property which have been sold and for which deeds have been recorded. It is assumed that the assessments on the properties sold will be representative of the assessment practice in the taxing district. Thus, if the assessment of the properties sold average 90 percent of the sale prices, the assumption is that all similar properties in the taxing district are being assessed at an average of 90 percent of their true value.

1002.11 Responsibility for the sales ratio program. Procedures of sales data collection and analysis have been developed by the Local Property and Public Utility Branch, but the success of the process requires the cooperation of every county board of taxation and every local assessor. The results of the Branch's work, in the form of the Table of Equalized Valuations, is certified by the Director of the Division of Taxation on October 1 of each year to the

Commissioner of Education for State school aid purposes, and delivered to each county board of taxation for the purposes of apportioning the costs of county government and of school districts covering more than one taxing district.

1002.12 Phases of the sales ratio program. The sales ratio program may be divided into three principal phases: the classification of real property, the collection and analysis of sales and assessment information, and the calculation of the aggregate true value of real property.

1002.2 Classification of real property. Although the State Constitution and laws require that all property be assessed at the same standard of value, it is quite apparent that this has not been done in many taxing districts.

Four classes have been established as follows:

Class 1 - Vacant Land

- Vacant land means land itself above and under water in its original, indestructible, immobile state. It is idle land, not actively used for agricultural or any other purposes. It is unused acreage; it is land in an approved subdivision actively on the market for sale or being held for sale.

Class 2 - Residential

- Residential property may be described generally as a dwelling house including the lot or parcel of land on which the dwelling house is situated. The dwelling is functionally designed for use and enjoyment by not more than four families.

Class 3a - Farmland (regular)

- Farm property may be described generally as land being used for agricultural purposes, including its use for the breeding, pasturing, and production of livestock and animal products. Farm property also includes land, together with improvements, where the use of the land and function of the buildings thereon are for agricultural purposes, as well as farm houses and the lots or parcels of land on which they are situated.

Class 3b - Farm (qualified)

- All farmland assessed under the Farmland Assessment Act (see Sec. 504.1 to 504.7 of this Handbook).

Class 4 - Other

- Other property may be described generally as land or land and improvements used in and/or designed for use in a business or commercial or industrial enterprise, which produces or is intended to produce income. This category encompasses: Commercial properties (Class 4a); industrial properties (Class 4b); special purpose properties (Class 4a or 4b); apartments designed for the use and enjoyment of five families or more (Class 4c); and any other type of income-producing property other than property in Classes 1, 2, or 3 above.

1002.21 The SR-3A form. When every line item of real property has been placed by the assessor in one of the four classes, the total in each class must be reported to the county board of taxation, usually by January 10 of the tax year. The report is made in triplicate, with the assessor retaining one copy and forwarding two to the county board of taxation on form SR-3A (see EXHIBIT X-1). The county board of taxation keeps one copy and forwards the remaining copy to the Local Property & Public Utility Branch. It is very important that the information on the SR-3A card is accurate and that the total assessment on the SR-3A card agrees with the total assessment for land and buildings submitted to the county board by the assessor on January 10. The county board of taxation reviews the Tax List for each taxing district within the county. If the county board makes a revision in the assessed value of real property for a taxing district prior to the certification of the assessor's duplicate to the tax collector, the SR-3A form must be corrected by the county board to reflect the change in the assessed value. The analysis of assessment-sales information which follows is made on the basis of assessed values for each of the four property classifications. If property is assigned to the wrong class, the resulting calculations will be inaccurate and the taxing district could lose a substantial amount of State school aid or pay more than its proper share of county costs. Each county board of taxation must submit SR-3A forms to the Local Property & Public Utility Branch by April 15 of the tax year.

REFERENCES:

Rules For County Boards of Taxation, N.J.A.C. 18:12A-1.17(a) 3.

1002.3 Collection of sales and assessment information. Information on sales prices, assessed values, and other pertinent facts concerning the sales transactions is collected by the county boards of taxation, local assessors, and the Division of Taxation. Thus all three levels of government within New Jersey play a part in the compilation of sales data which go into making up the Director's Table of Equalized Valuations.

1002.31 The SR-1A form. Sales information is collected through the use of an SR-1A form, a five-ply carbon-leaved form, with each copy on a different color paper (see EXHIBIT X-2).

1002.32 The SR-1A form - Section One. When sales of real property are recorded at the office of each county clerk or registrar of deeds, photocopies or abstracts are forwarded to the county board of taxation. The county board completes Section One of an SR-1A form for each sale, showing:

- (1) The date the form is completed;
- (2) The name of the county and the county code numeral;
- (3) The taxing district in which the property is located and the district code numeral;
- (4) The book and page number of the deed record book;
- (5) The date of the deed and the date recorded;
- (6) The amount of Realty Transfer Fee shown on the deed and the sale price. The sale price is usually stated in the deed or abstract, or in the affidavit of consideration recorded with many deeds;
- (7) The name and mailing address, including zip code of the grantor (seller);
- (8) The name and mailing address, including zip code, of the grantee (purchaser);

The fifth (blue) copy of the SR-1A form is retained by the county board of taxation as a tickler file, and the remainder of the form is sent to the assessor of the taxing district concerned. The county board of taxation is required to complete Section One of the SR-1A form and forward it to the tax assessor within 10 days after receipt by the county board of taxation of an abstract of deed from the county recording officer.

REFERENCES:

Handbook, sec. 502.3.

Rules For County Boards of Taxation, N.J.A.C. 18:12A-1.17 (a)  
1.i, p. 8.

1002.33 The SR-1A form - Section Two. The local assessor, when he receives the SR-1A form from the county board of taxation, completes Section Two, showing:

- (1) The tax map and tax list description of the property, including the block, lot, page, and line numbers where applicable;
- (2) The classification of the property. This should be the same classification used when the SR-3A form was prepared;
- (3) The assessed value of the land, the assessed value of the buildings, and the total assessed value of the property sold. The assessed valuation shown on the SR-1A must be for the same year as the year in which the property was sold;
- (4) The location and mailing address of the subject property including the zip code;
- (5) Coding for Homestead Tax Rebate:  
Yes = Application to be mailed to grantee at mailing address of property conveyed;



No = Application not to be mailed to grantee;

Questionable = Undeterminable mailing address by assessor - to be investigated by Homestead Rebate Section;

- (6) Any remarks which will help in determining whether or not the sale represents a bona fide transaction between a willing buyer and a willing seller.

The Local Property Tax and Public Utility Branch has prepared a list of Categories of Non-Usable Deed Transactions (see EXHIBIT X-3). If the sale reported on the SR-1A form falls within any one of the twenty-seven categories shown on the list, the assessor should insert the appropriate nonusable category number, together with an adequate explanation. This is the point in the sales ratio program where sales, after thorough investigation, may first be found unsuitable for ratio use. If the assessor neglects to examine the SR-1A forms, he may be faced later with the much more difficult task of attempting to have a nonusable sale removed from the data used in computing the Table of Equalized Valuations.

The fourth (pink) copy of the SR-1A form is retained by the assessor, and the remainder of the form is returned to the county board of taxation (see Section 1002.34).

If the property sold includes farmland which is qualified for special tax treatment under the Farmland Assessment Act, the assessor, in filling out Section Two of the SR-1A form should do the following:

- (a) Insert a check mark under Column 3B of the Property Classification;
- (b) On the "Remarks" line, insert the word: "Qualified", and indicate the assessed valuation of the land which is qualified under the Act;

- (c) In the Assessed Value section, insert the assessed valuation of the building and of the land which is not qualified under the Act;
- (d) Acreage should be listed separately in the "Remarks" section of the SR-1A for the "Qualified" portion of the farm and for the unqualified portion of the farm.

REFERENCES:

Local Property Tax Bureau News, February, 1965, p. 2.  
Farmland Reg. N.J.A.C. 18:15-9.1.  
N.J.S.A. 54:4-23.10.  
Handbook, sec. 504.1 to 504.7.

1002.34 The SR-1A - return by assessor. When the assessor completes the SR-1A form he is to return the form to the county board of taxation within three weeks after he has received the form. If the assessor wishes to look further into the circumstances surrounding the sales represented by the SR-1A, he is nevertheless required to return the white, green and yellow copies of the SR-1A to the county board of taxation within three weeks after receipt, but he may continue to investigate the sale using the pink copy of the SR-1A which he retains (see Section 1002.33 and 1002.35). If the assessor discovers new facts which alter his original opinion of usability or nonusability of a particular SR-1A after he has returned it to the county board of taxation, he may file an SR-6 form with the new facts and opinion of usability stated on that form (see Section 1002.38).

REFERENCES:

Rules For County Boards of Taxation, N.J.A.C. 18:12A-1.17(a)iii, p. 8.  
Township of Howell v. Division of Tax Appeals 99 N.J. Super. 11 (1968)  
Certification denied 51 N.J. 394, 1969.

1002.35 The SR-1A form - final distribution. The county board of taxation when it receives the SR-1A form from the assessor, retains the third (yellow)

copy, and forwards the remaining white and green copies to Local Property and Public Utility Branch within one week.

The final distribution of the SR-1A copies is:

Original (white) - Local Property and Public Utility Branch;

Second copy (green) - Local Property and Public Utility Branch;

Third copy (yellow) - County Board of Taxation;

Fourth copy (pink) - Assessor;

Fifth copy (blue) - County Board of Taxation.

REFERENCES:

Rules For County Boards of Taxation, N.J.A.C. 18:12A-1.17(a) 1.iii, p. 8.  
1002.36 Local Property and Public Utility Branch review. The Local Property and Public Utility Branch, when it receives SR-1A forms from the county board of taxation, reviews the data shown and may take further steps to verify the accuracy of the information. In many cases a questionnaire is forwarded to the grantee or grantor requesting additional information with regard to the sale (EXHIBIT X-5). Particular emphasis is placed on investigating sales of farm, commercial, industrial, or multi-family dwelling properties (five families or or more). These investigations are conducted by the Branch field staff.

The Division of Taxation then key-punches this verified data for future listing and ultimately for use in developing the Table of Equalized Valuations promulgated on October 1 of each year.

1002.37 Monthly lists of sales. Each month the Local Property and Public Utility Branch prepares a list of all SR-1A transactions which have been processed and are considered to be usable for sales ratio purposes (see EXHIBIT X-6). A second list consisting of transactions considered non-usable for assessment-sales

ratio purposes also is prepared (see EXHIBIT X-7). Copies of each list are sent to the county board of taxation, the assessor, and the field representative of the Branch assigned to each county. When the assessor receives the monthly lists, he should immediately review the SR-1A transactions to determine that each sale has been placed in the proper category - usable or nonusable.

1002.38 The SR-6 form. If the assessor disagrees with any data on the monthly lists, he should file a request for a revision on form SR-6 (see EXHIBIT X-8). This is a five-ply form with the copies in different colprs. All five copies are completed by the assessor and forwarded to the Local Property and Public Utility Branch. Each set of SR-6 forms refers to a single SR-1A. The proper SR-1A serial numbers must be inserted at the top of the SR-6 form, together with the date, county, and taxing district. The form is filled out differently depending upon whether the transaction under consideration has been included on the usable or the nonusable monthly list:

#### Changes in the Usable List

- (1) Under "Grantor List Shows," insert the information for each item as shown on the usable monthly list.
- (2) Under "Should Be" insert only the items for which a change is requested.
- (3) Under "Reason for Revision," insert a concise statement of the reasons for requesting revision.

#### Changes in the Nonusable List

- (1) Under "Grantor List Shows," insert only the nonusable code number as shown on the monthly list.

- (2) Under "Should Be," insert the full information for each line including the grantor, recording date, classification, total assessed value, sales price, and assessment-sales ratio.
- (3) Under "Reason for Revision," insert a concise statement of the reasons for requesting revision.

Upon receipt of the SR-6 form, the Local Property and Public Utility Branch reviews the request for revision, approves or disapproves the request, and distributes the copies of the form as follows:

Original (white) - Attached to original SR-1A in Local Property and Public Utility Branch files;

Second copy (pink) - Returned to assessor;

Third copy (yellow) - Forwarded to county board of taxation;

Fourth copy (blue) - Forwarded to field representative of Branch in the county;

Fifth copy (orange) - Retained in files of Local Property and Public Utility Branch.

REFERENCES:

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.17(a)2, p. 8.

1002.39 Realty Transfer Fee Tax. A Realty Transfer Fee Tax is required to be paid upon the recording of each deed conveying title to real property in New Jersey. The realty transfer fee is imposed upon grantors at the rate of \$1.75 for each \$500 of consideration or fractional part thereof, with an additional fee of \$.75 for each \$500 of consideration in excess of \$150,000. The fee is required to be collected by the county recording officer at the time the deed is offered

for recording. Evidence that the fee has been paid is placed on the deed to be recorded, usually on the face, in the form of a stamp showing the amount of the fee paid, the date and county of recording, and the consideration or sale price upon which the fee is based.

There are a number of types of sales which are exempt from Realty Transfer Fee Tax. The fee does not apply to title transfers:

- (a) For a consideration of less than \$100.00;
- (b) By or to the United States of America, this State, or any instrumentality, agency or subdivision thereof;
- (c) Solely in order to provide or release security for a debt or obligation;
- (d) Which confirms or corrects a deed previously recorded;
- (e) On a sale for delinquent taxes or assessments;
- (f) On partition;
- (g) By a receiver, trustee in bankruptcy or liquidation, or assignee for the benefit of creditors;
- (h) Eligible to be recorded as "ancient deeds" pursuant to R.S. 46:16-7;
- (i) Acknowledged or proved on or before July 3, 1968;
- (j) Between husband and wife, or parent and child;
- (k) Conveying a cemetery lot or plot;
- (l) In specific performance of a final judgment;
- (m) Releasing a right of reversion;
- (n) Previously recorded in another county and full realty transfer fee paid or accounted for as evidenced by written instrument, attested to by the grantee and acknowledged by the county recording officer of the county of such

prior recording, specifying the county, book, page, date of prior recording, and amount of realty transfer fee previously paid;

(o) By an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State;

(p) Recorded within 90 days following the entry of a divorce decree which dissolves the marriage between the grantor and grantee.

Two types of transfers of real property are exempt from the increased (State) portion of the fee:

(1) The sale of one or two-family residential properties which are owned and occupied by a senior citizen (62 years of age or older for purposes of this Act), blind person, or disabled person or their spouses, and

(2) The sale of Low and Moderate Income Housing conforming to the requirements as established by this act.

(3) Transfers of title to real property upon which there is "new construction" shall be exempt from payment of \$1.00 of the \$1.75 fee for each \$500 of consideration or fractional part thereof not in excess of \$150,000. For the purposes of this Act, the following definition shall apply: "New construction means any conveyance or transfer of property upon which there is an entirely new improvement not previously occupied or used for any purpose.

The Realty Transfer Fee Tax replaced the expiring Federal Documentary Tax in 1968. Prior to that time the Federal Documentary Tax Had provided the source for discovering sales prices of real property. Knowledge of sales prices of real

property are crucial to the development of ratios which were then and still are used for: construction of the State Table of Equalized Valuations; construction of county equalization tables; establishment of debt limits for municipalities, counties and school districts; and to provide a basis for the measure of taxpayer relief from discriminatory assessments.

REFERENCES:

N.J.S.A. 46:15-1 et seq.

1002.4 The Average True Value of real property. An Average True Value of real property is developed for each municipality in New Jersey. The Average True Value is developed from sales of real property. A new true value (Current Year True Value) is developed each year and averaged with the prior year's Average True value of real property, after adjustment, to arrive at the final new Average True Value for each particular year. See Table 10-1 and Section 1002.44 for a more complete explanation. Sales occurring during the sampling period from July 1 in each year through June 30 of the following year are used to develop the Current Year True Value. In the case of revalued or reassessed taxing districts the Current Year True Value is calculated from sales occurring from January 1 of a particular year to June 30 of that year. The first 6 months of the normal sampling period (July 1 to December 31) are dropped in the case of revalued or approved reassessed districts since assessments during that period reflect the assessment practice prior to their revision as a result of the revaluation or reassessment.

1002.41 The grantor listing. The first step in calculating the true value of real property is the preparation of a Grantor Listing (see EXHIBIT X-6). This



is a list of all usable transactions for a given year, showing:

- (1) The SR-1A serial number, including a code letter to indicate the source of the information. The following code is used:  
A - sales price indicated in the deed or verified and inserted by assessor;  
F - sale price obtained by field investigation;  
Q - sale price confirmed by questionnaire;
- (2) The recording date of the sale;
- (3) The name of the grantor;
- (4) The tax map block and lot of the property conveyed;
- (5) The classification of the property;
- (6) The assessed valuation;
- (7) The sale price of the property;
- (8) The individual assessment-sales ratio, which is calculated by dividing the assessment by the sale price.

The Grantor Listing groups the usable transactions by property classification, and lists each sale in ascending order of its assessment-sales ratio. Totals are shown for the assessed valuation and the sale price columns in each property classification, while an over-all total is shown for all classifications.

1002.42 Calculation of class ratios. A weighted average assessment-sales ratio is calculated for each class of real property by dividing the total assessed value of all properties sold and deemed usable during the most recent sampling year by the total of the sales prices of the properties as shown in Step 1 of Table 10-1.

1002.43 Calculation of class true value. The true value of the real property in each class is calculated by dividing the total assessed value of each class, as reported earlier by the assessor on the SR-3A form, by the class ratio. This is also shown in Step 1 of Table 10-1.

However, the assessment-sales ratio determined by Class 2 - Residential is applied to the property listed under Class 3b - Farmland Qualified Under the Farmland Assessment Act, to determine true value for the Farmland Qualified Class. The Class 2 ratio is also applied to the ratables in any other Class for which no sales are available for use.

REFERENCES:

Farmland Reg. 16:12-10.550.

Township of Union v. Director, Division of Taxation, Tax Court of New Jersey, January, 1980.

1002.44 Calculation of District Average Weighted Ratio. The District Average Weighted Ratio is calculated by averaging the Current True Value (see step 1 below) with the previous year's True Value after adjustments are made to the preceding year's True Value. Steps I, II, III and IV described below and shown in Table 10-1 illustrate how this is done:

- (1) Step I - Calculation of the Current True Value is accomplished by adding the total assessed value for each of the four property classes and dividing that sum by the total true value previously calculated for all classes of real property to develop a current year district weighted ratio which is rounded to two places. To compensate for rounding the ratio so developed is divided back into the total assessed valuation for the current year to develop the Current True Value.

TABLE 10-1: SAMPLE COMPUTATION DISTRICT AVERAGE WEIGHTED RATIO - 1988 TABLE OF EQUALIZED VALUATIONS  
 JULY 1, 1987 THROUGH JUNE 30, 1988 (NON-REVALUED DISTRICTS)

Step I - Computation of True Value of Real Property									
1	2	3	4	5	6	7	8	9	
Property Class	No. of Sal's	Total Assessed Value	Total Sales Price	Class Ratio (Col.3*4)	1988 SR-3A Valuation	Property Class True Value (Col.6 + Col.5)	District Wghtd Ratio (Col.6 + Col.7)	Current True Value (Col.6 + Col.8)	
1 Vacant Land	4	160,500	552,000	29.08%	\$9,971,200	\$34,288,858			
2 Residential	411	62,484,900	134,137,368	46.58%	873,041,400	1,874,283,813			
3 Farm (Regular)	0	0	0	46.58%	0	0			
3b Farm (Qualified)	0	0	0	46.58%	0	0			
4 Other	17	5,989,200	15,599,733	38.40%	236,996,900	617,179,427			
Totals	432	\$68,634,600	\$150,288,101		\$1,120,009,500	\$2,525,752,098	44.34%	\$2,525,957,375	
Step II - Computation of 1987 Adjusted True Value of Real Property									
1	2	3	4	5					
1987 Certified True Value Real Property	1987 Added & Omitted Assessments	1987 Certified Ratio	True Value of 1987 Added & Omitted Assessments (Col.2 + Col.3)	Adjusted True Value (Col.1+Col.4)					
\$1,619,445,704	\$28,894,900	67.04%	\$43,100,984	\$1,662,546,688					
Step III - Computation of Average True Value of Real Property									
1	2	3							
1988 Current True Value (Step I, Col.9)	1987 Adjusted True Value Step II-Col.5	Average 1988 & 1987 True Value (Col.1+Col.2 + 2)							
\$2,525,957,375	\$1,662,546,688	\$2,094,252,032							
Step IV - Computation of 1988 District Average Weighted Ratio									
1	2	3							
1988 SR-3A Valuation	Average True Value	1988 District Average Weighted Ratio (Col.1 + Col.2)							
\$1,120,009,500	\$2,094,252,032	53.48%							

- (2) Step II - In each taxing district the added assessments and omitted assessments for the prior year before proration are brought to true value by dividing their total amount by the previous year's Director's weighted average ratio as certified on October 1 of the year prior to the year for which the current Director's weighted average ratio is being developed. The True Value of added and omitted assessments so determined is then added to the prior year's True Value of Real Property as certified by the Director.
- (3) Step III - The Current True Value (see Step I above) is added to the prior year's Adjusted True Value, and that total is divided by 2 to obtain an Average True Value for the current year.
- (4) Step IV - The current year Average Weighted Ratio is determined by dividing the current year's aggregate assessed valuation, as reflected on the most recent SR-3A report by the Average True Value as calculated in Step III above.

