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QUALIFIED TAX ASSESSORS FOR NEW JERSEY

The Report of a Committee  
to study  
the Training of Tax Assessors  
in New Jersey

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October, 1964



LETTER OF TRANSMITTAL

William Kingsley, Acting Director  
Division of Taxation  
Department of the Treasury  
Trenton, New Jersey

Dear Mr. Kingsley:

We are pleased to transmit to you the report of the Committee on Training of Tax Assessors. This Committee has been meeting for approximately one year. During this time, we have considered the need for assessor training; we have evaluated the present efforts in this direction; and we have proposed a revised format for the training courses. In addition, several recommendations of this report are intended to motivate persons to enter the field of property assessment, and to continue in this work if qualified.

New Jersey is truly a property tax state. There appears to be little chance that this situation will change drastically in the near future. Great strides have been made during the past decade in some phases of property tax administration. But, if the property tax is to remain as the primary source of state and local government revenue for New Jersey, it is of crucial importance that tax assessments be made by well-qualified persons. Probably no other single factor is so important in insuring that the burden of the tax is distributed equitably among the taxpayers of the state. Many of the Committee's recommendations are not new. However, we believe fully that the time has now come when they should be implemented.

The Committee on Training of Tax Assessors respectfully submits this report with recommendations for providing qualified tax assessors for New Jersey and urges that legislation be prepared for introduction early in 1965.

The Committee would like to take this opportunity both to offer its services in reviewing draft legislation implementing the recommendations of the report, and also to invite comments and suggestions by all interested persons. Such communications should be directed to the chairman of the Committee.

Sincerely yours,

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## SUMMARY OF RECOMMENDATIONS

Recommendation	Method of Implementation			
	No Action Required	Legis- lation	Appro- priation	Adminis- trative Decision
1. The list of qualifications shown in Table 3 should be adopted by the State of New Jersey as the basis for the examination and certification of tax assessors (page 14).				X
2. A new sequence of four training courses for tax assessors should be established in place of the two existing courses in Principles of Municipal Assessing I and II (page 21).				X
3. Further attention should be given to the use of standardized course examinations in the training courses (page 25).				X
4. The administration of the training courses for tax assessors should remain a responsibility of Rutgers, The State University (page 25).				X
5. The new sequence of training courses should be implemented during the Spring of 1965 (page 28).				X
6. The State of New Jersey should underwrite the cost of training tax assessors (page 31).		X	X	
7. The Conference for Assessing Officers should be continued as an annual event, and special programs should be developed whenever necessary to supplement the regular training courses (page 31).				X
8. A certification program should be implemented with the following characteristics:				
a. An examination, administered by the Director of the Division of Taxation, should be given twice a year, covering all phases of the basic statement of qualifications (page 33).		X	X	



Recommendation	Method of Implementation			
	No Action Required	Legislation	Appropriation	Administrative Decision
b. No assessor who takes office after June 30, 1965 should be eligible for a second term of office until he has passed the examination and been certified, with the exception that those assessors who have already demonstrated their qualifications by achieving specified professional designations, should be certified by the director without examination (page 33).		X		
c. All assessors in office on June 30, 1965 should be allowed to be reappointed at the end of their terms without being certified (page 33).		X		
9. The determination of tax assessor salaries should be a policy decision left to the municipal governing bodies (page 34).	X			
10. Two steps should be taken to increase the security of the assessor's job:				
a. New Jersey should abandon the election of tax assessors (page 34).		X		
b. Tenure should be granted to all <u>qualified</u> assessors upon reappointment to office (page 35).		X		