1002.45 Calculation of the aggregate true value of real property. The aggregate true value of all real property within the taxing district is found by dividing the district weighted average ratio into the total assessed value of all real property.

1002.46 Promulgation of the Director's Table of Equalized Valuations. The Director of the Division of Taxation is required by law to promulgate his Table of Equalized Valuations on or before October 1st of each year. The Table is deemed to have been promulgated when the Director has delivered the Table to the Commissioner of Education and has mailed certified copies of the Table to each municipal clerk and to the secretary of each county

board of taxation.

REFERENCES:

N.J.S.A. 54:1-35.1.

1002.47 Special notice when municipal true value increases by 10% or more.

The Director of the Division of Taxation is required to deliver, by certified mail, a copy of the Table of Equalized Valuations to the mayor or other chief executive officer of each municipality whose equalized valuation exceeds by 10% or more the equalized valuation certified for such a municipality for the preceding year.

REFERENCES:

N.J.S.A. 54:1-35.1.

1002.48 Table of Equalized Valuations to be a public record. The Table of Equalized Valuations, once promulgated, including any revisions is to be a public record in each office to which it has been sent. It is also kept as a public record in the office of the Director of the Division of Taxation.

REFERENCES:

N.J.S.A. 54:1-35.1.

1002.5 Usable and nonusable sales. All sales of real property occurring within each taxing district are used in the calculation of true values and Average Weighted Ratios unless they fall within the purview of one or more certain categories of nonusable deed transactions. The categories of nonusable deed transactions are shown in EXHIBIT X-3. Over the years policy has evolved with respect to some of the categories of nonusable deed transactions:

- (1) Nonusable Category 6 - This category of nonusable deed transactions provides that sales of property conveying only a portion of the assessed unit, usually referred to as apportionments, split-offs, cut-offs indicating a parcel has been sold out of a larger

tract are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. In the normal instance the parcel being conveyed is a portion of the parcel assessed thereby causing the sale to fall into Nonusable Category 6. In properly entering assessment information on the SR-1A for such a sale the block and lot number of the entire original parcel assessed should be reported as it appears in the tax list, and not the block and lot numbers which are to be given to the newly created parcel. The same thing applies to the assessed value. That is, the assessed value of the entire parcel, before subdivision, should be reported on the SR-1A, and not the assessed valuation to be assigned in the future to the conveyed, subdivided parcel.

REFERENCES:

Local Property Tax Bureau News, April, 1965.

(2) Nonusable Category 7 - This category of nonusable deed transactions provides that sales of property substantially improved subsequent to assessment and prior to the sale thereof are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. In deciding whether a transaction is to be considered nonusable under Category 7 careful attention must be paid to two factors:

(a) the time interval involved; (b) whether or not the improvement was substantial. As regards (a), the time interval to render a sale nonusable, the improvement made to the sold property must have taken place after the statutory assessment date (October 1 of the pretax year) and before the date of the sale. In other words the

improvement must have taken place between October 1 of the pre-tax year and the actual date of sale of the property. As regards (b) above, the improvement itself it must be of a substantial type. Replacements such as new doors or windows, refurbishing, such as painting and minor additions such as a new picket fence are not considered substantial improvements. Substantially improved is held as meaning that important improvements having considerable value have been made to the sold property during the time interval mentioned above. Substantial improvement does not include normal dressing-up, maintenance or repair. In reporting a Nonusable Category 7 claim on an SR-1A, to assure proper disposition, the following information should be supplied:

1. the nature of the improvement; 2. the approximate cost of the improvement; 3. the time the improvement was made; 4. and the source from which the information was obtained.

REFERENCES:

Local Property Tax Bureau News, May-June, 1964, p. 2;  
September-October, 1973, p. 2.

Township of Mt. Laurel vs. Director, Division of Taxation, Division of Tax Appeals, January 30, 1973.

- (3) Nonusable Category 10 - This category of nonusable deed transactions provides that sales by guardians, trustees, executors and administrators are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. This category of real estate transaction is eliminated from the sales study because sales prices in such transactions often are the result of an attempt to expeditiously settle and dispose of an estate and thereby

may very well not reflect true market value.

Sales of this type, however, are not to be confused with sales where it is indicated the grantor had acquired the property by inheritance, such as, "by LWT (last will and testament) of. . . , "or," as devisee of the estate of. . .". Such sales as these just mentioned, unless found to be nonusable for some other reason, will normally be deemed a usable sale and included in the assessment-sales ratio study.

REFERENCES:

Local Property and Public Utility Branch News, July-August, 1974, p. 2.

- (4) Nonusable Category 16 - This category of nonusable deed transactions provides that sales or property assessed in more than one taxing district are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. In determining that a property fits under this category of nonusable sales the sold property must be not only located, but also assessed in more than one taxing district. There are instances where a parcel of real property is located in more than one taxing district but by resolution the municipalities in which the property is situated have agreed that the assessment will be made by only one of the municipalities. In this instance there is no basis for the application of Nonusable Category 16 since the assessment reflects the value of the entire parcel even though the entire parcel is not located within the boundaries of the municipality levying the assessment.

REFERENCES:

Local Property Tax Bureau News, October, 1965; January-February, 1972, p. 2.



- (5) Nonusable Category 23 - This category of nonusable deed transaction provides that sales of commercial and industrial real property which include machinery, fixtures, equipment, inventory, goodwill, when the values of such items are indeterminable are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. In all instances where items such as those mentioned above are included in the sales price, an effort should be made to determine the value of the items included before applying Nonusable Category 23. The fact that such items are included in the sale price does not of itself render the sale nonusable. If an accurate amount may be ascribed to the items other than realty included in the sale price, the figure obtained may be deducted from the sale price to arrive at the value of the real estate. Category 23 is applicable only to sales of property that are classified commercial or industrial. This category is not to be applied to sales of other classes of property.

REFERENCES:

Local Property Tax Bureau News, June-July, 1965.

- (6) Nonusable Category 24 - This category of nonusable deed transactions provides that sales of property, the value of which has been materially influenced by zoning changes where the latter are not reflected in current assessments are not to be used in determining assessment-sales ratios for use in the Director's Table of Equalized Valuations. In determining the applicability of this nonusable category the time at which the zoning change or variance from the zoning code took place is important. Category 24 is applicable in cases where the change occurs

after the assessing date (October 1 of the pretax year) and there is, therefore, no opportunity to reflect the change in the present assessment. If the zoning change occurs prior to the assessment date, there is, of course, opportunity to reflect the result of the change in the assessed value of a property. In these cases Nonusable Category 24 would not apply. It is well to note there is a distinction between a zoning change and a "change of use". An example of the latter would be where property situated in a residentially zoned area has been used for commercial purposes for some period of time, but is purchased for residential use. As the property is already zoned for residential use, there is no necessity for a zoning change. Such a sale would not constitute a nonusable sale under Category 24.

REFERENCES:

Local Property Tax Bureau News, May, 1965.

- (7) Nonusable Category 25 - This category of nonusable deed transactions no longer applies. The Federal documentary stamp law was repealed and replaced with the Realty Transfer Fee Act (Chapter 49, Laws of 1968), thereby eliminating the need and applicability of this nonusable category.

REFERENCES:

Local Property Tax Bureau News, May-June, 1968.

- (8) Nonusable Category 26 - This category of nonusable deed transactions provides for the elimination from use in assessment-sales ratio studies sales which for some reason other than specified in the other enumerated categories are not deemed to be a transaction between a willing buyer and a willing seller. Claims of this kind

made on an SR-1A form should be accompanied by a detailed explanation setting forth the reason(s) why the sale is not one between a willing buyer and a willing seller.

REFERENCES:

Local Property Tax Bureau News, April, 1956.

- (9) Personal property included in sales price of residential property - The selling price of residential real property may include such items as stoves, furnaces, refrigerators, washing machines, storm doors and windows, pumps, air conditioning units, wall-to-wall carpeting and other items. Because of difficulty in ascertaining the amount to be deducted for these fixtures and appliances, and further, recognizing that such fixtures and appliances are generally considered as part of the realty and are regarded as security in a mortgage by the Veterans Administration and Federal Housing Administration, no deduction is made from the full selling price because of the inclusion of these items in the transaction. In cases of ordinary furniture being included in the sale price, or items of a substantial and unusual nature being included in the sale price of real estate e.g. a pleasure boat, where the value of such items can be accurately determined, such value will be deducted from the overall selling price, and the remaining figure would be used for ratio calculation purposes.

REFERENCES:

Memorandum, Local Property Tax Bureau, August 10, 1956.

Township of Mt. Laurel vs. Director, Division of Taxation, Division of Tax Appeals, January 30, 1973.

(10) A claim under any of the Nonusable Categories of Deed Transactions is to be shown in the "Remarks" section of an SR-1A and is to be accompanied by the specific reason for the sale being declared to be non-usable. For example, the proper method to be used in completing Section 2 of the SR-1A under "Remarks" for a nonusable family transaction would be:

"N.U. (1) Family transaction - Johnston to Stoy (Son-in-law)."

REFERENCES:

Local Property Tax Bureau News, April, 1956.

1002.6 Proper procedure for reporting nonusable categories on SR-1A's. Guidelines have been prepared by the Division of Taxation to assist assessors in properly reporting pertinent data on SR-1A's to substantiate claims of nonusability of certain deed transactions. These guidelines have been published and distributed in booklet form by the Division. The booklet is shown in the Handbook as EXHIBIT X-9.

1003. Applications of Equalization among Taxing Districts

1003.1 Responsibility. While the sales ratio program is conducted by the Local Property and Public Utility Branch for the Director of the Division of Taxation, the actual application of the results of the program is carried out by other agencies. The Commissioner of Education is responsible for calculating the amount of State school aid to be received by each school district; the county board of taxation fixes the apportionment of county government, county library, county health aid and county vocational school costs.

The Commissioner of Education must use sales-ratio data supplied by the Director in the Table of Equalized Valuations for state school aid purposes.

The use of these data by the county boards of taxation is optional, although in the absence of any other information, the county board must "take notice" of the Director's data.

REFERENCES:

City of Passaic v. Passaic County Board of Taxation, 18 N.J. 371 (1955).

1003.2 Equalization for State school aid. The present equalization program had its origin in 1954 when a considerably expanded State aid program for education was enacted, with the distribution formula based on "equalized valuation," rather than upon assessed valuation. Equalized valuation has been carried forward as a basic component of newer formulae set forth by the Legislature from time to time to calculate the distribution of State school aid funds. The most recent school aid formula is found in the so called Thorough and Efficient Education Act (Chapter 212, Laws of 1975), see Section 1003.22.

1003.21 The Table of Equalized Valuations. On October 1 of each year the Director of the Division of Taxation is required by law to promulgate a Table of Equalized Valuations. Certified copies of the Table are mailed to the municipal clerk of each taxing district on October 1. The assessors receive a copy of the certified Table for their particular counties, together with the printed listings showing the usable and nonusable sales. The equalized valuation of each taxing district is made up of:

- (1) the aggregate true value of all real property, as established by the assessment-sales ratio program; plus
- (2) the assessed valuation of Class II railroad property; plus
- (3) the assessed valuation of all locally assessed business personal property.

REFERENCES:

N.J.S.A. 54:1-35.1, 54:1-35.2.

1003.22 The State school aid formula. Once the Table of Equalized Valuations has been promulgated, it is the responsibility of the Commissioner of Education to apply the statutory school aid formula. Although the formula has been revised by the Legislature from time to time, it has remained the responsibility of the Commissioner of Education to apply the formula and determine each municipality's share of the state school aid funds to be distributed. As the formula now stands its basic structure consists of three main features: (1) an equalized valuation plan designed to assure every school district the equivalent of no less than a fixed amount of equalized valuations. The purpose is to give every district whose actual equalized valuations are below the guaranteed level the capacity to raise the same amount of funds for school expenses per pupil as every other district. Equalized valuations have been a part of every State school aid formula since 1956; (2) a minimum per pupil allowance to the districts separate and apart from the equalization guarantees mentioned in (1) above; (3) "categorical" aids to defray the special expenses of pupils who are especially difficult to educate in various respects.

Municipalities interested in obtaining information relative to amounts of State school aid received or to be received by them may contact the county superintendent of schools of the county in which they are situated.

REFERENCES:

N.J.S.A. 18A:7A-1 et seq.

Robinson v. Cahill 69 N.J. Super. 449 (p.482).

1003.3 Equalization for county and school cost apportionment. As a result of court decisions, county boards of taxation are directed to consider the real property assessment-sales ratio information, which is developed for State school

aid purposes, in apportioning the costs of county government among taxing districts within the county. However, the county board is required to review critically the data gathered for State school aid purposes and may use any reasonable and efficient mode to develop the most valid equalization table possible. The statutes further direct the county board to equalize the assessments on personal property used in business by adjusting the assessed value of such property.

REFERENCES:

- City of Passaic v. Passaic County Board of Taxation, 18 N.J. 371, (1955).  
Township of Maplewood v. Essex County Board of Taxation, et al.; 39  
N.J. Super. 202 (1956).  
N.J.S.A. 54:3-17.  
Clifton and Paterson v. Passaic County Board of Taxation, 85 N.J. Super.  
437 (1964).  
Kearny v. Division of Tax Appeals, 35 N.J. 299 (1961).  
Woodbridge v. Middlesex County Board of Taxation, N.J. Super. 532,  
(App. Div. 1967).

1003.31 Revalued and reassessed taxing districts and the county equalization table. When it becomes known that the assessments of a taxing district have undergone substantial revision and new taxable values are reflected on the tax lists currently filed with the county board of taxation, the county tax administrator is faced with the problem of determining the new base or new assessment ratio for that district. The ratio reflected in the Director's Table of Equalized Valuations published the preceding October 1 would no longer apply, since assessment figures against which the assessment-sales ratio in the Director's Table was calculated would presumably have been changed in such a taxing district as a result of the revaluation or approved reassessment. The county tax administrator has a relatively short time, less than two months, in which to develop a new ratio for a revalued or reassessed taxing district.

The county tax administrator is required by statute to submit to the county board of taxation a final equalization table before March 1 each year. Such a time limitation makes it unlikely that a sufficient number of usable sales would occur in many taxing districts to develop an assessment-sales ratio with credible accuracy, and further, would place a burden upon county tax administrators to carry out, timely, the mechanics of ratio calculation. To overcome the problems attendant with developing a ratio for a revalued or reassessed taxing district the Division of Taxation developed a formula for use by county boards of taxation in situations where a new average ratio must be calculated because of revaluation or approved reassessment being placed on a municipality's tax list. The formula is popularly known as the "Page 8 Formula" (see par. 1003.32), and has been in wide use for many years. Employment of the Page 8 Formula has been approved and encouraged by the courts of New Jersey as well as the Division of Taxation.

REFERENCES:

N.J.S.A. 54:3-17, 18.

Township of Willingboro vs. Burlington County Board of Taxation, 62 N.J. 203.

Town of Bloomfield, et als vs. Essex County Board of Taxation, Division of Tax Appeals, May 6, 1957.

1003.32 Page 8 Formula. The Page 8 Formula is based upon the assumption that the Equalized Value of any municipality established on October 1 of each year by the Director of the Division of Taxation will remain and continue to be the Equalized Value of that municipality at the commencement of the following year except for two items: (1) the value of new construction which has taken place during the prior year, the value of exempt property which has been transferred to taxable status, and (2) the value of property which had





Table 10-2. Sample Page 8 Formula Calculation

Assumption: This taxing district filed its 1985 tax list reflecting the results of a newly completed revaluation. Pertinent facts about the subject taxing district:

1984 Equalized Valuation from Director's Table of Equalized Valuations	-	\$188,000,000
1984 Average Weighted Ratio from Director's Table of Equalized Valuations	-	68.50%
1984 Total Added and Omitted Assessments before apportionment	-	\$ 725,000
1984 Loss of ratables through fire and demolitions	-	35,000
1985 Aggregate Assessment of real property (following revaluation)	-	\$186,500,000
1. Total or aggregate real property assessments for the new year after the revaluation as shown in column 1, County Equalization Table		<u>\$186,500,000 (A)</u>
2. True Value of real property for preceding year from column 3, Table of Equalized Valuations (School Aid) October 1		<u>\$188,000,000</u>
<u>ADDITIONS</u>		
3. True value of assessed ratables on Added and Omitted Assessment Lists of October 1, (before proration) computed as follows:		<u>\$ 1,058,394</u>
	$\frac{\$ 725,000}{\text{Total Added \& Omitted Assessments}} + \frac{68.50\%}{\text{Ratio from Table October 1}}$	
4. True value of additional assessed ratables other than reported on Added and Omitted Lists computed as follows:		<u>-----</u>
	$\frac{\text{Assessed ratables of new construction, improvements \& exempt transferred to taxable}}{+ \text{"Claimed" Ratio used by assessor}}$	
5. Enter total of true values (2) plus (3) plus (4)		<u>\$189,058,394</u>
<u>DEDUCTIONS</u>		
6. True value of loss of assessed ratables computed as follows:		<u>\$ 51,095</u>
	$\frac{\$35,000}{\text{Total loss in assessed ratables from fire, demolition and taxable transferred to exempt}} + \frac{68.50\%}{\text{Ratio from Table October 1}}$	
7. Net true value at beginning of new year. Amount on line (5) minus (6)		<u>\$189,007,299 (B)</u>
<u>-----</u>		
8. New average ratio from lines (1) and (7)		<u>98.67%</u>
	$\frac{\$186,500,000}{\text{(A)} \text{ divided by }} + \frac{189,007,299}{\text{(B)}} = \frac{98.67\%}{\text{Ratio}}$	

been mistakenly omitted from the prior year's tax list. Thus the total of all Added Assessments and Omitted Assessments as well as any other additional ratables not reported on the Added and Omitted Lists equalized to true value and added to the equalized valuation of real property of the revalued or reassessed municipality as established by the Director on October 1 of the year prior to the year at issue will produce substantially the total true value at the end of the prior year and at the beginning of the year at issue. The method may be further refined by deducting from the Director's Equalized Value the true value of any loss in ratables caused by such things as fire, demolition and ratables transferred from taxable to exempt status. Once the foregoing adjustments have been made, the ratio for the new year (the year at issue) is then calculated by dividing the new aggregate assessed valuations of real property established by the revaluation or approved reassessment, by the Director's Equalized Valuation from the preceding October 1 adjusted as described above. A sample calculation is shown in Table 10-2.

1003.33 The county equalization table - contents. By law, the county tax administrator must draw up a county equalization table by March 1 of each year. Copies of the table must be mailed to every assessor and to the Division of Taxation and must be posted in the county court house. The county tax administrator must also by March 1 submit a copy of the equalization table to the county board of taxation for its review. Column headings displayed in EXHIBIT X-10 show the information which must appear in the county equalization table for each taxing district. The table at this stage is commonly referred to as the Preliminary County Equalization Table and is subject to review, revision and change (see Section 1003.34).

REFERENCES:

N.J.S.A. 54:3-17, 54:3-18.

1003.34 The county equalization table - hearings. The county board of taxation is required to hold hearings between March 1 and March 9 of the tax year, at which the assessors and representatives of municipal governing bodies may appear to present their views with regard to the data contained in the county equalization table. At the first hearing, any taxing district may object to the valuation fixed for any other district, but the valuation of a taxing district may be raised by the county board only after giving such taxing district a chance to be heard. Following the hearings, the county board may revise the equalization table. Work on the county equalization table must be completed before March 10, whereupon certified copies must be filed with the Director of the Division of Taxation, the State Tax Court, and with every taxing district in the county. The court has held that a county board may properly utilize the Table of Equalized Valuations developed by the Director of Taxation in the promulgation of its Table.