## List of Tables

1.	Turn-Over of Tax Assessors in New Jersey, 1950 to 1963, by County, and Average Number of Tax Assessors per Municipality, 1963 -----	9
2.	Standardized Civil Service Classifications and Speci- fications for Assessing Positions; Comparison of Exper- ience and Education Requirements -----	12
3.	Recommended Qualifications for Tax Assessors in New Jersey -----	14
4.	Enrollment in Principles of Municipal Assessing Courses and Estimated Number of Active Assessors Who Have Completed Courses, 1954 to 1964 -----	20
5.	Evaluation of Present Assessor-Training Courses in Relation to Recommended Qualifications of Tax Assessors----	22
6.	Recommended Training Courses for Tax Assessors -----	24
7.	Sections Required for Proposed Assessor-Training Courses, 1964-65 to 1973-74 -----	29
8.	Estimated Number of Assessors with Specified Training, 1964-65 to 1973-74 -----	29
9.	Tentative Scheduling Plan for Proposed Courses, 1964-65 to 1973-74 -----	30
10.	Over-all Cost of Proposed Assessor-Training Program, 1964-65 to 1973-74 -----	32

## List of Figures

1.	Turn-Over of Tax Assessors in New Jersey, 1950 to 1963 ----	8
2.	Proposed Course Sequence and Flow of Enrollment -----	27



## Introduction

This report on the qualifications and training of municipal tax assessors in New Jersey has been prepared by a committee which includes representation from the Association of Municipal Assessors of New Jersey, the Division of Taxation in the New Jersey Department of the Treasury, and Rutgers, the State University. The establishment of the committee was suggested in April, 1963 in a letter to the chairman, from William Kingsley, director of the Division of Taxation, who stated the committee's purpose in terms of "...developing courses of study which would enable assessors to become qualified to meet such requirements as may be deemed suitable for inclusion in proposed legislation." The Division of Taxation representatives were designated by the director, the assessor representatives by the chairman after consultation with the president of the Association of Municipal Assessors, and the Rutgers representatives by the chairman.

During the course of the Committee's deliberations, a comprehensive report on the property tax was released by the Advisory Commission on Intergovernmental Relations, a body composed of federal, state, and local officials, and citizen members from throughout the United States. Many of the Committee's recommendations parallel the suggestions made by the Advisory Commission. In terms of the over-all task of the Committee, however, the following recommendation of the Advisory Commission probably is most pertinent:

"In any State establishing professional qualifications for assessors and appraisers, the State supervisory agency should cooperate with educational institutions in planning and conducting pre-entry courses of study, and should conduct or arrange for regular internship training programs." <sup>1</sup>

## Objectives of the Committee

At its first meeting the committee stated its task in the form of two questions: (1) What are the desirable qualifications of a tax assessor? (2) How may they be obtained? The Committee agreed that a meaningful training program to provide qualified tax assessors for New Jersey could not be developed simply in terms of an outline of course offerings. If a training program is to be successful, it must be considered within the context of required qualifications for the office, procedures for certifying that occupants of the office have these qualifications, and a program for rewarding qualified persons and encouraging their continuance in office. All of these factors have been considered by the committee, and pertinent recommendations are included in this report.

The committee further agreed that the following assumptions should govern its deliberations:

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<sup>1</sup> Advisory Commission on Intergovernmental Relations, The Role of the States in Strengthening the Property Tax, (Washington: July, 1963), Volume I. p. 21.

1. A program should be recommended which would develop assessors qualified in all phases of the municipal tax assessor's responsibilities.

An assessor normally would be expected to have competence in every aspect of the responsibilities of the office. However, a number of communities have contracted with private consulting firms for the performance of some aspects of a tax assessor's job. While the adoption of this approach should remain a local prerogative, it does not justify any relaxation in the qualifications necessary for a tax assessor. Even though the assessor may be relieved of some routine work through arrangements of this sort, he cannot be relieved of the responsibility for seeing that the result is accurate and complete. He must be qualified, therefore, to oversee the work of the consulting firm, and to certify as to its adequacy.

2. A program should be recommended which will develop qualified assessors in communities of all sizes.

Taxing districts in New Jersey range in size from less than 100 persons to over 400,000; in true value of real property they range from less than one million dollars to over one billion. Yet the same tax laws apply to all, and the assessor's job is basically the same in all districts. If there is a difference in the responsibility of the assessor as the size of the taxing district is increased, it is a shift in emphasis from basic assessment functions to supervisory and organizational responsibilities. The training program recommended by the committee concentrates upon the assessment aspects of the assessor's job, and these are just as applicable in the smallest jurisdiction as in the largest.

3. The program recommended should be given the widest possible circulation in the state, so that it may be exposed to analysis and comment by all interested persons.

A training program for tax assessors is of interest not only to the assessors themselves, but to every taxpayer in the state. Unless qualified assessors are provided in every taxing district, the best of intentions and the ultimate in equipment will not provide for an equitable distribution of the cost of government among the taxpayers.

## The Property Tax In New Jersey

The property tax plays a larger role in state-local finance in New Jersey than in any other state. Two factors combine to make this tax so important to New Jersey:

- (1) State government is a relatively small operation in New Jersey, while local government is a far larger enterprise

In 1962, New Jersey state tax revenue made up only 28.0 per cent of the total state-local revenues received. No other state had so low a percentage; the national average was 50.0 per cent.<sup>1</sup> On a per capita basis New Jersey state taxes in 1962 were the lowest in the nation.<sup>2</sup>

- (2) Local government in New Jersey relies very heavily upon the property tax as its major source of revenue.

State aid, other taxes and miscellaneous revenues provide only a small fraction of the funds required to run the municipalities, school districts, and special districts. In 1957 the local governments in only seven states exceeded New Jersey communities in the degree to which they relied on the property tax.<sup>3</sup> By 1962, the Census of Governments report showed only five states in which the local governments relied more heavily on the property tax.<sup>4</sup> During these years, the proportion of New Jersey local government revenue coming from the property tax increased from 52.3 to 67.4 per cent.

As a result of these two factors, the property tax produced 50.3 per cent of all of the general revenues of the state and its local governments in 1962. This was a higher percentage than in any other state and was far above the national average of 32.7 per cent.<sup>5</sup>

Not only is the property tax of crucial importance to the state, but it has been increasing rapidly in magnitude. Between 1950 and 1963, the property tax levied in New Jersey rose from less than \$400,000,000 per year to over one billion dollars. In recent years, the annual increase has been averaging about \$65 million. No major changes in this pattern are foreseen in the near future. Even the proposal of the State Tax Policy Commission for a state sales tax would produce only an estimated \$165 to \$180 million dollars per year if applied at a 3% rate.<sup>6</sup> This amounts to about 15% of the present property tax levy. Furthermore, much of the necessity for these new tax revenues is justified by the growing needs of the state, rather than for property

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<sup>1</sup> U.S. Bureau of the Census, U.S. Census of Governments: 1962, Vol. IV, No. 4, Compendium of Government Finances, Table 25.

<sup>2</sup> U.S. Bureau of the Census, Compendium of State Government Finances in 1962, Table 35.

<sup>3</sup> U.S. Bureau of the Census, U.S. Census of Governments: 1957, Vol. III, No. 5, Compendium of Government Finances, Table 46.

<sup>4</sup> U.S. Bureau of the Census, U.S. Census of Governments: 1962, op. cit. Table 48.

<sup>5</sup> Ibid., Table 23.

<sup>6</sup> Commission on State Tax Policy, Tenth Report, Increased State Aid to Public Schools and Distribution of the Cost of Expanding Public Services, (Trenton:1963), p. 145.

tax reduction. The inevitable conclusions are that the property tax will remain vitally important to New Jersey, and that steps must be taken to ensure that it is administered effectively.

In addition to the growth of the tax levied, a number of events in recent years have caused considerable changes in the administration of the property tax in New Jersey and in the need for qualified tax assessors. The first of these, and the event probably having the most far-reaching effects, was the passage of legislation in 1954 providing for an expanded program of state financial aid to local school districts, using a formula based upon the equalization of taxable resources among the taxing districts.<sup>1</sup> In order to implement this law, it was necessary for the state government to devise a procedure and an administrative organization to analyze sales of real property throughout New Jersey. Today, this aspect of property tax administration involves every tax assessor and every county board of taxation, as well as the appropriate state agencies, in the process of gathering information and analyzing the facts surrounding approximately 160,000 sales of real property each year. Not only does the program have a direct effect upon the amount of financial aid received by each school district and the amount of county taxes apportioned against the taxing district,<sup>2</sup> but it has provided a massive source of information on property values which never before was available in any systematic form in New Jersey. It is essential that every tax assessor be thoroughly familiar with the details of this program; a seemingly minor error in this aspect of his work can mean a loss of thousands of dollars to the taxing district.