REFERENCES:

N.J.S.A. 54:3-18.

West Deptford Tp. v. Gloucester County Board of Taxation, 6 N.J. Tax 79 (Tax Court of New Jersey, Sept. 2, 1983).

1003.35 Development of the county equalization table. Development of a county equalization table by a county tax administrator is essentially a five step operation for each municipality:

(1) calculation of the aggregate true value of real property for each municipality in the county, and then recording the difference between the aggregate true value and the aggregate assessed value of real property in Column 1 (d) of the equalization table; (2) calculation of the equalized valuation of locally assessable personal property used in business, and then recording the difference between the

aggregate equalized valuation and the aggregate assessed value in Column 2 (e). Because of the method prescribed in the statutes this difference is invariably zero; (3) calculation of the assumed equalized value of Business Personal Property Replacement Revenues (the dollar amount of such revenues has been frozen for each municipality at those amounts first appearing in a correctly completed 1977 county equalization table); (4) calculation of aggregate true value of railroad property, exclusive of Class II railroad property, where the taxes are in default and liens are unenforceable by reason of any order of any state or federal court; (5) amounts calculated in Steps (1), (2) and (3) for each municipality are totaled, and the amount calculated in Step 4 is deducted from the total, with the result entered for each municipality in the last column (Column 5) of the county equalization table. The amounts for each municipality contained in Column 5 are later transferred to Column 10 of the county abstract of ratables.

Column headings of the county equalization table contain basic instruction where calculation is required for proper completion (see EXHIBIT X-10).

1003.36 Application of county equalization. The equalized valuation of each taxing district, consisting of the assessed value of all real and personal property, plus the amounts to be added for equalization purposes as described in Section 1003.35 and shown in Column 5 of EXHIBIT X-10, form the basis for apportionment of property taxes for county purposes.

#### 1004. Equalization Appeals

1004.1 Informal review. A number of opportunities are given to the assessor to affect the make-up of the Table of Equalized Valuations before promulgation on October 1 of each year:

- (1) When the assessor first receives an SR-1A form from the county board

of taxation, he has an opportunity to indicate his opinion as to whether or not the sale is suitable for use in the assessment-sales ratio program.

- (2) The monthly lists of sales provide another opportunity for the assessor to request revision of the proposed use or non-use of a sale (see par. 1002.38).

If, in spite of these occasions for suggesting changes, the assessor or the municipal governing body still are not satisfied with the table, more formal appeal procedures are available.

REFERENCES:

Handbook, par. 1002.33, 1002.34, 1002.37.

- 1004.2 Appeals from the Director's Table of Equalized Valuations. Following promulgation of the Director's Table of Equalized Valuations on October 1, the jurisdiction of the Division of Taxation over the Table ceases. Appeals by taxing districts from the Table must be filed within forty five days of its promulgation with the State Tax Court. Hearings are conducted on such appeals; they must be concluded and judgments must be rendered by the Tax Court by the next January 30. The Tax Court may revise the equalized valuation of a taxing district if an appeal has been filed within the prescribed time period, and if the facts warrant a revision. Only sales occurring during the "current" sampling period may be appealed. Once the annual deadline for appeals has passed, the question of the usability or nonusability of any sales used in the Table is foreclosed. Also the courts have held that the usability or nonusability for assessment-sales ratio purposes of sales occurring in any prior sampling period may not be appealed.

REFERENCES:

Rules of the Tax Court, 8:4-1(a)(1).

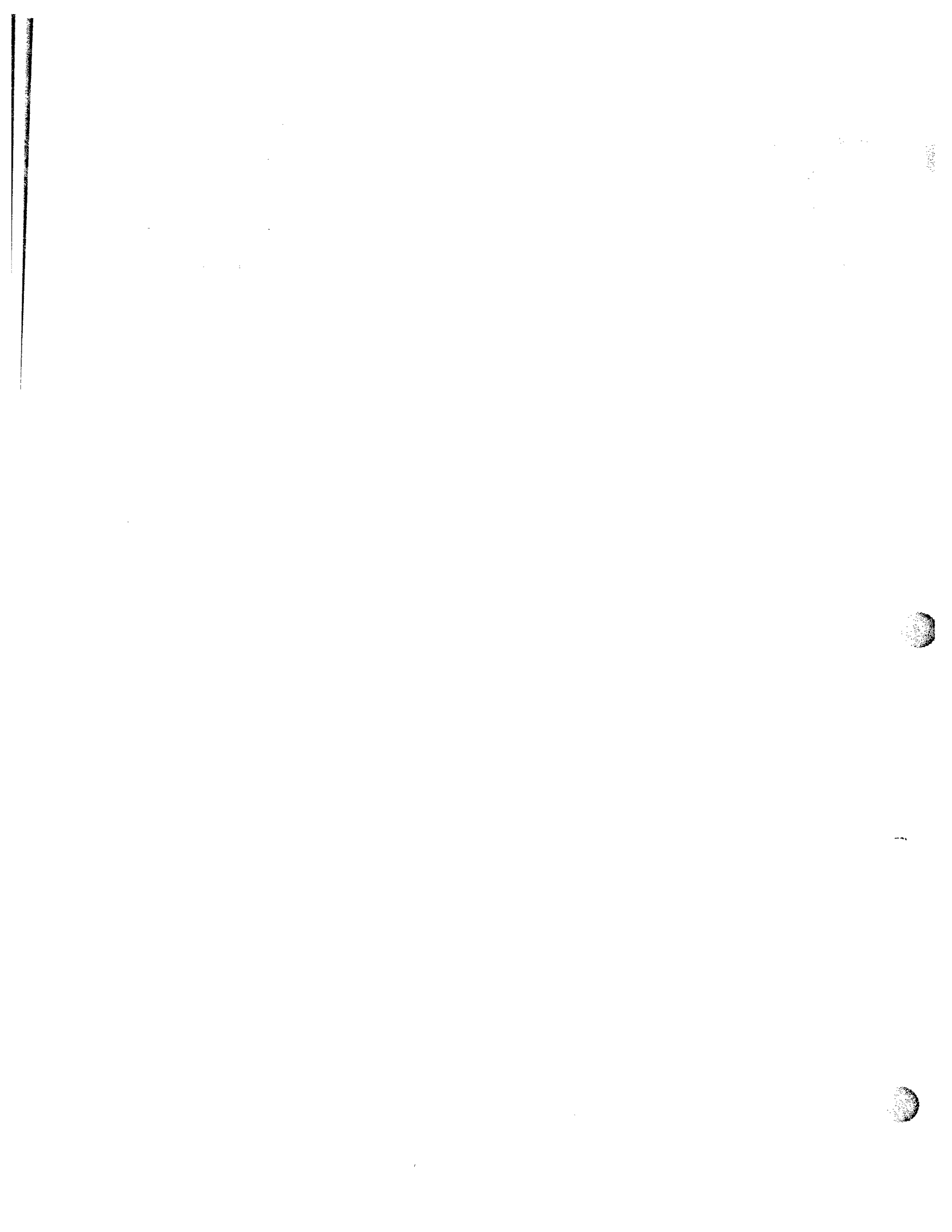
N.J.S.A. 54:1-35.4.

City of Bayonne v. Division of Tax Appeals, et als 49 N.J. Super 230 (App.Div.1958).

1004.3 Appeals from the county equalization table. A taxing district or a taxpayer may file an appeal from the county equalization table with the Tax Court within 45 days of its promulgation by the county board of taxation. The Tax Court may hold a hearing upon five days notice to the affected taxing districts. All decisions and judgments must be rendered by September 10 of the tax year.

REFERENCES:

Rules of the Tax Court, 8:4-1 (a)(1).  
N.J.S.A. 54:2-37.





# EXHIBITS

Handbook for New Jersey Assessors



EXHIBIT X-1: Report of Real Property Classification (Form SR-3A)

SR-3A

COUNTY MONMOUTH DISTRICT OCEAN GROVE BOROUGH

PURSUANT TO R.S. 54:4-26 AMENDED C.264, L.1955 and C.48, L.1964

OFFICE USE PERCENT TO TOTAL	No. of Line Items In Each Property Classification	REAL PROPERTY CLASSIFICATION		ASSESSMENT 1988	FOR OFFICE USE	
					PERCENT TO TOTAL	RATIO
	100	1 - VACANT LAND		550,000		
	1,044	2 - RESIDENTIAL (4 Families or Less)		25,675,000		
	25	3a - FARM (Regular)		1,450,000		
	75	3b - FARM (Qualified)		3,100,000		
	157	4a - COMMERCIAL				
	41	4b - INDUSTRIAL				
	10	4c - APARTMENT				
	(208)	TOTAL CLASS 4a, 4b and 4c		(4,725,000)		
	1,452	TOTAL ASSESSMENT *		35,500,000		

NOTE: TOTAL ASSESSMENT (SUM OF 1, 2, 3a, 3b, 4a, 4b, 4c) SHOULD AGREE WITH DISTRICT TOTAL OF LAND AND IMPROVEMENTS SUBMITTED TO THE COUNTY BOARD OF TAXATION ON JANUARY 10th.

John E. Smith

R. B. Jones

E. G. Williams

1-10 1988

(SAMPLE)

DATE

\* EXCLUSIVE OF CLASS II RAILROAD PROPERTY

ASSESSOR(S)

EXHIBIT X-2: Report of Deed Transaction (Form SR-1A)

- 1 COUNTY TAX BOARD—FILL IN SECTION ONE. REMOVE BOTTOM COPY AND CARBON ONLY. SEND BALANCE OF SET, INTACT, TO ASSESSOR'S OFFICE
- 2 ASSESSOR—FILL IN SECTION TWO. REMOVE BOTTOM COPY AND CARBON ONLY. RETURN BALANCE OF SET, INTACT, TO COUNTY TAX BOARD
- 3 COUNTY TAX BOARD—REMOVE BOTTOM COPY AND CARBON ONLY. SEND BALANCE OF SET, INTACT, TO LOCAL PROPERTY BRANCH

DIVISION OF TAXATION  
**STATE OF NEW JERSEY**  
 LOCAL PROPERTY BRANCH

FORM NO.  
SR-1A  
3-88

DATE		COUNTY		DISTRICT		NO.	
DEED REGISTRATION							
BOOK	PAGE	DEED DATE	DATE RECORDED	R.T. FEE	PRICE	R.T.F. EXEMPT	
GRANTOR				ADDRESS		ZIP	
GRANTEE				ADDRESS		ZIP	
TAX MAP & TAX LIST DESCRIPTIONS			SUFFIX	ETC.	PROPERTY CLASSIFICATION		
					1	2	3A
					VAC	RES	FARM
					3B	4A	4B
					FAQ	COM	IND
					4C	APT	
			PAGE	LINE			
CONDO		CLASS 4 TYPE		QUALIFICATION CODES			
YES <input type="checkbox"/> NO <input type="checkbox"/>							
ASSESSSED VALUE							
YEAR	LAND	BUILDINGS	TOTAL				
MAILING ADDRESS OF PROPERTY						ZIP	
REMARKS						MAIL HOMESTEAD REBATE APPLICATION	
ADDITIONAL BLOCKS/LOTS						YES <input type="checkbox"/> NO <input type="checkbox"/> QUESTIONABLE <input type="checkbox"/>	
FOR USE ONLY BY LOCAL PROPERTY BRANCH							
REMARKS							
VERIFIED BY				DATE			
REMARKS				SALES PRICE			
FOR DIVISION USE ONLY				SERIAL NO			

DIVISION OF TAXATION - FILE COPY

DIVISION OF TAXATION - FIELD COPY

COUNTY TAX BOARD - FINAL COPY

ASSESSOR'S COPY

COUNTY TAX BOARD - FIRST COPY

EXHIBIT X-3: Categories of Non-Usable Deed Transaction

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION  
LOCAL PROPERTY AND PUBLIC UTILITY BRANCH

CATEGORIES OF NON-USABLE DEED TRANSACTIONS

NJAC 18:12-1.1(a)25

February 4, 1980 (Revised)

The deed transaction of the following categories are not usable in determining assessment-sales ratios pursuant to Chapter 86, Laws of 1954 (NJSA 54:1-35.1 et. seq.).

1. Sales between members of the immediate family.
2. Sales in which "love and affection" are stated to be part of the consideration.
3. Sales between a corporation and its stockholder, its subsidiary, its affiliate or another corporation whose stock is in the same ownership.
4. Transfers of convenience; for example, for the sole purpose of correcting defects in title, a transfer by a husband either through a third party or directly to himself and his wife for the purpose of creating a tenancy by the entirety, etc.
5. Transfer deemed not to have taken place within the sampling period. Sampling period is defined as the period from July 1 to June 30, inclusive, preceding the date of promulgation, except as hereinafter stated. The recording date of the deed within this period is the determining date since it is the date of official record. Where the date of deed or date of formal sales agreement occurred prior to January 1, next preceding the commencement date of the sampling period, the sale shall be nonusable.
6. Sales of property conveying only a portion of the assessed unit, usually referred to as apportionments, split-offs or cut-offs; for example, a parcel sold out of a larger tract where the assessment is for the larger tract.
7. Sales of property substantially improved subsequent to assessment and prior to the sale thereof.
8. Sales of an undivided interest in real property.
9. Tax sales.
10. Sales by guardians, trustees, executors and administrators.
11. Judicial sales such as partition sales.
12. Sheriff's sales.
13. Sales in proceedings in bankruptcy, receivership or assignment for the benefit of creditors and dissolution or liquidation sales.
14. Quit-claim deeds.

15. Sales to or from the United States of America, the State of New Jersey, and/or any political subdivision of the State of New Jersey; including boards of education and public authorities.
16. Sales of property assessed in more than one taxing district.
17. Sales to or from any charitable, religious or benevolent organization.
18. Transfers to banks, insurance companies, savings and loan associations, mortgage companies, or any other lien holder, when the transfer is made in lieu of foreclosure.
19. Sales where purchaser assumes more than two years of accrued taxes.
20. Acquisitions, resale or transfer by railroads, pipeline companies or other public utility corporations for right-of-way purposes.
21. Sales of cemetery lots.
22. Transfer of property in exchange for other real estate, stocks, bonds, or other personal property.
23. Sales of commercial or industrial real property which include machinery, fixtures, equipment, inventories, goodwill when the values of such items are indeterminable.
24. Sales of property, the value of which has been materially influenced by zoning changes where the latter are not reflected in current assessments.
25. Transactions in which the full consideration as defined in the "Realty Transfer Fee Act" is less than \$100.00.
26. Sales which for some reason other than specified in the enumerated categories are not deemed to be a transaction between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell.
27. Sales occurring within the sampling period but prior to a change in assessment practice resulting from the completion of a recognized revaluation or reassessment program; i.e. sales recorded during the period July 1 to December 31 next preceding the tax year in which the result of such revaluation or reassessment program is placed on the tax roll.

Transfers of the foregoing nature should generally be excluded but may be used if after full investigation it clearly appears that the transaction was a sale between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell, and that it meets all other requisites of a usable sale.

THIS LIST SUPERSEDES THE PREVIOUS LIST OF "NON-USABLE DEED TRANSACTIONS" OF JULY 1, 1969.

Approved February 4, 1980


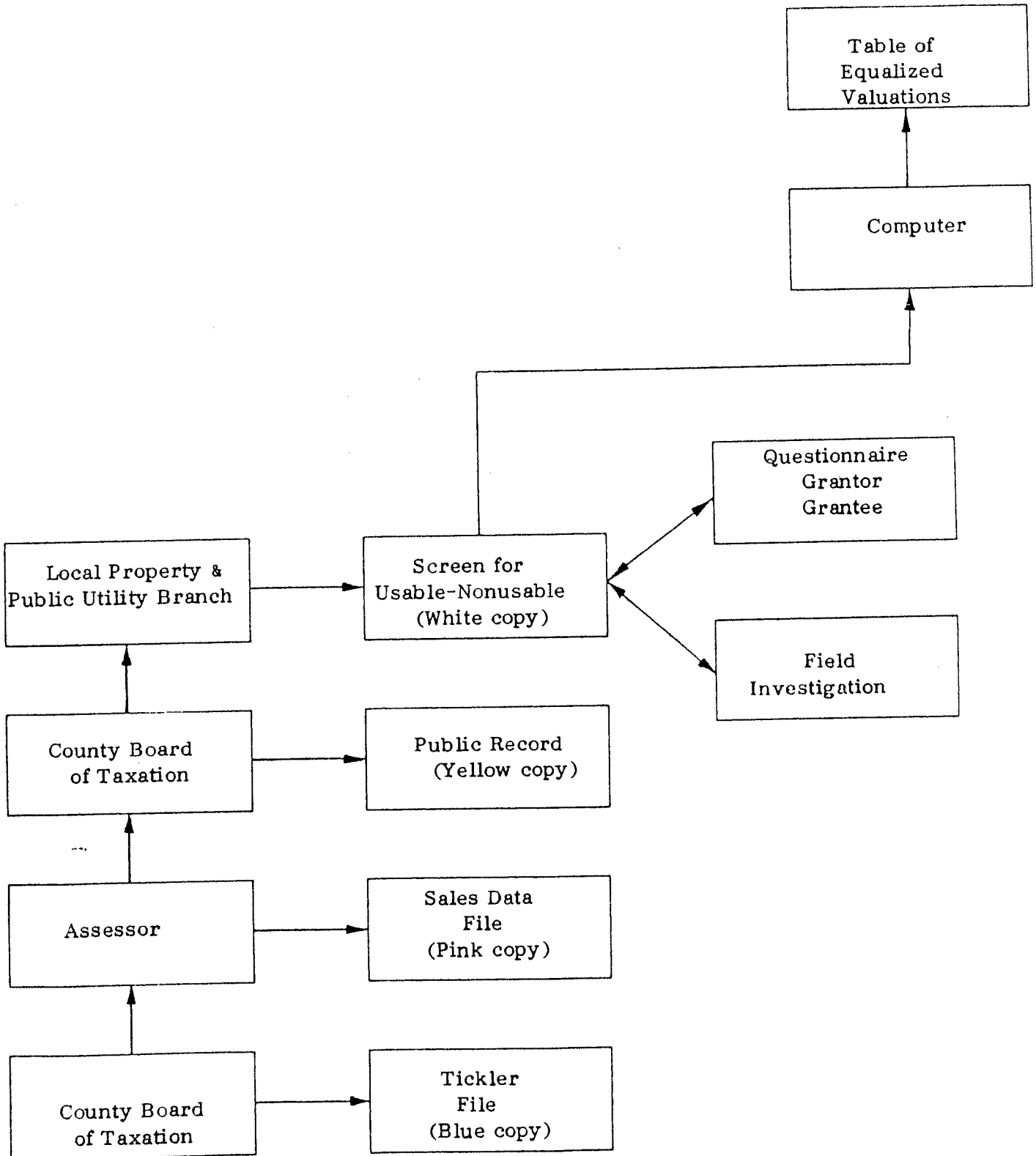
  
Director  
Division of Taxation

EXHIBIT X-4: The Trail of the SR-1A



SR-1A's are originated by the county board of taxation from information contained in abstracts of deeds recorded with the county recording officer. See Section 1002.3 for a detailed description of SR-1A flow.



State of New Jersey  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION

LOCAL PROPERTY BRANCH  
CN 251  
50 BARRACK STREET  
TRENTON, N.J.  
08625-9986

To Whom It May Concern:

The State School Aid Laws of New Jersey require that the Director of the Division of Taxation shall promulgate a Table of Equalized Valuations to be used in the calculation and equitable distribution of State School Aid Funds to each municipality.

In the discharge of this statutory obligation the Director conducts continuous state-wide statistical studies of real estate values.

We have secured information about a real estate transaction with which you were connected from public records in the County Court House. Certain transactions such as those between members of a family, partition sales or transfers in lieu of foreclosure among others do not represent sales valid for our statistical purposes. In such cases it is essential to obtain additional facts from one of the parties to the transaction for verification purposes.

In the interest of accuracy, we request that you answer the questions listed on the REVERSE SIDE of this letter which pertain to the property you purchased unless otherwise indicated.

Your cooperation in furnishing the requested information will promote a more equitable distribution of State School Aid Funds and thereby help to assure that your municipality will receive its full fair share. An addressed business reply envelope is enclosed for your use. Your cooperation will be greatly appreciated.

*John C. Raney*  
John C. Raney  
Superintendent  
Local Property Branch

JCR / dmd  
Enclosure

FOR OFFICE USE

Batch No. \_\_\_\_\_ D.L.N. No. \_\_\_\_\_

Date \_\_\_\_\_

SR-1A # \_\_\_\_\_ Name Control \_\_\_\_\_

Location of property transferred \_\_\_\_\_

Grantor: \_\_\_\_\_

- Grantor (Seller)
- Grantee (Buyer)
- Attorney



Grantee (Buyer) \_\_\_\_\_

Grantor (Seller) \_\_\_\_\_

Location of property purchased or transferred \_\_\_\_\_

**THE INFORMATION BELOW IS BEING REQUESTED** for statistical purposes in connection with the distribution of State School Aid Funds and tax equalization studies being conducted for the Director, Division of Taxation.

- 1. Is there a family relationship between the buyer and seller?  
If yes, specify relationship. \_\_\_\_\_  
 Yes     No
- 2. Was this an outright sale? \_\_\_\_\_  
Was this a sale of convenience? \_\_\_\_\_  
(i.e. to correct defects in title, create joint tenancy, etc.)
- 3. Was this sale between:  
 affiliated corporations  
 a corporation and its subsidiary  
 a corporation and its stockholders  
 another corporation whose ownership is the same  
 none of the above
- 4. Was the seller forced to sell the property; and if so, why?  
\_\_\_\_\_
- 5. Was the buyer compelled to buy this particular property; and if so, why?  
\_\_\_\_\_
- 6. Was the property traded for other real estate?  
\_\_\_\_\_
- 7. Date agreement for sale was signed indicating intention to buy.  
Month \_\_\_\_\_ Date \_\_\_\_\_ Year \_\_\_\_\_
- 8. Did the selling price include:  
Any unpaid real estate taxes?  
Amount - \$ \_\_\_\_\_  
Any unpaid municipal assessments for special improvement?  
Amount - \$ \_\_\_\_\_

9. **TOTAL SALE PRICE FOR THE REAL ESTATE INCLUDING ANY MORTGAGE(S)** - \$ \_\_\_\_\_

- 10. The PROPERTY USE at time of transfer was:
  - Vacant Land     Size \_\_\_\_\_    Residential (four families or less)
  - Apartment (five or more families)     Farm     Acreage \_\_\_\_\_
  - Commercial  \_\_\_\_\_    Industrial  \_\_\_\_\_
  - Condominium  \_\_\_\_\_    Other  \_\_\_\_\_    Age of Building \_\_\_\_\_

**- RESIDENTIAL -**

- 11. Was **HOUSEHOLD FURNITURE** included in the purchase price of the real estate?  
 Yes     No    **(DO NOT INCLUDE ANY OF THE FOLLOWING ITEMS AS BEING HOUSEHOLD FURNITURE):**  
Refrigerator, kitchen range, washer, air conditioner, storm sash, venetian blinds and wall-to-wall carpeting or such similar fixtures and appliances.

Actual amount paid for **HOUSEHOLD FURNITURE** only (Exclusive of the items noted immediately above)  
\$ \_\_\_\_\_ Other items - (specify) \_\_\_\_\_ Amount - \$ \_\_\_\_\_

**- FARM, COMMERCIAL AND INDUSTRIAL -**

- 12. Were any of the following items included with the price of the real estate? If so check below as to type and indicate amount paid if definitely known.
  - License - \$ \_\_\_\_\_     Goodwill - \$ \_\_\_\_\_     Machinery - \$ \_\_\_\_\_
  - Furniture & Fixtures - \$ \_\_\_\_\_     Inventories - \$ \_\_\_\_\_     Farm Stock - \$ \_\_\_\_\_
  - Other (specify) \_\_\_\_\_ - \$ \_\_\_\_\_

Date \_\_\_\_\_ Signed \_\_\_\_\_

Please return to Local Property Branch, CN 251, 50 Barrack St., Trenton, N.J. 08625-9986

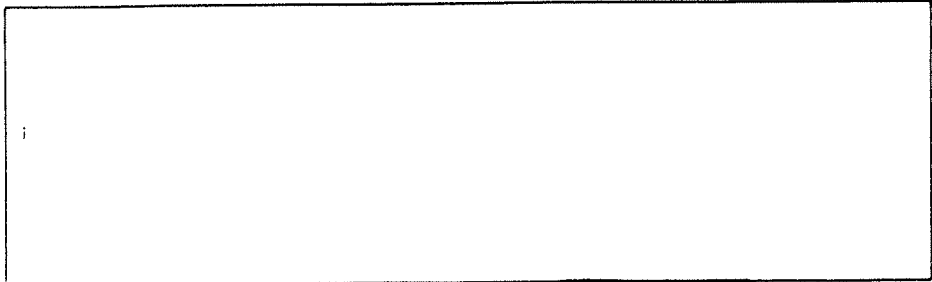


EXHIBIT X-6: Monthly Listing of Usable Deed Transactions

RUN DATE: 06/07/89  
 RUN TIME: 216128  
 PAGE NO 1

STATE OF NEW JERSEY  
 DIVISION OF TAXATION  
 LOCAL PROPERTY TAX

USABLE SALES FOR MAY

CURRENT SAMPLING PERIOD: 7-1-88 TO 6-30-89

SYSTEM NO 1  
 SALES RATIO  
 PROGRAM NO: J0542888-037  
 FREQUENCY: MONTHLY

Rainfree County  
 19 - 06 Blooming Boro

SERIAL RECORDING DATE	GRANTOR NAME	LOCATION OF PROPERTY LOT ETC CODE	QUAL CODE	CL NUM SALES	ASSESSED VALUE	SALES PRICE	RATIO
13726790 02-08-89	DAUDEL, JEFF	17 15-02	1	1	9,200	34,000	27.06
13731043 03-06-89	WEKES, SR, RICHARD & RICHARD JR	17 9-03	1	2	15,300	46,000	33.28
					29,250	95,000	66.66
						175,000	126.99
1373449A 03-21-89	NORMAN, JAYS LEE & LARRY EDWARD	5 11	1	4	51,100	117,500	43.49
1373471A 03-20-89	HARTONE, RICHARD F & BETSY H	6 8	1	2	44,100	157,900	47.82
1373589A 03-31-89	MAGALVERO, SCOTT & LAURIE	11 11	1	3	29,600	86,000	51.29
1374207A 04-17-89	HALL, FLORENCE L	10 11	1	2	90,900	125,000	55.83
1372450F 01-18-89	LONGSTREET, MARGARET A	59 19-01	2	2	2,439,800	139,900	56.83
						4,541,650	1,935.02
						5,187,950	2,190.14
1373135F 03-06-89	BRADLEY, PAUL M & LOIS SAMANTHA	17 4 X	4A	1	70,900	93,000	76.24
						93,000	76.24
1372405F 12-30-88	HASTINGS, ERIC & MARGARETE	19 25	4C	1	96,300	220,000	63.77
					96,300	220,000	45.77
						5,675,950	2,437.13

DISTRICT TOTALS

EXHIBIT X-7: Monthly Listing of Non-Usable Deed Transactions

SERIAL #	CLASS	NO	RECORDING DATE	GRANTOR NAME	LOCATION OF PROPERTY	LOT	ETC	QUAL	ASSESSED VALUE	NUM OF SALES	SALES PRICE
1339197	1	04	03-03-89	TELEKY, PRISCILLA M	1.77	3	03	870	69,000	1	1,240,000
1339714	1	04	03-13-89	SUTTON, PATRICIA B	8.33	1	04	100,000	100,000	1	0
1339926	1	08	03-16-89	DINGER, MARIA	18.43	1	04	225,000	125,000	1	345,000
1340163	1	07	01-30-89	SHAPIRO, SEYMOUR & LOUIS	20.86	1	04	58,500	58,500	1	0
1340170	1	08	03-28-89	WHITLEY, HARRY	4.08	1					
<p>Raintree County 15 - 18 Blooming Boro</p> <p>CURRENT SAMPLING PERIOD: 7-1-88 TO 6-30-89</p> <p>NON USABLE SALES MAY</p>											
1338997	N	08	02-15-89	HYDO, BRUCE A & ANN L ET AL	15.78	11		132,900	428,300	167	224,000
1339197	N	04	02-27-89	BUDZINSKI, JAMES L & FLORENCE O	18.36	42		1,943,300	1,943,300	54	224,000
1339210	N	04	02-28-89	SI OF NJ DEPT OF ENVRNMTL PRCTN	6.38	1		1,111,180	1,111,180	1	12,000
1339211	N	04	03-02-89	HARRIS, EDWARD J	4.15	1	01	1,988,800	1,988,800	1	92,250
1339212	N	04	03-03-89	HARRIS, EDWARD J	7.88	1		1,888,824	1,888,824	1	150,000
1339213	N	06	03-03-89	TELEKY, PRISCILLA M & JEANETTE	15.79	15		1,308,600	1,308,600	1	0
1339214	N	06	03-07-89	HERRICK, JOHN J & MARGARET	15.25	6		1,392,400	1,392,400	1	0
1339215	N	03	03-10-89	CONVENTER, PETER A LTD A NJ PRTNESH	20.87	1		2,044,400	2,044,400	1	0
1339216	N	03	03-14-89	RISA ASSOC	11.07	4		698,700	698,700	1	0
1339217	N	04	03-21-89	DIX, DENNIS & SUZANNE	11.53	35		727,400	727,400	1	0
1340168	N	05	03-21-89	WSP OF ANTHONY F	14.05	30		747,400	747,400	1	0
<p>PRIOR BALANCE 2 33,742,423 167</p> <p>YEAR TO DATE 2 36,122,027 180</p> <p>PRIOR BALANCE 4A 7,009,200 12</p> <p>YEAR TO DATE 4A 7,569,900 14</p> <p>PRIOR BALANCE 4C 765,400 3</p>											
1339220	4A	04	03-10-89	KANEY, PHILIP S & RITA J	15.135	1		193,700	193,700	1	17,540
1340167	4A	15	03-21-89	THE STATE OF NEW JERSEY	6.32	10		367,000	367,000	1	0

SYSTEM NO : 151  
 SALES RATIO :  
 PROGRAM NO: JOB4208M-039  
 FREQUENCY : MONTHLY

STATE OF NEW JERSEY  
 DIVISION OF TAXATION  
 LOCAL PROPERTY TAX

RUN DATE : 06/07/89  
 RUN TIME : 210129  
 PAGE NO : 1

EXHIBIT X-8: Request for Revision of Deed Transaction Report (Form SR-6)

Forward ALL copies to Local Property Branch, CN 251, Trenton, N.J. 08625-0251. This form to be used to revise any SR-1A on the usable and nonusable sales listings. Refer to the N.J. Assessors Handbook for instructions on the completion of this form.

DATE \_\_\_\_\_  
 COUNTY \_\_\_\_\_ SR-1A SERIAL No. \_\_\_\_\_  
 DISTRICT \_\_\_\_\_ BLOCK \_\_\_\_\_ LOT \_\_\_\_\_  
 QUALIFICATION CODE \_\_\_\_\_

NOTE—PRE-CARBONED—DO NOT USE CARBON PAPER

		SALES LISTING SHOWS	CHANGE TO
RECORDING DATE			
GRANTOR			
PROPERTY CLASSIFICATION			
ASSESSED VALUE	LAND	<del>                    </del>	
	BUILDINGS		
	TOTAL		
SALES PRICE			
RATIO			
TRANSACTION:		A <input type="checkbox"/>	
USABLE CODE LETTER		F <input type="checkbox"/> Q <input type="checkbox"/>	NONUSABLE <input type="checkbox"/>
NONUSABLE CATEGORY		NUMBER _____	USABLE <input type="checkbox"/>
REASON FOR CHANGE—(GIVE DETAILS) Nonusable Category Number Not Sufficient.			
MUNICIPAL REPRESENTATIVE _____		TITLE _____	
FOR USE ONLY BY LOCAL PROPERTY BRANCH			
FIELD REPRESENTATIVE _____			
DISAPPROVED <input type="checkbox"/> APPROVED <input type="checkbox"/> BY _____			

SR-6 1/86

STATE OF NEW JERSEY  
DIVISION OF TAXATION  
DEPARTMENT OF THE TREASURY

ASSESSORS' GUIDELINES  
PROCEDURES FOR USE IN REPORTING  
27 CATEGORIES OF NON-USABLE  
DEED TRANSACTIONS

Local Property & Public  
Utility Branch

August 10, 1982

August 10, 1982

TO: ALL TAX ASSESSORS

SUBJECT: GUIDELINES CONCERNING THE REPORTING PROCEDURE OF THE  
27 CATEGORIES OF NON-USABLE DEED TRANSACTIONS

The enclosed guidelines have been prepared by the Local Property and Public Utility Branch to assist tax assessors in reporting pertinent data on the SR-1A's concerning deed transactions which in the opinion of the tax assessor are non-usable sales under the 27 Categories of Non-usable Deed Transactions and are requested to be excluded in compiling the Director's Table of Equalized Valuations.

All concerned are urged to take advantage of the material contained herein in order to promote uniformity of reporting the information and make available certain important data for review by the Sales Ratio Section prior to promulgating the Director's Table of Equalized Valuations.

It is anticipated that these guidelines will be included in the Handbook for New Jersey Assessors.

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION  
LOCAL PROPERTY AND PUBLIC UTILITY BRANCH

CATEGORIES OF NON-USABLE DEED TRANSACTIONS

Reg. 18:12-1

Deed transactions of the following categories are not usable in determining assessment-sales ratios pursuant to Chapter 86, Laws of 1954 (N.J.S.A. 54:1-35.1 et. seq.):

1. Sales between members of the immediate family.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The actual relationship of the parties to the sale;

The source of information (e.g. questionnaire, personal contact, etc.);

Any other factor contributing to this determination.

2. Sales in which "love and affection" are stated to be part of the consideration.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The circumstances that caused this determination;

The names of the parties involved and their relationship to each other;

The source of information (e.g. questionnaire, personal contact, etc.)

3. Sales between a corporation and its stockholder, its subsidiary, its affiliate or another corporation whose stock is in the same ownership.
- 
- 

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The names of officers of any corporation(s) involved in the transaction;

The official position held by any individual named in deed, in any corporation being a party to the transaction.

The source of information.

4. Transfers of convenience; for example, for the sole purpose of correcting defects in title, a transfer by a husband either through a third party or directly to himself and his wife for the purpose of creating a tenancy by the entirety, etc.
- 
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In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The relationship of the grantor(s) to the grantee(s);

The source of information;

The reason; i.e., which one of the above applies, to correct title, etc.



5. Transfer deemed not to have taken place within the sampling period. Sampling period is defined as the period from July 1, to June 30, inclusive, preceding the date of promulgation, except as hereinafter stated. The recording date of the deed within this period is the determining date since it is the date of official record. Where the date of deed or date of formal sales agreement occurred prior to January 1, next preceding the commencement date of the sampling period, the sale shall be non-usable.
- 

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

State the circumstances fully;

Give dates of transaction causing this determination;

State the source of information other than the deed. For example, a questionnaire declaring the dates.

EXAMPLE

As published in Newsletter - September/October 1980

"There are thus two dates involved in determining the usability of a sale:

a) The recording date must occur in the current fiscal year from and including July 1st through June 30th.

b) The deed date or contract of sale date must have occurred within the time period which includes the same fiscal year plus the six months immediately preceding the fiscal year. Graphically this can be shown as follows for the sampling period ending on June 30, 1980."



6. Sales of property conveying only a portion of the assessed unit, usually referred to as apportionments, split-offs or cut-offs; for example, a parcel sold out of a larger tract where the assessment is for the larger tract.
- 
- 

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

- The date of the split-off (approved subdivision);
- The number of new lots created by split-off;
- The size of the new lot conveyed from the deed;
- The source of the information.

EXAMPLE

As published in Newsletter - April 1965

"Frequently, however, the proper information regarding these sales is not set forth in Section Two of the SR-1A. Very often an assessor will insert the block and lot numbers which will be given in the future to that portion of the original property which is being conveyed. The assessor should always insert the block and lot numbers which appear in the present tax list; that is, the block and lot number should be that of the whole original parcel assessed. The assessor should also insert the original assessment for the entire parcel assessed and not substitute for this the new assessment which will be given to the particular position that is conveyed."

7. Sales of property substantially improved subsequent to assessment and prior to the sale thereof.

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In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

- The date of improvement as related to the Tax List and October 1 cut-off date of the current year;
- The partial assessment, prior year, if any;
- The new assessment on the improvement;
- The source of information.

EXAMPLE

As published in Newsletter - May/June 1981

"Two points are stressed in the articles:

(1) The time interval: The improvement must have taken place after the statutory assessment date and prior to the actual date of sale of the property;

(2) Substantial improvement: Substantially improved means that there were improvements having considerable value made to the property. Substantial improvement does not have reference to normal dressing-up maintenance and repair.

Assessors are urged to re-read in full the original articles referred to in the first paragraph of this article."

8. Sales of an undivided interest in real property.

In order to support a claim of this type, an assessor must show in Section 2, on the SR-1A:

The nature of the undivided interest;

The names of parties holding an interest in the title.

9. Tax Sales

In order to support a claim of this nature, an assessor must show in Section 2, on the SR-1A:

The amount of delinquent taxes;

The parties involved as to redemption;

The date of tax sale and for what year;

The source of information (e.g. the tax collector, etc.)

10. Sales by guardians, trustees, executors and administrators.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The type of custodian making the sale (by whom);

The names of custodians;

The length of time the property was listed on the  
market for sale;

The source of information.

EXAMPLE

As published in Newsletter - July/August 1974

"Category No. 10 of the list of Non-usable Deed Transactions provides that 'sales by guardians, trustees, executors and administrators' are non-usable in developing assessment-sales ratios for use in the Table of Equalized Valuations.

The intent of Category No. 10 is to eliminate from the sales ratio study those sales made by guardians, trustees executors and administrators because of the fact that the sales price in such transactions may not reflect the true market value of the property sold since the price agreed upon is often one which would most expeditiously dispose of an estate.

Sales of this type, however, are not to be confused with sales where it is indicated that the grantor had acquired the property by inheritance, such as 'by L.W.T. (Last Will and Testament) of .....' or 'as devisee of the estate of .....'. This type of sale, unless found non-usable for some other reason, will normally be deemed a usable sale and included in the assessment-sales ratio study."

11. Judicial sales such as partition sales.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

Any other parties involved;

The date of the Superior Court's decree;

The source of information.

The assessor should also check for exemption of the transaction from the Realty Transfer Fee.

12. Sheriff's sales.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The dates involved;

Any parties involved;

The nature of any court proceedings involved;

The source of information.

13. Sales in proceedings in bankruptcy, receivership or assignment for the benefit of creditors and dissolution or liquidation sales.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The names of creditors (if known from bankruptcy);

The dates of bankruptcy;

Whether or not the property was listed for sale on the open market, or any other procedure to make

known the property was offered for sale;

The length of time on the market;

The source of information.

The assessor should also check for exemption of the transaction from the Realty Transfer Fee.

14. Quit-claim deeds.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The relationship between buyer(s) and seller(s), if any;

Whether or not title insurance was obtained by the grantee.

15. Sales to or from the United States of America, the State of New Jersey, and/or any political subdivision of the State of New Jersey; including boards of education and public authorities.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

A statement that the assessment represents an exempt listing;

Sales to or from the above are exempt from the Realty Transfer Fee.

The source of information.



16. Sales of property assessed in more than one taxing district

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The tax map block and lot number in each  
taxing district;

The assessed value in each taxing district;

The assessor should also check for any resolution adopted to preclude these circumstances and state on the SR-1A whether or not any such resolution has been adopted by the governing bodies of the taxing districts involved.

EXAMPLE

As published in Newsletter - January/February 1974

"Category No. 16 of the list of Non-usable Deed Transactions, provides that 'sales of property assessed in more than one taxing district' are non-usable in developing assessment—sales ratios for use in the Table of Equalized Valuations.

It is important to determine that the property in question is assessed and not merely located in more than one taxing district before applying Non-usable Category No. 16. There are instances where a parcel of real property is located in more than one taxing district but by resolution the municipalities in which the property is situated have agreed that the assessment will be made by one of the municipalities. In this instance there is no basis for the application of Non-usable Category No. 16 as the assessment reflects the value of the entire parcel notwithstanding the fact that the entire parcel is not located within the boundaries of the municipality levying the assessment."