A second event which caused an upheaval in property tax administration was the 1957 decision in the case of *Switz v. Middletown Township*.<sup>3</sup> Here, a tax appeal by an aggrieved taxpayer brought a ruling by the New Jersey Supreme Court that, henceforth, all assessments must be made at 100 per cent of full value, as required by law, rather than at varying ratios, as had been the practice. While the judges recognized the difficulties of moving to full value assessments at once, the court drew a line and applied considerable pressure:

- (1) on the Legislature, to revise the property tax statutes if it believed that a 100 per cent assessment rule was not desirable; and
- (2) on each local taxing district, to bring its property tax records to such a condition that it could readily assess at 100 per cent or at any other standard which the Legislature might designate.

The result at the state level has been new legislation passed in 1960. At the local level taxing districts have completed over 400 revaluations of all real property, in most cases carried out by private consulting firms working under contract to the municipality. Thus, the basis for competent assessing has been provided for most of the state's taxing districts in terms of records and property valuations at some stated date.

A third major event in New Jersey property tax administration has been the role of the courts in providing new measures of relief for the aggrieved taxpayer. The first step in this process was the *Gibraltar Case*, in 1955, in which the court affirmed the right of tax appeal agencies, both administrative and judicial, to lower an appellant's assessment to the "common level" of all assessments in the taxing  
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<sup>1</sup> L. 1954, c. 85.

<sup>2</sup> As a result of the decision of *Passaic v. Passaic County Board of Taxation*, 18 N.J. 371.

<sup>3</sup> 40 N.J. Super. 217, 23 N.J. 580

district if it were found to be above that level.<sup>1</sup> Prior to this time the prevailing rule, as established in the Royal Case of 1909, had been that the assessment could not be lowered unless it were above full value; in order to grant any relief, all other properties in the taxing district would have had to be raised to full, true value.<sup>2</sup>

While the Gibraltar Case states the principle of equal treatment for all taxpayers, even if the "common level" of assessments is less than full value, it left undefined the method of establishing the "common level". Finally in 1961 the courts, in the Kents Case, ruled that the sales information collected for State school aid purposes could be used to establish the existence of a "common level".<sup>3</sup> Thus, the principle of equal treatment and the administrative gathering of information have been combined to provide a method of relief for any taxpayer whose property is assessed above the "common level", but below the statutory assessment level. This new avenue of tax appeal relief increases the pressure for effective assessment administration, and re-emphasizes the need for qualified tax assessors.

The events in property tax administration described above have been concerned primarily with the assessment of real property. In addition, the Legislature, has enacted an assessment reform law, Chapter 51 of the Laws of 1960, which drastically revises the assessment of personal property. This law, which also permits county boards of taxation to establish the level of real property assessment within their county at something less than full value, provides for the self-reporting of personal property used in business with assessments based on book values. Although the effective date of the law was delayed several times, it is now applicable for the tax year 1965, and the local assessors must be prepared to administer an entirely new (to New Jersey) concept of property valuation.

In summary, while the property tax levy -- more important to New Jersey than to any other state -- has more than doubled since 1950, the pressures on the tax assessor, and the intricacies of his job have been multiplied greatly. New sources of property value information are available; new roads are open to the aggrieved taxpayer; new pressures are being applied by the courts; new financial penalties await the community served by an inept assessor. These expanded challenges of the assessor's job can only be met by highly-qualified men and women.

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<sup>1</sup> Gibraltar Corrugated Paper Co. v. North Bergen Tp., Hudson County, 20 N.J. 213.