17. Sales to or from any charitable, religious or benevolent organization.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The statute under which the organization qualifies

or would qualify for exemption;

Whether or not the property was actively on the market

for sale;

Whether or not the assessment appears on the exempt

listing;

The source of information.

18. Transfer to banks, insurance companies, savings and loan associations, mortgage companies, or any other lien holder, when the transfer is made in lieu of foreclosure.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The interests of the parties involved in the subject

property and their relationships to each

other (e.g. Grantee is mortgagor and Grantor is

mortgagee);

Define the category of the organizations;

The names of individuals shown in the deed as repre-

senting the bank, insurance company, savings

and loan association, etc.;

The source of information.

19. Sales where purchaser assumes more than two years of accrued taxes.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The amount of delinquent taxes;

The source of information.

20. Acquisitions, resale or transfer by railroads, pipeline companies or other public utility corporations for right-of-way purposes.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The size of tract affected by easement;

The source of information.

21. Sales of cemetery lots.

Deed of conveyance would fully describe the transaction. The fact that it was a cemetery lot which was sold should be clearly stated in Section 2 on the SR-1A.

22. Transfers of property in exchange for other real estate, stocks, bonds, or other personal property.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

A specific description of the items being transferred  
or exchanged;

The source of information.

23. Sales of commercial or industrial real property which include machinery, fixtures, equipment, inventories, goodwill when the values of such items are indeterminable.
- 

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

Whether separate contracts were drawn affecting  
personal and real property values;  
The names of principals involved;  
The source of information.

EXAMPLE

As published in Newsletter - June/July 1965

"In all instances where items such as those mentioned above are included in the sales price, an effort should be made to determine the value of such items before applying non-usable Category No. 23. The mere fact that such items are included in the sales price does not of itself make the sale non-usable.

It should be pointed out that Category No. 23 is only applicable to sales of property that are classed commercial or industrial. This Category is not applicable to sales of other classes of property."

24. Sales of property, the value of which has been materially influenced by zoning changes where the latter are not reflected in current assessments.

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In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The date the zoning ordinance change was approved by the governing body and became effective;

The result of the zoning change (e.g., R 7.5 residential to C S commercial);

The source of information.

EXAMPLE

As published in Newsletter - May 1965

"...In determining the applicability of non-usable Category No. 24, it is necessary to determine the date that the zoning change or variance became effective. If the change occurs prior to the assessing date, there is an opportunity to reflect the change in the assessment, and non-usable Category No. 24 does not apply. If however, a change occurs after the assessing date, there is no opportunity to reflect the change in the present assessment, and Category No. 24 is applicable.

It must be remembered that there is a definite distinction between a zoning change and a "change of use". An example of the latter would be where commercially zoned property being used for residential purposes is purchased for commercial use. As the property is already zoned for commercial use, there is no necessity for a zoning change. This example indicates what may be referred to as a "change of use" but does not constitute a zoning change within the meaning of non-usable Category No. 24."

25. Transactions in which the full consideration as defined in the "Realty Transfer Fee Act" is less than \$100.

In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

The basis for exemption from the Realty Transfer Fee where it is not clearly ascertainable from the deed.

EXPLANATION

This category is closely related to Category No. 1, family transaction, and in some cases is being used inter-changeably. In view of such circumstances, the Realty Transfer Fee exemption guidelines would be a source of information to aid in making a final determination of proper category use of this category.

26. Sales which for some reason other than specified in the enumerated categories are not deemed to be a transaction between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell.

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This category of non-usable deed transactions is very broad in scope. Various types of real estate transactions which may possibly fall into Category 26 are shown below.

An assessor making a claim under Category No. 26 must state specifically his reason for the claim and then show in Section 2 on the SR-1A information to support claim that is made:

(1) Leaseback arrangements

State the principals involved in the sale and leaseback

and their respective interests in the property;

State the value of the leaseback;

State if any arrangements were made prior to sale;

State whether or not any option to buy was involved

and show the date and amount involved in the option;

Show the source of information.

(2) Tax Appeals - all levels

State the date of the judgment;

Show the revised assessment figures;

State whether or not the assessment is under the

Freeze Act and the year in which the Freeze

Act is effective.

27. Sales occurring within the sampling period but prior to a change in assessment practice resulting from the completion of a recognized revaluation or reassessment program; i.e., sales recorded during the period July 1 to December 31 next preceding the tax year in which the result of such revaluation or reassessment program is placed on the tax roll.

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In order to support a claim of this nature, an assessor must show in Section 2 on the SR-1A:

Whether a revaluation or reassessment program was completed;

When the revaluation or reassessment program was placed

on the tax list and will become effective.

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Transfers of the foregoing nature should generally be excluded but may be used if after full investigation it clearly appears that the transaction was a sale between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell, and that it meets all other requisites of a usable sale.







EQUALIZATION TABLE, COUNTY OF Goodness (Continued)

Taxing District	3 EQUALIZATION OF REPLACEMENT REVENUES UNDER P.L. 1966 c. 135 AS AMENDED					4 DEDUCT TRUE VALUE OF REAL PROPERTY EXCLUSIVE OF CLASS II RAILROAD PROPERTY WHERE THE TAXES ARE IN DEFAULT AND LIENS UNENFORCEABLE (CHAPTER 168, LAWS 1974)			5 Net Amount of (Col. 1(d) + Col. 2(e) + Col. 3(e) - Col. 4(c))  Transfer to Column 10, County Abstract of Rates
	(a) Business Personal Property Replacement Revenue Received During Preceding Year (P.L. 1966 c. 135 as amended)	(b) Preceding Year General Tax Rate	(c) Capitalization of Replacement Revenues in Col. 3(a) Per c. 135 P.L. 1966 (Col. 3(a) + Col. 3(b))	(d) Real Property Ratio of Aggregate Assessed Value to Aggregate True Value (Same as Preceding Year County Equalization Table Col. 1(b) per P.L. 1971, c. 32	(e) Assumed Equalized Value of Amount in Col. 3(c) + Col. 3(d)	(a) Aggregate Assessed Value  (Taxable Value)	(b) Real Property Ratio of Aggregate Assessed Value to Aggregate True Value (same as Col. 1(b))	(c) Aggregate True Value (Col. 4(a) + Col. 4(b))	
Anderson Boro.	7,196.45	3.77	190,887	91.99	207,508			2,803,336	
Becksburg Boro.	466,926.13	8.48	5,506,204	72.51	7,593,717			34,555,956	
Cranes Cove Boro.	411,621.47	2.15	19,145,185	123.47	15,505,941			-19,979,465	
Henryston Twp.	152,845.66	3.32	4,603,785	96.81	4,755,485			41,337,788	
Samuelville Town	33,875.47	3.56	951,558	92.14	1,032,731	97,100	112,802	11,728,062	
Tylerton Township	34,871.78	4.27	816,669	72.67	1,123,805	97,100	112,902	14,247,651	
Totals	1,107,336.96	-----	31,214,288	-----	30,219,187	97,100	112,902	84,693,328	



TAX APPEALS

1101. The Right of Appeal

1101.1 Every taxpayer and every taxing district has the right to appeal a tax assessment, first through administrative channels and if not satisfied with the results there, ultimately through the courts. EXHIBIT XI-1 shows the course of a tax appeal which is carried to the full extent of the appeal process. Normally, an appellant must exhaust his administrative remedies before requesting judicial review. In other words, the courts will not permit an appellant to by-pass any steps in the appeal process, such as filing with the Superior Court without first bringing his appeal before the county board of taxation and the Tax Court. In unusual cases, the courts have relaxed this rule. An appeal may stop at any level in the process, if both parties are satisfied with the judgment, or if the loser does not wish to carry the appeal to a higher appellate agency.

REFERENCES:

N.J.S.A. 54:3-21.

Switz v. Middletown Tp., 40 N.J.Super, 217, 122 A.2d 649; modified on appeal, 23 N.J. 580 (1957).

Pleasantville Taxpayers v. City of Pleasantville, 115 N.J.Super, 85 (App.Div.1971); cert.denied 59 N.J. 268 (1971).

County of Bergen v. Paramus 79 N.J. 302 (1978).

1101.2 Types of tax appeals. There are a number of different types of tax appeals listed below. This chapter deals primarily with appeals of regular assessments. Other types of appeals, such as those of added or omitted assessments and appeals of equalization tables, are discussed at greater length in the chapters dealing with the forms of assessment or equalization table involved.

REFERENCES:

Handbook, sec. 701.8, 702.9, 1004.1 to 1004.3.

1101.21 Appeals of regular assessments. Any taxpayer may file a tax appeal:

- (1) if he is aggrieved by the assessment on his own property, or by the denial of his application for a homestead tax rebate, a veteran, widow of a veteran, a SeDiSu\* property tax deduction or any property tax exemption, or
- (2) if he believes that he is discriminated against by the assessment on any other property or properties in the same county.

Any taxing district may file a tax appeal:

- (1) if it believes that it is discriminated against by the assessment of any property within the taxing district, or
- (2) if it believes that it is discriminated against by an assessment in any other taxing district in the county.

REFERENCES:

N.J.S.A. 54:3-21, 54:4-3.89a, 54:4-8.21, 54:4-8.49.

1101.22 Appeals of added assessments. Taxpayers and taxing districts may file appeals from added assessments. Except for the dates of filing, the procedures are the same as for regular assessment of real property.

REFERENCES:

N.J.S.A. 54:4-63.11.  
Handbook, sec. 701.8.

1101.23 Appeals of omitted assessments. Taxpayers and taxing districts may file appeals from the judgments of the county board of taxation on omitted assessments with the Tax Court. Except for the dates of filing, the procedures are generally the same as for other appeals to the Tax Court.

REFERENCES:

N.J.S.A. 54:4-63.23.  
Handbook, sec. 702.9, 1104.1 to 1104.7.

1101.24 Appeals of the county equalization table. Taxpayers and taxing districts may file appeals from the county equalization table with the Tax Court (see paragraph 1104.22).

REFERENCES:

N.J.S.A. 54:2-37.  
Handbook, sec. 1004.3.

1101.25 Appeals of the Table of Equalized Valuations. A taxing district may file an appeal from the Director's Table of Equalized Valuations with the Tax Court (see paragraph 1104.22).

REFERENCES:

N.J.S.A. 54:1-35.4.  
Handbook, sec. 1004.2.

1102. The Assessor as an Appeal Agency

- 1102.1 The municipal assessor may be considered to be an informal appeal agency. Many county boards of taxation urge taxpayers to consult with their assessor before filing a formal petition of appeal. While the assessor may not on his own make changes in assessments shown on the Tax List once he has filed the list with the county board of taxation, nevertheless he may make an offer of stipulation to the taxpayer if both he and the taxpayer reach an agreement different from the assessment as shown on the Tax List (see par. 1103.25).
- 1102.2 Informal review before the Tax List is filed. On or before December 31 of the pretax year (ten days before filing the complete tax list and duplicate), the assessor is required to give notice by advertisement when and where any taxpayer may inspect his assessment for the coming year. If a taxpayer at this time convinces the assessor that the Tax List is in error, a correction can be made before the list is filed with the county board of taxation on January 10

of the tax year. This will eliminate the need for the filing of any formal tax appeal, and will save both the taxpayer and the assessor considerable time and effort later in the year. The assessor should regard this period of taxpayer review as an opportunity to eliminate errors and to promote good public relations, rather than a burden which must be endured.

REFERENCES:

N.J.S.A. 54:4-38.

1102.3 Appeals after the Tax List has been filed. After the Tax List and Duplicate have been filed on or before January 10 with the county board of taxation, the assessor no longer has the authority to make changes in the Tax List. The assessor, however, may informally apply to the county board of taxation any time prior to formal certification of the Tax List by the board in order to request a change in the assessed valuation of property. The county board of taxation in accordance with its authority under the law may make changes in the Tax List as it deems appropriate, prior to its certification. A typical form for this purpose is shown as EXHIBIT XI-2. If an error is discovered after certification of the Tax List by the county board of taxation, many county boards of taxation require the filing of a formal tax appeal to carry out correction of the error.

The assessor should encourage taxpayers who are not satisfied with their assessments to discuss the matter informally. In numerous cases, the method of arriving at the assessment can be explained satisfactorily. It always is possible that an error has been made. Many potential tax appeals can be settled through informal consultation with offer of and entry into a stipulation



where warranted (see par. 1103.25), without bringing them to a formal hearing before the county board of taxation.

REFERENCES:

N.J.S.A. 54:4-55.

Handbook, sec. 1103.2.

Local Property Tax Bureau News, June-July, 1959, p.1.

1102.4 Appeal forms. No formal application form is prescribed by law for use by taxpayers who wish to appeal to the assessor for a change in their assessments. However, some assessors have developed their own forms which have proven useful for this purpose. The use of such a local appeal form is helpful in gathering all of the information useful in reviewing the assessment, and it provides a standardized record for later reference. An example of a local appeal form is shown as EXHIBIT XI-3.

1103. The County Board of Taxation

1103.1 A county board of taxation, established in each county by State law, has as one of its principal duties the hearing of tax appeals.

REFERENCES:

Handbook, sec. 105.1 to 105.8.

1103.2 Petition of appeal. Appeals by taxpayers or taxing districts to the county board of taxation must be filed by August 15 of the tax year on petition forms supplied by the county board, and in accordance with rules of procedure adopted by each board. If the assessed valuation of the property being appealed exceeds \$750,000 the taxpayer or taxing district may file a petition of appeal directly with the Tax Court. An appeal of this type must also be filed by August 15 of the year in question.

REFERENCES:

N.J.S.A. 54:3-21.

1103.21 Filing the petition. The word "filed" has been interpreted by the courts to mean received in the office of the board by August 15; postmark of a mailed petition is not considered sufficient. Individual petitions of appeal must be filed for each assessed property. A copy of each petition must also be filed with the clerk of the taxing district, who is then required to notify the assessor, collector and such other municipal officials as the governing body shall direct, of the contents of the petition of appeal. Proof of service upon the municipal clerk must be verified by an affidavit of the taxpayer or his representative. The assessor should make sure that the clerk informs him at once of any petitions which are filed with him. If the taxpayer is a corporation, the petition of appeal must be prepared and filed by a New Jersey attorney-at-law. Time for filing a tax appeal may be extended by the county board of taxation upon written application to them from the taxpayer and with approval by the Director of the Division of Taxation in cases where a taxing district fails for any reason to mail or deliver a tax bill to a taxpayer before July 15. Any such extensions may not be for more than 30 days beyond the August 15 normal deadline date.

REFERENCES:

N.J.S.A. 54:2-40, 54:3-21, 54:3-21.4, 54:3-21.5.

Stack v. P.G. Garage, Inc., 7 N.J.Super. 63 (App.Div.1958); 144 A.2d 801.  
Hackensack v. Rubenstein, 37 N.J. 39 (1962).

Danis v. Middlesex County Board of Taxation, 113 N.J.Super. 6  
(App.Div. 1971).

Brott Realty, Inc. v. Monmouth County Board of Taxation, Superior Court,  
App.Div., 1972 (unreported).

1103.22 The petition of appeal form. A standard format for the petition of appeal has been approved by the Director of the Division of Taxation. The petition of appeal form together with instructions is shown as EXHIBIT XI-4.

Where an appeal involves more than one property, separate petitions of appeal must be filed for each property separately assessed, unless the county board of taxation rules otherwise, and a separate filing fee must be paid for each property appealed. In the case of a petition of appeal filed against the assessment of a commercial, an industrial or multi-unit dwelling (more than 4-family), an itemized statement must be included with the petition of appeal showing all sources of income and all expenses for the property for the most recently completed accounting year and for any additional tax years which the county board of taxation may request.

REFERENCES:

N.J.S.A. 54:4-34.

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.7(d);  
18:12A-1.8.

1103.23 Filing fees. Upon filing a petition of appeal by a taxpayer with the county board of taxation the petition must be accompanied by a fee. The amount of fee to be charged depends upon the valuation of the property involved. The following schedule sets forth the amount of fee to be charged:

Less than \$150,000.00	\$ 5.00
\$150,000.00 or more but less than \$500,000.00	\$ 25.00
\$500,000.00 or more but less than \$1,000,000.00	\$100.00
\$1,000,000.00 or more	\$150.00

(1) When an appeal involves only the classification of property, a fee of \$25.00 is charged for each parcel of property for which reclassification is sought.

(2) When an appeal involves both the assessed valuation of property and the classification of property, the schedule of fees above shall apply in ac-

cordance with the assessed valuation of the property and further fee of \$25.00 shall be charged.

(3) When an appeal involves a matter other than the assessed valuation or classification of a property, or a combination of these two, a fee of \$25.00 is to be charged.

(4) The filing fee to be charged for added assessment appeals is to be based upon the apportioned valuation indicated on the added assessment list as the prorated assessment.

(5) No filing fee is to be charged in cases involving appeal from a denial of an application for a veteran's deduction, a veteran's widow's deduction, a SeDiSu\* property tax deduction, an exemption for a disabled veteran or a widow of a disabled veteran or a denial by the tax assessor of a homestead tax rebate.

(6) Where permission has been granted by the county board of taxation for the filing of one petition of appeal involving more than one property, the filing fee payable is to be an amount equal to the amount that would have been payable had individual petitions of appeal been filed separately for each parcel of property.

The county tax administrator is responsible for all fees paid and is to transmit all fees received to the county treasurer.

The fees shown above were fixed by law and were effective beginning in 1980 (Chapter 499, Laws of 1979). All fees which were established at that time are to be used exclusively to modernize record retention capabilities of the county board of taxation, for any costs incurred by the board in recording and transcribing appeal proceedings, setting forth memorandums of judg-

ment and copies, and for paying by the county of any salary which is required to be increased by Chapter 499, Laws of 1979.

REFERENCES:

N.J.S.A. 54:3-21.3, 54:3-21.3a.

Rules For County Boards of Taxation, N.J.A.C. 18:12A-1.7.

1103.24 Discrimination appeals. A taxpayer who alleges he has been discriminated against in his assessment, and uses comparable sales of other properties as comparisons to prove his point may affix a schedule to the petition of appeal and to the copy, giving the block and lot number, the assessed valuation as shown in the current tax list and the sale price of each comparable property cited. The fact that it is a discrimination appeal also must be indicated in the petition of appeal or on a rider attached to the petition.

REFERENCES:

In re Appeals of Kents, Inc., 34 N.J. 21 (1961).

Handbook, par. 1106.1, 1107.1.

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.6(d).

Borough of Matawan v. Tree Haven Apartments Inc., 108 N.J. Super.

111 (App.Div.1969).

Anaconda Co. v. City of Perth Amboy 157 App.Div. 42 (1978).

1103.25 Settlement stipulations. At any time after a tax appeal is filed with the county board of taxation and before judgment is rendered, if the appellant and the municipality reach an understanding as to the proper assessment on the property, they may sign a settlement stipulation. Agreements of stipulation must be signed by the municipal attorney. The assessor is not permitted on his own authority to affix his signature to a stipulation of settlement of a tax appeal. The stipulation certifies to the county board of taxation the proper amount of the assessment and provides a means for avoiding the formalities of a regular hearing and judgment by the county board. No standardized stipulation form is prescribed for all counties. An example of a form used in one

county is shown as EXHIBIT XI-5. Any settlement agreed upon between the parties is required to be in writing and signed by the parties involved or their attorneys. The proposed settlement or stipulation must include the basis for the settlement and is to be submitted to the county board of taxation for its approval. The board, in its discretion, may require the parties (appellant or taxing district) to the stipulation or their attorneys to appear before the board. If the county board of taxation approves the stipulation, a judgment will be issued in accordance with the terms agreed upon. However, if the county board of taxation disapproves the stipulation, the parties must be notified of the disapproval and advised of a new hearing date for the appeal.

REFERENCES:

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.9(i).

1103.26 Discontinuance of appeal. An appellant may withdraw his appeal at any time before a judgment is rendered by the county board of taxation. No standardized withdrawal form is prescribed for all counties. A sample form used in one county is shown as EXHIBIT XI-6.

1103.3 Notice of hearing. Upon receipt of a petition of appeal, the county board of taxation must give at least 10 days notice to both the appellant and the taxing district regarding the time and place of the hearing. Notification by mail is considered sufficient. Some county boards maintain a practice of notifying taxing districts immediately after the August 15 deadline of all appeals filed for their taxing districts. This procedure allows the taxing district sufficient time to obtain copies of petitions and prepare a proper defense.

REFERENCES:

N.J.S.A. 54:3-21, 54:3-22.

Jersey City v. Division of Tax Appeals in the State Department of Taxation and Finance, 5 N.J.Super. 375 (1949); 69 A.2d 331, affirmed 5 N.J. 433

(1950); 75 A.2d 865.

Local Property Tax Bureau News, June-July, 1959, p.1.

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.9(b).

1103.4 Hearing. The procedures to be followed at the hearing are set forth in Rules For County Boards of Taxation adopted by the Director of the Division of Taxation and applied by each county board of taxation. The board has the right to compel the attendance of witnesses, to require books and records to be produced, and to examine witnesses under oath. An individual may be subject to contempt proceedings in the event he fails to comply with county board directives. An individual making a false statement under oath before the board may be guilty of perjury.

REFERENCES:

N.J.S.A. 54:3-22 to 54:3-25.

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.9, 18:12A-1.10.

1103.41 Payment of taxes pending appeal. A taxpayer who files an appeal from his property tax assessment is required to pay to the tax collector of the taxing district at least the first three quarters of the taxes assessed against him for the current tax year. If at the time of the hearing the first three quarters of the taxes for the current tax year have not been paid, the taxing district may move before the county board of taxation for a dismissal of the appeal. The tax payment requirement does not apply in cases involving appeals where statutory qualification for exemption is the subject of appeal, for Farmland Qualified (3B), and other exemptions designated as Class 15D, E and F (see N.J.S.A. 54:4-52).

REFERENCES:

N.J.S.A. 54:3-27.3, 54:4-52, 54:4-66.

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.6(d).

Sidney Glaser, Director, Division of Taxation, Memorandum To All County Boards of Taxation, August 30, 1978.

LeCross Associates v. City Partners, 168 N.J.Super 96 (App.Div. 1979), certif. den. 81 N.J. 294 (1979).

1103.42 Representation before Board. A taxpayer may represent himself at the hearing; if he does not represent himself, he must be represented by a member of the bar of the State of New Jersey. This requirement may be waived by the county board of taxation in cases of extreme hardship such as old age, illiteracy and the like. If the taxpayer is a corporation, it must be represented by an attorney-at-law of New Jersey, unless an attorney from some other state is permitted by the board to appear. The assessor of the taxing district involved is required to attend any hearing together with counsel for the taxing district, unless the county board of taxation rules otherwise. No assessor is permitted to appear before a county board of taxation as an expert witness against another assessor or taxing district except to defend an assessment of his own taxing district.

REFERENCES:

Stack v. P.G. Garage, Inc., 7 N.J. 118 (1951); Attorney General to all county boards of taxation, May 17, 1951.  
Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.9(d), 18:12A-1.9(f), 18:12A-1.9(l).

1103.43 Burden of proof. The courts have held that in appeal proceedings before a county board of taxation the assessment must be presumed valid (see paragraphs 501.26 and 1104.44), and the burden of proving it to the contrary falls on the appellant. In the absence of at least some evidence to the contrary, the board may dismiss the appeal. Cases of nonappearance at the hearing by the taxpayer may also result in dismissal of the appeal by the county board of taxation. The fact that the burden of proof rests upon the appellant, however, does not release the taxing district from the responsibility of preparing a good defense of the assessment. The assessor or a representative of the taxing district should be prepared to justify the assessment as though the burden of proof



were placed upon the municipality by law. If the appellant presents sufficient evidence to overcome the burden, the taxing district must rebut such evidence through competent proofs. In cases where the assessed valuation has been determined by the capitalization of income approach to value, the taxing district is required to produce at the hearing a copy of the property record card for the property under appeal, showing the computation of value based on the capitalization of income. If an appellant relies on expert testimony in attempting to prosecute his appeal, three copies of the appraisal must be filed with the county board of taxation and one copy served upon the taxing district at least one week prior to the hearing. The appellant has the right to inspect the property record card of the property under appeal at least one week prior to the hearing. The county board of taxation may, however, waive the requirement of a written appraisal. No person is authorized to testify at a hearing concerning a property tax assessment unless that person has inspected the property under appeal.

REFERENCES:

City of Passaic v. Gera Mills, 55 N.J.Super. 73 (1959); 150 A.2d 67.  
Texas Eastern Transmission Corp. v. Borough of Carteret, 116 N.J.Super.  
9 (App.Div.1970); affirmed 58 N.J. 585 (1971).  
Rules For County Board Of Taxation, N.J.A.C 18:12A-1.9(e),  
18:12A-1.9(g), 18:12A-1.9(h), 18:12A-1.9(k).

1103.44 Completion of hearings. All tax assessment appeal hearings before the county board of taxation must be completed by November 15 of the tax year. However, in the event the board is unable to hear and determine any appeals by November 15, the board may apply to the Superior Court for an order to extend the time for hearing and determining the appeals. The court may grant an extension of time where it is shown by the county board of

taxation that the number of appeals before it is disproportionate to the number of members hearing the appeals, or the number of appeals has increased sufficiently to warrant granting an extension of time. On any appeals for which an extension is granted, the order of the court is to include the amount of tax, if any, the taxpayer must pay during the period of extension.

REFERENCES:

N.J.S.A. 54:3-26.1.

1103.5 Judgment. A county board of taxation must enter a judgment on all appeals by November 15 of the tax year unless an extension for hearing and determination has been granted (see Section 1103.44). A permanent record of the judgments must be kept by the county board of taxation. A written memorandum of judgment must be sent to the assessor and to the taxpayer setting forth the reasons on which the judgment was based. Where the judgment will result in a change in the amount of tax to be paid a written memorandum of the judgment is to be transmitted to the tax collector also. If any party to the appeal believes that the judgment of the county board is inadequate, in error or improper, it may carry a further appeal to the tax court. The form of Judgment is shown as EXHIBIT XI-7.

REFERENCES:

N.J.S.A. 54:3-25, 26, 26.1.

Handbook, sec. 1104.2.

1103.51 Certain judgments forwarded to the Division of Taxation. When any judgment is rendered involving the appeal of a homestead rebate, veteran's deduction or a SeDiSu\* deduction, the county board of taxation shall within 10 days from the date of the entry of the judgment, forward a copy of the

judgment to the Division of Taxation, Local Property and Public Utility Branch.

REFERENCES:

N.J.A.C. 18:12A-1.12.

1103.6 Binding effect of judgment (Freeze Act). If no further appeal is made from the judgment of the county board of taxation, the assessed value set by the board must remain in effect for the assessment year and for the next two years. Exception to this so called "Freeze Act" may be made only:

- (1) if the assessor can demonstrate, upon appeal to the county board of taxation, that the value of the property has changed since the assessment date; or
- (2) if a complete revaluation or approved reassessment of all real property in the taxing district has been put into effect.

The purpose of this law is to prevent a taxing district from harassing a taxpayer by forcing him to appeal his assessment every year, in order to receive equitable treatment.

The attorney general has set forth certain observations and guidelines for application of provisions of the Freeze Act in accordance with decisions of the courts (see Section 1104.6 for application of Freeze Act to Tax Court and appellate decisions). These observations and guidelines are shown following.

OBSERVATIONS:

The Supreme Court of New Jersey has held the Freeze Act is triggered not only by judgments on the merits but by judgments based on settlements as well. Further, the Court has noted that upon a settlement of a tax appeal, the Freeze Act may be invoked at the exclusive option of the taxpayer and not at the option of the municipality. However, although the municipality has no authority to

waive application of the Freeze Act, it can negotiate with the taxpayer as part of the settlement that the taxpayer agree to waive the Freeze Act as a condition for settlement.

GUIDELINES:

In order to insure that the Freeze Act is applied uniformly the Attorney General suggested the use of the following guidelines:

1. County board judgments which are not further appealed

In the event the county tax board enters a judgment reducing an assessment and that judgment is not further appealed by either party, the judgment constitutes a judgment final for purposes of the freeze statute. Since such judgment is entered by a county board by November 15 of the tax year, the 45-day period for filing an appeal with the Tax Court will have expired when the subsequent tax year's tax list is submitted by the municipal assessor. Unless a municipal-wide reassessment or revaluation was implemented in that subsequent tax year, the assessment designated on the preliminary tax list submitted by the assessor should reflect the valuation noted on the county board judgment in accordance with the provisions of the Freeze Act. The county board, in the context of implementing its responsibility of reviewing and revising the tax lists (N.J.S.A. 54:4-46 and 47), should adjust any assessment where a judgment final entered by the county board has not been appropriately reflected. In the event the assessor believes that a change in value has occurred after the previous year's assessing date so as to negate the effect of the Freeze Act, then the municipality, at the behest of the assessor, should file a conventional tax appeal with the county board in accordance with N.J.S.A. 54:3-21 in order to

prove that a change in value has occurred as a means of avoiding the application of the freeze.

2. Stipulated settlement of county board tax appeal

In accordance with the Kentile decision, the county board, at the option of the taxpayer, may enter a stipulated judgment effective only for that particular tax year at the option of the taxpayer. Under these circumstances, the judgment entered in accordance with such a settlement would only have an effect for that particular year and would not trigger the application of the Freeze Act for any of the two subsequent tax years. Following the entry of such a judgment, the assessor is obviously free to reflect a different value for the property in question in the subsequent year's tax lists.

3. The application of the Freeze Act in the event the county board judgment is further appealed

In the event a county board judgment is further appealed by either a municipality or a taxpayer, the county board judgment is clearly not a judgment final and thereby cannot be the basis for the application of the Freeze Act for the subsequent tax years. Assuming that the county board entered its judgment in year 1 and said judgment is further appealed, the municipal assessor is clearly authorized to reflect on the tax list in year 2 any assessment value he deems proper. Since the Freeze Act is not applicable under these circumstances, the assessor is not required to reflect the county board judgment entered for tax year 1 in the assessment list the assessor prepares for year 2 for the property in question.

REFERENCES:

N.J.S.A 54:3-26.

Township of Wayne v. Robbie's, Inc., 118 N.J. Super. 129 (App.Div.1972)  
Certif.den. 60 N.J. 351 (1972).

South Plainfield Borough v. Kentile Floors, Inc. \_\_\_\_\_ N.J. \_\_\_\_\_ (1983).  
Ltr. to County Tax Board Commissioners and County Tax Administrators  
from Deputy Attorney General Harry Haushalter, April 11, 1983.

#### 1104. Tax Court

1104.1 The Legislature created the Tax Court of New Jersey as a judicial body to hear complaints involving tax matters as a successor to the New Jersey Division of Tax Appeals. The Tax Court was established as an inferior court of limited jurisdiction, pursuant to the New Jersey Constitution, (Article VI, Section I, paragraph 1).

##### REFERENCES:

N.J.S.A. 2A:3A-1, et seq.  
Rules of the Tax Court, 8:3-4(a), (b), (c) and (d).  
Handbook, sec. 106.1.

1104.2 Petition of appeal. Petitions of appeal (called Forms of Complaint) will be accepted by the Tax Court from judgments, orders or determinations of a county board of taxation, the Director of the Division of Taxation or of any other state agency (including the Director of the Division of Motor Vehicles), or of a county recording officer in the case of realty transfer fee matters.

##### REFERENCES:

Rules of the Tax Court, 8:3-4(b), (c), (d).

1104.21 Commencement of action. Action is commenced by filing a complaint with the Office of the Clerk of the Tax Court. No appeal may be filed with the Tax Court to review a local assessment unless an action had previously been instituted before a county board of taxation. The Tax Court will not receive an appeal from a local assessment even when an action against the assessment had been instituted before the county board of taxation if:

(1) the appeal to the county board of taxation was withdrawn;

(2) the appeal to the county board of taxation was dismissed by the county board of taxation because the appellant failed to prosecute the appeal;

(3) the appeal to the county board of taxation was settled by mutual consent of the taxpayer and the assessor.

A petition of appeal bypassing hearing by the county board of taxation and filed directly with the Tax Court by a taxpayer or taxing district where the assessed value of the property under appeal exceeds \$750,000, must be filed with the Tax Court not later than August 15 of the year in question.

At the time a complaint is filed with the Tax Court all taxes that are due on the property involved for the current year must have been paid.

REFERENCES:

Rules of the Tax Court, 8:3-1(a)(b).

N.J.S.A. 54:2-39, 54:3-21.

1104.22 Time for filing the appeal or complaint. Complaints must be filed with the Tax Court in accordance with the following schedule:

(1) within 45 days following promulgation in the case of the Director's Table of Equalized Valuations, and also within 45 days following promulgation in the case of a county equalization table;

(2) complaints seeking a review of any other actions of a county board of taxation must be filed within 45 days after the date of the action to be reviewed;

(3) complaints seeking to review actions of the Director of the Division of Taxation, any other state agency, or a county recording officer with respect to realty transfer fee matters must be filed within 90 days after

the date of the action to be reviewed.

REFERENCES:

N.J.S.A. 54:1-35.4.

Rules of the Tax Court, 8:4-1 (a), (b).

1104.23 Copies of appeal or complaint to be served. Copies of the complaint must be served as follows:

(A) Appeals from a county board of taxation action -

- (1) A complaint by a taxpayer to review the action of a county board of taxation must be served on the county board of taxation, upon the assessor and upon the Clerk of the taxing district in which the property is located.
- (2) A complaint by a taxing district to review the action of a county board of taxation must be served on the county board of taxation, upon the assessor and upon the owner of the property if the appeal involves the assessment of a specific property.
- (3) A complaint by a taxpayer to review an action of a county board of taxation with respect to the property of another must be served upon the county board of taxation, upon the assessor, upon the Clerk of the taxing district and upon the taxpayer whose property tax assessment is at issue.
- (4) A complaint to review the action of a county board of taxation with respect to a county equalization table or an abstract of ratables, or any other action dealing with equalization or apportionment of county taxes must be served on the county board of taxation and upon the Director or Clerk of the board of chosen freeholders, and upon the Clerk of every municipi-



pality in the county, and upon the Attorney General of the State of New Jersey.

(5) A complaint to correct an error in assessment pursuant to N.J.S.A. 54:51A-7 must be served as follows:

- (i) If by a taxpayer, upon the county board of taxation and the Clerk of the taxing district;
- (ii) If by a municipality, upon the county board of taxation and the taxpayer;
- (iii) If by a county board of taxation, upon the assessor, upon the Clerk of the taxing district and upon the taxpayer.

(6) A complaint to review an order of the county board of taxation requiring a taxing district to revalue must be served upon the Clerk of the taxing district (unless the complaint is filed by the taxing district), upon the Director of the Division of Taxation and upon the Attorney General of the State of New Jersey.

(B) Appeals from a State tax action

(1) A complaint by a taxpayer to review an action of the Director of the Division of Taxation or any other state agency or office concerning a tax matter, or a county recording officer with respect to the realty transfer fee must be served upon the Director of the Division of Taxation and upon the Attorney General of the State of New Jersey.

(2) A complaint to review the apportionment valuations for distribution of public utility franchise and gross receipts taxes established by the Director of the Division of Taxation must

be served upon the Director of the Division of Taxation and upon the Attorney General of the State of New Jersey and upon the Clerk of every municipality entitled to share in the apportionment.

- (3) A complaint to contest the validity or amount of an assessment by the Director of the Division of Taxation of railroad property or franchise taxes must be served upon the Attorney General of the State of New Jersey, upon the Clerk of the taxing district in which the property is located, and, if the complaint is filed by the Attorney General or a taxing district, upon the taxpayer.

The rules of the Tax Court specify that service may be made either personally or by certified or registered mail upon the necessary parties.

REFERENCES:

Rules of the Tax Court, 8:5-1.

1104.24 Complaint forms. Sample complaint forms have been prepared by the Tax Court, including two sample complaint forms to be used by taxpayers and taxing districts for local property tax appeals. The complaint must state whether or not the amount in controversy exceeds \$2,000, so that the Clerk of the Tax Court will be able to assign those cases to the Small Claims Division of the Tax Court, where the amount at issue is \$2,000 or less. A brief statement of the factual basis of the claim and the relief sought must be contained in the complaint. The wording of the form of complaint may be modified to adapt the form to the facts, allegations and the relief sought in a particular case. Except for the general statement as to whether or not the amount in contention ex-

ceeds \$2,000 the complaint may request a change in a real property tax assessment without specifying the amount of such a change. A copy of the county board of taxation judgment or order must be attached to the complaint. The complaint may be served by an attorney or by a party to the complaint, and must be signed by the attorney of record or, if the party is not represented by an attorney, by the party to the proceeding.

REFERENCES:

Rules of the Tax Court, 8:3-4 (b), 8:3-5, 8:3-9, 8:11.  
Handbook, 106.5.

1104.25 Discrimination appeals. If an appellant alleges that the property in question is not assessed at the common level or average ratio of assessment applicable in the taxing district, the complaint must set forth the common level or ratio of true value alleged to be applicable.

REFERENCES:

Rules of the Tax Court, 8:3-7.

1104.26 Filing fees. In general a filing fee of \$60 is charged upon the filing of a complaint with the Tax Court. However where a complaint is found to come within the jurisdiction of the Small Claims Division of the Tax Court the filing fee is just \$10.

In cases of multiple causes of action contained in a single complaint or counter claim the following schedule of fees applies:

- (1) Real Property in common ownership - If a complaint includes more than one separately assessed but contiguous parcel of property in common ownership, the filing fee is \$60 for the first separately assessed parcel and \$10 for each additionally assessed parcel included in the complaint;
- (2) Condominiums - if a complaint includes more than one parcel of real property separately assessed under either the Horizontal Property Act

or the Condominium Property Act, the filing fee is \$60 for the first separately assessed parcel, and \$10 for each additional separately assessed parcel of property of the owner included in the complaint;

(3) State taxes - if a complaint to review a state tax includes more than one separate state tax, the filing fee is \$60 for the first separate state tax and \$10 for each additional state tax included in the complaint;

(4) Small claims - If the complaint is within the jurisdiction of the Small Claims Division the filing fee is \$10 for the first separately assessed parcel of property (or state tax), and \$2 for each additional separately assessed property (or state tax) included in the complaint.

In cases where the question at issue is eligibility for a homestead tax rebate, or a veteran, or SeDiSu\* property tax deduction, no filing fee is charged.

REFERENCES:

Rules of the Tax Court, 8:12 (a) through (d).

1104.27 Amendments to pleadings. Complaints may be amended or supplemented upon motion and notice to all involved parties at any time prior to trial before the Tax Court. However, the amendment may not substitute or add any new or different cause of action.

REFERENCES:

Rules of the Tax Court, 8:3-8.

1104.28 Withdrawal of complaint. A complaint may be withdrawn at any time prior to the conclusion of the trial before the Tax Court, and even after that time with the permission of the court.

REFERENCES:

Rules of the Tax Court, 8:3-9.

1104.3 Pretrial proceedings. Certain pretrial proceedings involving discovery, exchange of appraisals or pretrial conferences may take place before the Tax Court calls the matter for trial.

1104.31 Discovery. The Tax Court rules permit parties to utilize discovery procedures in which a party may request factual information from his adversary through interrogatories, depositions or demands for admission, in order to ascertain the factual basis for the opposing party's case. The Tax Court rules provide that interrogatories must be answered within 60 days except in the case of actions to review State school aid and county equalization tables. In State school aid and county equalization appeals interrogatories must be answered within 20 days.

REFERENCES:

Rules of the Tax Court, 8:6-1 (a).

1104.32 Exchange of appraisals. In cases where the value of property is an issue, a party planning to use the testimony of a valuation expert must furnish each opposing party a copy of the written appraisal report of the expert in accordance with the following schedule:

- (1) At or prior to the pretrial conferences;
- (2) If there is no pretrial conference, then 10 days prior to trial date;
- (3) In small claims matters, at the time of the trial.

REFERENCES:

Rules of the Tax Court, 8:6-1 (b).

1104.33 Pretrial conference. Pretrial conferences may be conducted by the Tax Court in accordance with certain rules. The purpose of such a conference

is to winnow out any extraneous issues, contentions or arguments that any party to the proceeding might mistakenly or otherwise seek to introduce, and to in general "streamline" the case in order that when actual trial commences it may proceed in an efficient fashion. A pretrial order issued by the judge after the pretrial conference establishes the issues that are to be tried.

REFERENCES:

Rules of the Tax Court, 8:6-2.

1104.4 Trial by the Tax Court. All matters in the Tax Court shall be heard by a single judge sitting without a jury. A record is kept of all proceedings, and all testimony is required to be given under oath.

REFERENCES:

Rules of the Tax Court, 8:8-1 (a), 8:11.

1104.41 Submission without a trial. A party to a proceeding before the Tax Court, after giving notice to all other parties, may move for the submission of the case to the court without a trial. This might be done where it is felt that sufficient facts have been established, stipulated and admitted into the record and a hearing is not required. Such a procedure must be agreed to by the Tax Court, and the court may still require the submission of further material and briefs as it deems necessary.

REFERENCES:

Rules of the Tax Court, 8:8-1 (b).

1104.42 Assignment for hearing. The presiding judge assigns cases for hearing to a Tax Court location and judge. In making his assignment the presiding judge considers the convenience of the participants and the location of the property.

REFERENCES:

Rules of the Tax Court, 8:8-2.

1104.43 Trial in the Small Claims Division. The general rules of procedure in the Tax Court apply to the Small Claims Division, except that the pretrial conference may be held at the same time the case is scheduled for trial. Both the pretrial conference and the trial are informal and the judge may hear such testimony and receive such evidence as he deems necessary, but all testimony must be given under oath. All proceedings in the Tax Court, including small claims matters, must be recorded.

REFERENCES:

N.J.S.A. 2A:3A-7.

Rules of the Tax Court, 8:11.

1104.44 Burden of proof. The courts have held that in appeal proceedings before the Division of Tax Appeals in the past, and presumably now before the Tax Court, findings of the county board of taxation must be presumed correct (see paragraph 501.26 and 1103.43), and the burden of proving otherwise falls upon the party which carries the appeal to the Tax Court Level. An appeal from the judgment of a county board of taxation brings within the jurisdiction of the Tax Court the entire assessment, and not just the aspects which were argued before the county board. A proceeding brought from a judgment of a county board of taxation to the Court is therefore a "trial de novo".

REFERENCES:

City of Passaic v. Passaic Pioneer Properties Co., 55 N.J.Super. 94, 150 A.2d 78 (1959).

Veeder v. Township of Berkeley, 109 N.J.Super. 540 (App.Div.1970).

1104.5 Judgment. The Tax Court is required to reduce its findings of fact and law to writing and to file copies with the parties to the appeal and with the County Tax Administrator and with the assessor, clerk and collector of the taxing district. If any party to the appeal believes that the judgment of the Tax Court is inadequate, it may carry a further appeal to the Appellate Division of the

Superior Court.

REFERENCES:

N.J.S.A. 54:51A-21.

1104.6 Binding effect of judgment. The assessed value set by final judgment of the Tax Court must remain in effect for the assessment year and for the next two years. Exceptions to this "freeze act" may be made only:

- (1) if the assessor can demonstrate upon appeal, that the value of the property has changed since the assessment date, or
- (2) if a complete revaluation of all real property in the taxing district has been put into effect.

The purpose of this law is to prevent a taxing district from harassing a taxpayer by forcing him to appeal his assessment every year, in order to receive equitable treatment.

As a result of decisions by the courts, the attorney general has set forth certain guidelines for application of the Freeze Act (see Section 1103.6). In the guideline for application of the Freeze Act to a Tax Court or an appellate court "judgment final" (a judgment not further appealed), the attorney general has commented as follows:

"The Application of the Freeze Act in the event the Tax Court or the appellate courts issue a judgment final.

"The most troublesome aspect of the application of the Freeze Act relates to judgments entered by the Tax Court or appellate courts (Superior Court, Appellate Division, Supreme Court of New Jersey or United States Supreme Court). Normally, these judgments are entered at a time when one or both of the Freeze Act years have already passed. Thus, unlike the situation when the county boards can prospectively apply the Freeze Act to their own judgments which



are not further appealed, the judgments entered by the higher courts may involve adjustments of tax lists and county apportionments which have already been adopted. Of primary concern is the application of the Freeze Act to judgments entered by the Tax Court. In certain instances, the Tax Court judgment will reflect the application of the Freeze Act. For example, the judgment may state that the assessed valuation applies only for that particular tax year. This type of statement would likely appear on a stipulated judgment where the taxpayer has waived the application of the Freeze Act for the 2 years subsequent to the year under appeal. In other instances, the Tax Court may issue a judgment which establishes a fixed assessment for the tax year or years in question and further notes that the Freeze Act applies. Such judgments, assuming they are judgments final and are, therefore, not further appealed, reflect on their face the application or nonapplication of the Freeze Act. In those circumstances where the judgments state that the Freeze Act shall apply, the county boards have sufficient authority based on the judgments to reflect changes on the assessment lists for the tax years in question and to accord the affected municipality a credit toward its county taxes based on reductions in assessed valuations. The county boards should insist on receiving from the tax collector of the affected municipality a written confirmation that the tax refunds for the freeze years have been made as a necessary condition for the county boards to reflect the credits towards county apportionment on the table of aggregates.

"In the event a judgment is entered by the Tax Court or an appellate court which is silent as to the application of the Freeze Act, the county boards should not automatically assume that the Freeze Act applies. In fact, unless the judgment explicitly establishes the application of the Freeze Act, the county boards

should not enter into any guesswork and should not suppose that the judgment freezes the assessments for the two subsequent tax years. Without a judgment clarifying the application of the Freeze Act, the county boards simply have no authority to automatically consider the application of the Freeze Act. A taxpayer, who maintains that the Freeze Act should be applied based on a Tax Court or appellate court judgment, has an available remedy at the Tax Court level to seek a further order clarifying the application of the Freeze Act. Only upon the entry of such a clarifying order can the county boards confidently make adjustments reflecting the application of the Freeze Act."

REFERENCES:

N.J.S.A. 54:51A-21.

South Plainfield Borough v. Kentile Floors, Inc. N.J. (1983).  
Ltr. to County Tax Board Commissioners and County Tax Administrators from  
Deputy Attorney General Harry Haushalter, April 11, 1983.

1104.7 Correction of errors by consent. The Tax Court, upon the filing of a complaint by a property owner, a municipality or a county board of taxation, is permitted, upon written application, to correct typographical errors, errors in transposing and mistakes in tax assessments either during the tax year at issue or within the next three years. The complaint seeking a correction should state the facts concerning the error, and must be verified by affidavits submitted by the applicant. The Tax Court has stated the proper application of the correction of errors statute is to administrative, clerical or ministerial actions only, and not to complaints involving an assessor's opinion of value. However, a higher court has opined the correction of errors statute should be more liberally construed. Copies of complaints must be served upon the county board of taxation, and also upon the property owner or municipality as the case may be. Any party receiving a copy of such a complaint is entitled to file an objection or other answer with the Tax Court in accordance with the rules of the court.

REFERENCES:

N.J.S.A. 54:2-41.

Michael and Doris Manczak vs. Township of Dover, 2 N.J. Tax 529  
(Tax Court 1981)

Thomas Sabella et als vs. Township of Lacey, \_\_\_\_\_ N.J. Super. \_\_\_\_\_  
(1983).

#### 1105. The Courts

1105.1 Appeals from Tax Court judgments may be carried to the Superior Court, Appellate Division within 45 days. Appellate Division judgments are subject to further review by the Supreme Court of New Jersey. No attempt is made in this Handbook to describe in detail the procedure before the appellate courts. The reader is referred to the Rules Governing the Courts of New Jersey.

#### 1106. Traditional Relief Available to Appellants

1106.1 Prior to enactment of legislation in 1973 which became effective in 1978 (c. 123, L. 1973) appeals were divided into two types: (1) non-discrimination, and (2) discrimination. Other than in a year in which a revaluation has been implemented, Chapter 123, Laws of 1973 at this juncture appears to have provided a method of determining whether an appellant in a discrimination tax appeal is entitled to any property tax relief, and if so, the amount of relief to which a deserving appellant is entitled. As employment of provisions of Chapter 123, Laws of 1973 becomes more widespread, judicial interpretation will eventually indicate the extent of its applicability. Together with the county boards of taxation, the recently established Tax Court, as well as the higher courts will play key roles in deciding what part Chapter 123, Laws of 1973 is to play in the tax appeal process.

Since this is a time of change in tax appeal structure and procedure, the following sections 1106.2, 1106.3 and subsections thereunder will reflect applicable methods and case law which have applied in the past and up until the present. Section 1107 will deal with newer provisions of the appeal process as they are set forth in Chapter 123, Laws of 1973.

1106.2 Non-discrimination appeals. Where a taxpayer or taxing district pleads that a property is not assessed at its taxable value, he need prove only the value of the property in order to have the assessment on the property in question raised or lowered to the taxable value.

REFERENCES:

Baldwin Construction Co. v. Essex County Board of Taxation, 16  
N.J. 329 (1954).  
Handbook, par. 501.12.

1106.3 Discrimination appeals. In a discrimination appeal, a taxpayer or taxing district pleads that the assessment on a particular property is too high or too low because other assessments are made at a different level. This may be so even though none of the assessments exceed the taxable value. For example, if most properties in a taxing district are assessed at 70 per cent of their true value, the owner of a property assessed at 90 per cent would have grounds for filing a discrimination appeal. A number of court decisions in recent years have broadened the relief that an appellate agency can grant in such cases.

1106.31 The Royal case. The Royal case, decided in 1909, established the rule which prevailed for many years. In this case, the court ruled that the only way in which relief could be granted to a taxpayer in a discrimination appeal was to raise the assessments on all other properties in the taxing district to full market value, as the statutes required for many years. Since this was almost impossible

to accomplish, relief was almost nonexistent.

(NOTE: The description of this case is presented for historical background - this is not now the rule for discrimination appeals.)

REFERENCES:

Royal Manufacturing Co. v. Board of Equalization of Taxes, 76 N.J.L. 402, affirmed 78 N.J.L. 337 (1909).

Sidney Glaser, "Legal Aspects of Assessing," Proceedings of the Third Annual Institute for Assessing Officers (New Brunswick: Bureau of Government Research, Rutgers, The State University, March, 1957), pp. 10-13.

1106.32 The Gibraltar case. In 1955, the courts established a new rule for discrimination appeals by stating in the Gibraltar case that the guiding principle should be equality of treatment. The court affirmed the right of appellate agencies, such as the county board of taxation and the Division of Tax Appeals, to set the assessment of any property at the "common level" which was found for other properties in the taxing district. In the example given in paragraph 1106.3, therefore, the appellant's assessment could be lowered to 70 per cent of true value - if he could prove that this was the common level for other assessments. However, the case did little to indicate how the common level should be proved.

REFERENCES:

Gibraltar Corrugated Paper Co. v. North Bergen Township, 20 N.J. 218 (1955).

Aaron K. Neeld, "The Gibraltar Case - Full True Value Assessments", New Jersey Municipalities, January, 1956, pp. 16-23.

1106.33 The Lackawanna case. In the Lackawanna case, decided in 1957, the court ruled that the taxing district's average assessment-sales ratio, determined by the Director of the Division of Taxation for State school aid purposes, could not be used by an appellant for establishing the common level of assessments in the district. This decision restricted the rule laid down in the Gibraltar case.

by making the proof of the common level a difficult and expensive procedure.

(NOTE: The description of this case is presented for historical background - this is not the current rule for discrimination appeals.)

REFERENCES:

D. L. & W. Railroad Co. v. Neeld, 23 N.J. 56 (1957).

William Miller, "Recent Developments in Legislation and Case Law", Proceedings of the Seventh Annual Conference for Assessing Officers, 1960 (New Brunswick: Bureau of Government Research, Rutgers, The State University, May, 1961), p. 14-20.  
Handbook, par. 1002.44.

1106.34 The Kents case. In 1961, the court set the rule which, until the advent of Chapter 123 (see Section 1107), governed relief available in discrimination appeals. The court ruled that, in the absence of other information which would prove the common level of assessments, a "constructed" common level, such as the average assessment-sales ratio determined by the Director of the Division of Taxation, can be used as the common level. An appellant who can prove that an assessment is at a different level of true value than the average ratio, may have the assessment adjusted to conform to the average ratio.

The Kents case also produced the ruling by the court that the aggregate assessment of property, including land and building(s) as a parcel, is the controlling factor in a discrimination appeal. In other words, the land assessment and the building assessment cannot be considered separately for appeal purposes.

REFERENCES:

In re Appeals of Kents, Inc. 34 N.J. 21 (1961).

William Kingsley, "The Kents Case - A Remedy for Assessment Inequality", New Jersey Municipalities, February, 1961, pp. 4-8.

1106.35 The Siegal case. In the Siegal case, decided in 1962, the court further clarified the rule established in the Kents case by declaring that individual class assessment-sales ratios, which are determined for various types of properties as

an intermediate step in establishing the average assessment-sales ratio for all properties, cannot be used as a basis for claiming a reduction to the level for a given class of property. The average ratio for all classes remains as the evidence of a common level.

REFERENCES:

Siegal v. City of Newark, 38 N.J. (1962).  
Handbook, sec. 1002.4.

1106.36 The Tri-Terminal case. In 1975, the court, ruling on a case in which an appellant sought relief by invoking the Kents doctrine (par. 1106.34), held that a taxpayer in a discrimination appeal must show that relative to other property, generally, in the taxing district, his property is being assessed on a less favorable basis. The court said if in a time of generally rising real estate prices his property has sustained the same enhancement of true value as have other properties generally, and if assessments have remained unchanged, this would leave the taxpayer in a position of relative uniformity for property tax treatment as was fixed by a fair and accurate revaluation carried out two or three years previously. The court noted that while it could find no discrimination in this case, nevertheless it did not necessarily approve of the practice of holding assessments the same year after year, since the law calls for separate assessment of each parcel annually at its true value on the assessing date. The court went on to say while practicalities preclude most assessors from reviewing every line item each year, there should nevertheless be alertness to changed valuation factors affecting individual properties in the years between revaluations.

REFERENCES:

Tri-Terminal Corporation v. Borough of Edgewater, 68 N.J. 405 (1975)  
Local Property and Public Utility Branch News, January-February,  
1976, p.1, May-June, 1976, p.2.

1106.37 The Piscataway Associates case. In this 1976 case the court, in holding that Kents case type of tax relief was applicable, stated that although a fair and accurate revaluation had established a common level at the time it was implemented, the carrying over of assessments year after year for some nine years had substantially undercut the presumption that values of all properties rose at the same or similar rate. The court felt property values in a municipality as large as Piscataway Township would probably not increase at the same rate in all neighborhoods over such a period of time. The court recognized that while in *Tri-Terminal Corp. v. Borough of Edgewater* (see par. 1106.36) they had accepted a general revaluation which was effective for 1969 as remaining valid for 1971 and 1972, nevertheless the correctness of this assumption dissipates with the passage of time.

REFERENCES:

Piscataway Assoc., Inc. et als vs. Township of Piscataway, 139 N.J. Super. 276 (1976); 71 N.J. 517 cert. denied (1977).

1107. Alternative Method of Relief Available to Appellants

1107.1 In an effort to systematize the adjudication of property tax appeals where discrimination is pleaded, the Legislature by the enactment of Chapter 123, Laws of 1973 adopted a procedure for use by tax appeal hearing bodies (county boards of taxation, the Tax Court, and the Appellate Division of the Superior Court) whereby the extent of relief to be granted, if any, could be calculated, once the true value of the property under appeal was determined by the hearing body.

1107.11 Average ratio and common level range. On April 1 of each year the Director of the Division of Taxation publishes an "average ratio" and a "common



level range" for each municipality. These figures are published in booklet form for each municipality in the entire state and are mailed to each county board of taxation, to each assessor and to each municipal clerk.

- (1) The "average ratio" for a taxing district as used here corresponds to the average ratio promulgated by the Director on the preceding October 1 for State School Aid purposes, subject to change as the result of appeal and judgment of the Tax Court.
- (2) The "common level range" for a taxing district is that range which is calculated to be 15% plus and minus of the average ratio. For example, where the average ratio is found to be 78.00%, the common level range would be: Lower Limit - 66.30%, Upper Limit - 89.70%.

REFERENCES:

N.J.S.A. 54:1-35a.

1107.12 True value. True value for purposes of the appeal adjudication process is that value deemed to be the price a willing buyer would pay to a willing seller at private contract on October 1 of the year prior to the year at issue, as determined by the hearing body.

REFERENCES:

N.J.S.A. 54:1-35a., b., 54:4-23.

1107.13 Calculation of relief entitlement. A ratio is struck by dividing the assessed value of the property under appeal by the true value of the property as determined by the hearing body. This ratio is called "subject property ratio".

- (1) If the subject property ratio falls within the common level range (see par. 1107.11(2)) no reduction is to be made in the assessed value of the appealed property, subject to (3) and (4) below.
- (2) If the subject property ratio exceeds the upper limit of the common

level range, or falls below the lower limit of the common level range, the assessment is to be determined by multiplying the average ratio for the taxing district times the true value for the subject property as determined by the hearing body, subject to (3) and (4) below. See Table XI-1, Example #1.

- (3) If the subject property ratio exceeds the county percentage level, and the district's average ratio is below the county percentage level, the assessment is determined by multiplying the average ratio for the taxing district times the true value for the subject property as determined by the hearing body. See Table XI-1, Example #2.
- (4) If the subject property ratio exceeds the county percentage level, and if the district average ratio also exceeds the county percentage level, the assessment is determined by multiplying the county percentage level times the true value of the subject property as determined by the hearing body. See Table XI-1, Example #3.

REFERENCES:

N.J.S.A. 54:1-35a et seq., 54:2-40.4, 54:3-22, 54:4-52.  
Ltr. to Assessor of Each Municipality, Sidney Glaser, Director,  
Division of Taxation, April 9, 1979.

1107.14 Alternative method of relief not applicable in revalued or reassessed municipalities. Although district average ratios and common level ranges will be published for all municipalities, taxpayers appealing assessments in those municipalities which have placed into operation an approved revaluation or reassessment may not, under the law, avail themselves of the alternative method of relief provided in the above paragraphs (paragraphs 1107.11 through 1107.13). Appellants in revalued or reassessed municipalities must prove the elements of discrimination in the traditional manner (see Sections 1106.1 through 1106.3).

REFERENCES:

N.J.S.A. 54:2-40.4(f), 54:3-22(f).

Rules For County Boards Of Taxation, N.J.A.C. 18:12A-1.19(f).

Ltr. to Assessor of Each Municipality, Sidney Glaser, Director, Division of Taxation, April 9, 1979.

1108. Defense of Appeals

1108.1 Although the legal burden of proof is upon an appellant, the assessor should accept the responsibility for providing a vigorous defense of his assessments if he is convinced that they are valid. A valid assessment should be defended even where the amount of money involved appears insignificant. If such assessments are allowed to go by default through lack of defense, the uniformity of the assessment list is jeopardized and the appeal may well serve as precedent for numerous additional appeals in following years. Where the assessor is convinced that an incorrect judgment has been rendered by an appellate agency, he should take the initiative in recommending to the municipal governing body that a further appeal be carried to a higher appellate agency. In weighing this step, of course, the estimated chances for a favorable judgment must be considered.

1108.2 Review of assessments. As soon as the assessor is notified that an appeal has been filed, he should review the appraisal and the assessment on the property and on any comparable properties which are cited in a discrimination appeal. This should include a visit to the property in order to make sure that the property record card is accurate and that the property has been classified and appraised correctly.

1108.3 Preparation of defense. Contested cases before appellate agencies usually are won on the basis of the preparation of the defense, rather than on any action taken on the spur of the moment at the hearing. Some county boards of

taxation encourage the assessor to prepare a written summary of his defense, particularly the statistical information concerning the properties. Even where this is not a requirement, the preparation of such a report is good practice, since the very act of assembling and presenting all of the information will assist the assessor in making a logical defense of the assessment.

1108.4 Legal counsel. The municipal attorney can be very helpful to the assessor in defending tax appeals. The attorney can lead the assessor in his own testimony before the appellate agency and, in most cases, will be an experienced cross-examiner of opposing witnesses. However, the assessor must recognize that, unless he has done his own work well in the first place, no attorney will be able to provide an adequate defense of the assessment. The assessor should make sure that his attorney is aware of all of the facts surrounding the property and the assessment before the hearing. A "dry run" of the defense sometimes is in order. In complicated cases, or where a large sum of money is involved, the municipal governing body may consider retaining special legal counsel having a wider experience in tax appeal matters than many municipal attorneys.

1108.5 Expert witnesses. The assessor, by virtue of his office, is considered an expert witness. Nevertheless, where large sums are involved, consideration should be given to retaining appraisal experts to substantiate the opinion of the assessor. Usually, if a case is important enough to bring before the Tax Court or higher courts, it is important enough to justify the expense involved in retaining expert witnesses. Such assistance should be accepted readily. However, the assessor should satisfy himself that the "expert" really is an expert, that he has prepared himself by actually viewing and appraising the

Table 11-1: Illustrations Of Property Tax Appeal Procedures Under  
 Chapter 123, Laws of 1973  
 (N.J.S.A. 54:1-35a, b, c; 54:2-40.4; 54:3-22; 54:4-32)

Example #1 (para. 1107.13 (2))

Assumptions

County percentage level	100%	
District average ratio	90%	
15% Common level range	103.5	Upper limit
15% Common level range	76.5	Lower limit

Situation A

Subject property - true value	\$100,000	
Assessment	\$120,000	
Subject property ratio	120%	(Exceeds upper limit)

Reduce taxable value \$100,000 x 90% = \$90,000  
 (Multiply by district average ratio - 90%)

Situation B

Property - same subject	\$100,000	
Assessment	\$ 70,000	
Subject property ratio	70%	(Below lower limit)

Increase taxable value \$100,000 x 90% = \$90,000  
 (Multiply by district average ratio - 90%)

Example #2 (para. 1107.13 (3))

Assumptions

County percentage level	100%	
District average ratio	90%	(Below county level)
15% Common level range	103.5	Upper limit
15% Common level range	76.5	Lower limit

Subject property - true value	\$100,000	
Assessment	\$110,000	
Subject property ratio	110%	(Exceeds county level)

Taxable value reduced \$100,000 x 90% = \$90,000

In this example, district average ratio is below county level - 90%

Subject property ratio exceeds county level - 110%

Therefore, taxable value is reduced by applying district ratio - 90%

Example #3 (para. 1107.13 (4))

Assumptions

County percentage level	100%	
District average ratio	110%	(Exceeds county level)
15% Common level range	126.5	Upper limit
15% Common level range	93.5	Lower limit

Subject property - true value	\$100,000	
Assessment	\$120,000	
Subject property ratio	120%	(Exceeds county level)

Taxable value decreased to county level \$100,000 x 100% = \$100,000

In this example, both the district average ratio and the subject property ratio exceed the county percentage level

- (a) District average ratio - 110%
- (b) Subject property - 120%

NOTE: Provisions of Chapter 123, Laws of 1973 do not apply to any appeal from an assessment of real property in the year in which the taxing district placed an approved revaluation or reassessment program into effect.



property, and that he has not testified to contrary opinions in previous appeal cases.

1108.6 The assessor's role at the hearing. The assessor should bring with him to the hearing all of the pertinent records concerning the property under appeal and any comparable properties which have been cited in the case of discrimination appeals. The use of graphic materials - photographs, charts, and records - is particularly effective. Copies of property record cards should be provided for the use of the appellate agency. A written report dealing with the value of each property under appeal, presented by the assessor to the hearing body would be very helpful. The assessor should be prepared to give testimony to substantiate his assessment, and to assist with the cross examination of opposing witnesses, both as to the accuracy of their testimony and as to its completeness and adequacy.

# EXHIBITS

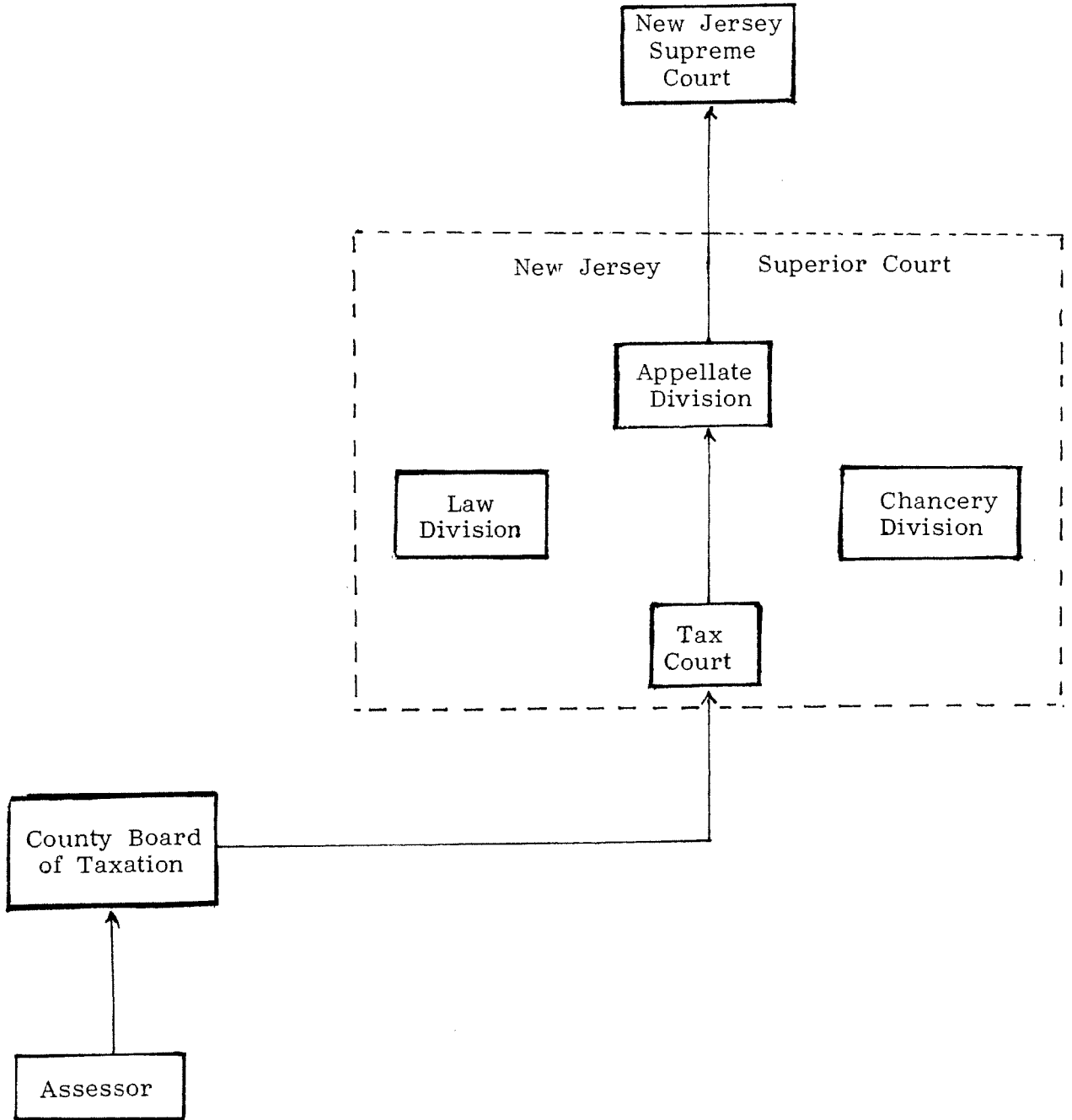
Handbook for New Jersey Assessors

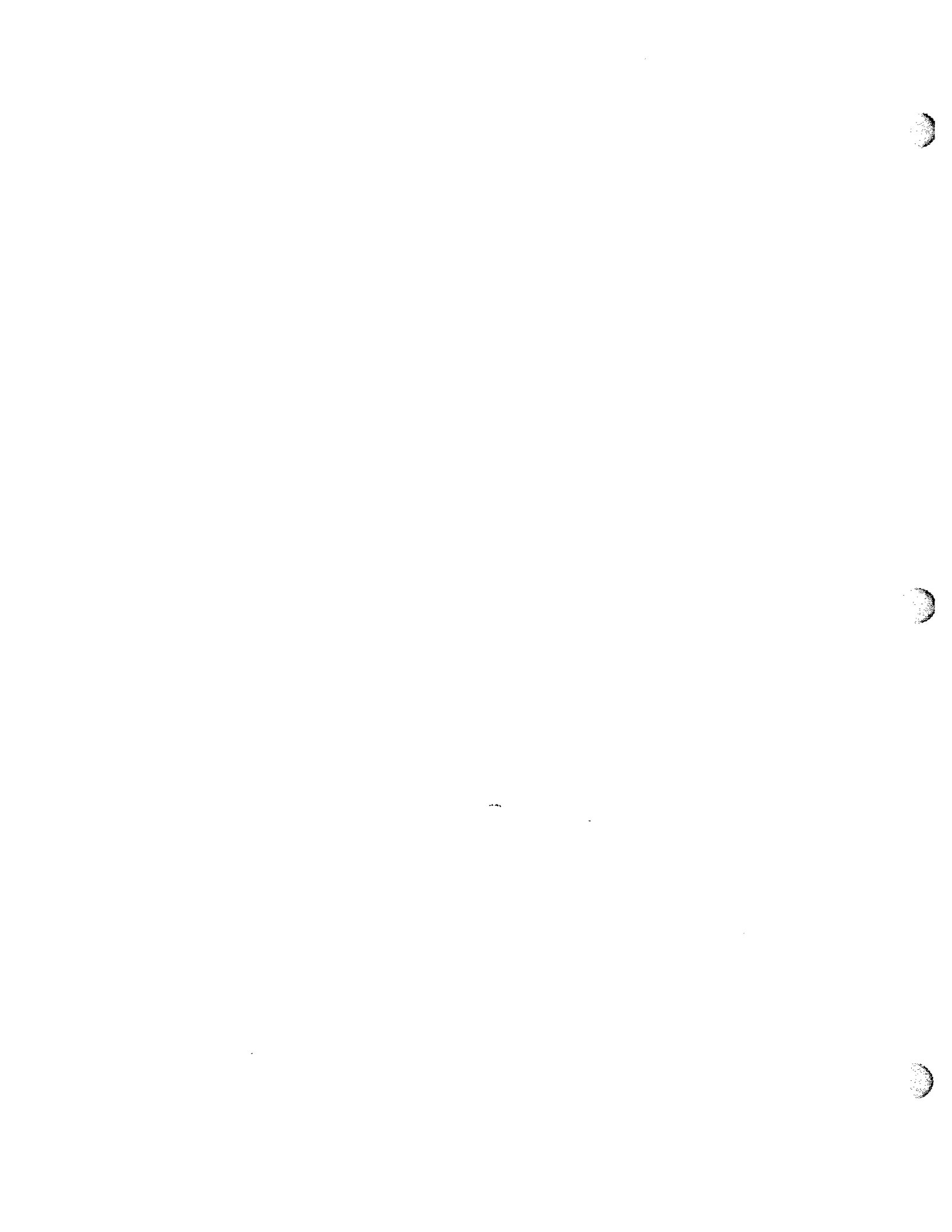


EXHIBIT XI-1: Tax Appeal Procedure

Administrative  
Remedy

Appeal To  
Courts





FORM FOR CORRECTION OF ERRORS IN ASSESSMENTS

STATE OF NEW JERSEY }  
COUNTY OF MONMOUTH } ss.

....., being duly sworn according to law, upon his oath, deposes and says, that he or she is the Assessor of ..... and the following error or errors were made in the 19..... Tax List and Duplicate, and respectfully requests the Monmouth County Board of Taxation to approve the corrections for the reasons stated below.

1. ....  
Name of Owner

.....  
Block Lot Street

.....  
Page in Tax Duplicate Line

Land \$ ..... Improvements \$ ..... Total \$ .....  
Assessment

Should be corrected to read:

Land \$ ..... Improvements \$ ..... Total \$ .....

For the following reason:

- (a) Building destroyed by fire on ..... Date
- (b) Duplicate assessment on Land or Building which is already assessed on page ..... and line ..... in the 19..... Tax List and Duplicate.
- (c) Property should be exempt and is qualified under R. S. 54 .....
- (d) Typographical error in assessment.
- (e) Please state below any reason other than those listed above.

Sworn and subscribed .....  
before me this ..... day ..... Assessor  
of 19.....

Notary Public of N. J.

THIS SPACE FOR USE OF COUNTY BOARD

Dated: ..... Approved by the Monmouth County Board of Taxation.  
By: ....., Sec'y

TOWNSHIP OF \_\_\_\_\_

APPLICATION FOR CORRECTION OF ASSESSED VALUATION  
(Separate applications must be used for each parcel.)  
(This form must be used and the questions clearly answered.)

LOCATION OF PROPERTY, No. .... Avenue or Street  
BLOCK.....LOT.....Assessed Valuation, 19.....:LAND \$.....  
What do you consider was the value of the property on the First of October?.....  
.....  
In what year was the property acquired?.....What was the full consideration.....  
In what manner was the property acquired? State whether private sale or otherwise  
.....  
Did present owner have any interest in or lien upon the property previous to acquiring title?.....  
If rented, give gross rental at present rentals?.....  
If property is mortgaged, state amounts, rate of interest and mortgagee.....  
.....  
What insurance is carried on the building?.....  
Since the property was acquired, what amount has been expended in permanent improvements?.....  
Is the objection based on the valuation of the land or the building?.....  
.....  
Is the objection based upon any inequality? If so, give particulars.....  
.....  
Was an appeal ever filed on this property?..... If so, give date.....

The undersigned represents that he is the.....owner of the above described property and claims to be aggrieved by the aforesaid assessed valuation, and makes application to the ASSESSOR to have the same reviewed and corrected if in error.

OWNER..... ADDRESS.....

STATE OF.....

COUNTY OF.....ss.:

.....being duly sworn, says that he is the.....owner of the above-mentioned premises, and that the statements contained in this application are true.

Sworn to before me this..... NAME OF APPLICANT.....

day of..... 19..... ADDRESS.....

.....  
Commissioner of Deeds or Notary Public

If action of the Local Board is not satisfactory, recourse can be had by applying to the COUNTY BOARD OF TAXATION on or before August 15th.

Unless all information required on the application is supplied, no action will be taken.



PETITION OF APPEAL
MONMOUTH COUNTY BOARD OF TAXATION
HALL OF RECORDS, MAIN ST.
FREEHOLD, NEW JERSEY 07728

Property Class \_\_\_\_\_

TO THE MONMOUTH COUNTY BOARD OF TAXATION

Your petitioner, \_\_\_\_\_
(Name of Taxpayer—PLEASE Type or Print)

residing at (Mailing Address) \_\_\_\_\_
respectfully states that the petitioner is, or represents the taxpayer of certain property situated in the taxing district of

(Municipality)
IDENTIFIED AS FOLLOWS: Block \_\_\_\_\_ Lot \_\_\_\_\_
Street Address \_\_\_\_\_

Name, Telephone No. and Address of Attorney— or person to be notified of hearing and judgment
(PLEASE Type or Print)

SECTION I APPEAL FOR REAL PROPERTY VALUATION (FILING DEADLINE—(MUST BE FILED ON OR BEFORE AUGUST 15th OF THE TAX YEAR

That said property has been assessed for taxation for the year 19\_\_\_\_ at a valuation of:

Your petitioner prays that the assessment be revised to the Taxable Value of the property, as follows.

Land \$ \_\_\_\_\_
Improvement \$ \_\_\_\_\_
Total \$ \_\_\_\_\_

Land \$ \_\_\_\_\_
Improvement \$ \_\_\_\_\_
Total \$ \_\_\_\_\_

Basis for Appeal: True Value

Purchase Price \_\_\_\_\_
Date of Purchase \_\_\_\_\_

Discrimination Appeal
Other Than Under C.123
(See Instruction 8)

Lot Size \_\_\_\_\_
Tax Court Pending yes \_\_\_\_\_ no \_\_\_\_\_
If yes, list year or years \_\_\_\_\_

Reason for Appeal \_\_\_\_\_

SECTION II

APPEAL FOR DENIAL OF:

- 1. Veteran's Deduction \$ 50.00
2. Veteran's/Service man's/Service woman's/ Surviving Spouse Deduction \$ 50.00
3. Senior Citizen's Deduction \$250.00
4. Disabled Person/Surviving Spouse Deduction \$250.00
5. Veteran 100% Disabled or Surviving Spouse of Said Veteran Total Exemption
6. Homestead Tax Rebate Reg. and/or Add'l. Rebate
7. Farmland Assessment Classification
8. Exemption of Property of (Religious, Charitable, Etc. - Specify)

MUNICIPALITY'S REASON FOR DENIAL: \_\_\_\_\_

(Attach Copy of Denial) \_\_\_\_\_

SECTION III ADDED ASSESSMENT OR OMITTED ASSESSMENT ONLY (must be filed on or before December 1st)

Added Assessment \_\_\_\_\_ Year \_\_\_\_\_ Omitted Assessment \_\_\_\_\_ Year \_\_\_\_\_

Table with 3 columns: FULL VALUE OF ADDED/OMITTED ASSESSMENT ONLY, NO. OF MONTHS ASSESSED, PRORATED VALUE. Rows for Land, Improvement, Total.

PETITION FOR REDUCTION

Table with 3 columns: FULL VALUE OF ADDED/OMITTED ASSESSMENT ONLY, NO. OF MONTHS ASSESSED, PRORATED VALUE. Rows for Land, Improvement, Total.

SECTION IV: I hereby certify and affirm that the statements set forth in the foregoing petition are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment

Date \_\_\_\_\_ Signature of Petitioner \_\_\_\_\_

CERTIFICATION OF SERVICE

on \_\_\_\_\_, 19\_\_\_\_, I, the undersigned, served upon the Assessor and the Clerk of (Municipality) \_\_\_\_\_ or upon the taxpayer, personally or by regular mail or certified mail, a copy of the within appeal.

I, certify and affirm that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: \_\_\_\_\_ Signed: \_\_\_\_\_ (Signature - Person Making Service)

This form has been prescribed by the New Jersey Division of Taxation. No other form will be accepted. Reproduction of this form is permitted provided it is of the same size and texture.

Docket No

MONMOUTH COUNTY  
BOARD OF TAXATION

HALL OF RECORDS FREEHOLD, N.J.  
MAIN ST 07728

PETITION OF TAX APPEAL

(PETITIONER)

VS

BLOCK LOT (MUNICIPALITY)

Attorney of Petitioner:

Address of Attorney:

FILED

THIS SECTION FOR COUNTY BOARD USE ONLY

LS	_____	_____	_____	\$
IS	_____	_____	_____	\$
TS	_____	_____	_____	\$

FOR ADDED—OMITTED ASSESSMENT  
FULL VALUE NO. OF MONTHS PROPRATED  
ASSESSED VALUE

Heard:  
Decision:

# MONMOUTH COUNTY BOARD OF TAXATION

In the matter of Appeal of

.....  
vs.  
.....

} SETTLEMENT STIPULATION

County of Monmouth, for the year 19

Block ..... Lot .....

We, the undersigned, agree to adjust the above entitled appeal by settlement and submit for the consideration of the Monmouth County Board of Taxation, the following proposal:

19..... Assessment:		Adjusted to:	
Land	- - - - \$ .....	Land	- - - - \$ .....
Buildings	- - - - .....	Buildings	- - - - .....
Total	- - - - - \$ .....	Total	- - - - - \$ .....

Witness:

.....

.....  
(Appellant)

By .....  
(Attorney for Appellant)

.....  
Assessor

By .....  
(Attorney for Respondent)



# MONMOUTH COUNTY BOARD OF TAXATION

In the matter of Appeal of

.....  
vs.  
.....

DISCONTINUANCE  
OF APPEAL

County of Monmouth, for the year 19.....

Block ..... Lot .....

The appellant hereby discontinues the above entitled appeal and requests that the same be no longer considered by the Monmouth County Board of Taxation.

Witness:

.....  
(Appellant or authorized agent.)

Dated: .....

MONMOUTH COUNTY BOARD OF TAXATION

Appeal No. \_\_\_\_\_ Year \_\_\_\_\_

[ ]

MEMORANDUM OF JUDGMENT

\_\_\_\_\_  
Petitioner

vs

\_\_\_\_\_  
Respondent

Taxing District \_\_\_\_\_ Address \_\_\_\_\_

Block \_\_\_\_\_ Lot \_\_\_\_\_ Year \_\_\_\_\_

A duly verified Petition of Appeal having been filed with the \_\_\_\_\_ County Board of Taxation and said appeal having been heard and considered.

It is on this day \_\_\_\_\_ ORDERED that Judgment be entered as follows:

ORIGINAL ASSESSMENT		JUDGMENT	
Land	\$ _____	Land	\$ _____
Improvement	\$ _____	Improvement	\$ _____
Total	\$ _____	Total	\$ _____

JUDGMENT CODE # \_\_\_\_\_  
(Explanation—See Reverse Side)

Code #40 Only \_\_\_\_\_

\_\_\_\_\_  
COUNTY BOARD OF TAXATION  
COMMISSIONERS' SIGNATURES

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTEST: \_\_\_\_\_

Memorandum explaining basis for Judgment \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