<sup>2</sup> Royal Manufacturing Co. v. Board of Equalization of Taxes, 76 N.J.L. 402, affirmed 78 N.J.L. 337.

<sup>3</sup> In re Appeals of Kents, Inc. 34 N.J. 21.

## The Municipal Tax Assessor

Over nine hundred individuals hold the office of tax assessor in New Jersey's 567 municipal taxing districts. Some are elected to the office by the voters of the municipality; others are appointed by the governing body or by some other public official. About 70 per cent of the taxing districts in New Jersey have only a single tax assessor. However, of the individuals in office, about two-thirds are appointed and one-third are elected by the people.<sup>1</sup>

The form of local government in effect establishes the ground rules for the selection of tax assessors. In boroughs and townships which have not adopted one of the optional plans of local government provided by law, a single assessor is elected by the people unless a referendum has been held to change to an appointed board of assessors. Towns may have either a single elected assessor, a single appointed assessor, or an appointed board. In villages, the assessor or the members of the board are always appointed. The city laws concerning assessors provide both for boards and single assessors in a variety of patterns. In addition to the forms of government which have been mentioned -- city, town, borough, township, and village -- any community may adopt one of the so-called "optional" plans of government. These include Commission Government, provided by the Walsh Act of 1911; the Municipal Manager Plan, enacted in 1923; and the Optional Municipal Charter Plans, provided by the Faulkner Act of 1950. In all of these cases, the assessor or the members of the board of assessors are appointed officials.<sup>2</sup> No statute passed in New Jersey during the twentieth century has provided for the popular election of tax assessors.

### Duties of the Office

The Handbook for New Jersey Assessors outlines six major administrative responsibilities of the municipal tax assessor:<sup>3</sup>

- (1) Discovery and location of property---The assessor must use all available records and sources of information to locate every parcel of property situated within his taxing district.
- (2) Listing of property---When a property has been located by the assessor, he must establish a convenient system for describing the property and for recording all information concerning it.
- (3) Determination of taxability---After a property has been located and listed, the assessor must determine whether it is taxable. The assessor in New Jersey must be familiar with a wide variety of tax exemption statutes.
- (4) Valuation of property---All pertinent information must be utilized to arrive at an appraised value for each parcel of real property and each item of personal property; an assessment must be based upon the appraised value.
- (5) Tax equalization---The assessor has important responsibilities in connection with the tax equalization program developed for the distribution of State aid to school

<sup>1</sup> Handbook for New Jersey Assessors, (Trenton:New Jersey Department of the Treasury, February, 1964), Sec. 103.1.

<sup>2</sup> Handbook for New Jersey Assessors, Table 3.

<sup>3</sup> Handbook for New Jersey Assessors, Sec. 401.1



districts. Revaluation programs intended to achieve tax equalization within the taxing district also require the attention of the tax assessor.

- (6) Defense of appeals ---The assessor is responsible for defending his assessments upon appeal.

#### Turnover of Assessors

The rate of assessor turn-over in New Jersey has been surprisingly stable during recent years.<sup>1</sup> Since 1950, an average of 122 new assessors have been appointed or elected each year. This figure represents an annual turn-over rate of 13.3 per cent. Figure 1 shows the annual turn-over of tax assessors from 1950 through 1963. While a sharp increase took place in 1956, possibly as a result of the lower court decisions in the Switz Case, the turn-over rate quickly dropped back approximately to the 13 per cent level.

There have been only moderate variations within the state. Table 1 shows the turn-over of assessors on a county-by-county basis for the fourteen-year period. The highest rates in the state -- 16.3 per cent in Morris, 16.0 per cent in Passaic, and 15.7 per cent in Atlantic -- appear in some of the counties which rely most heavily upon boards of assessors. Salem and Hunterdon counties, with turn-overs of only 8.0 and 8.5 per cent, respectively, use single assessors almost exclusively. Most counties, however, have assessor turn-overs approximating the state-wide average.

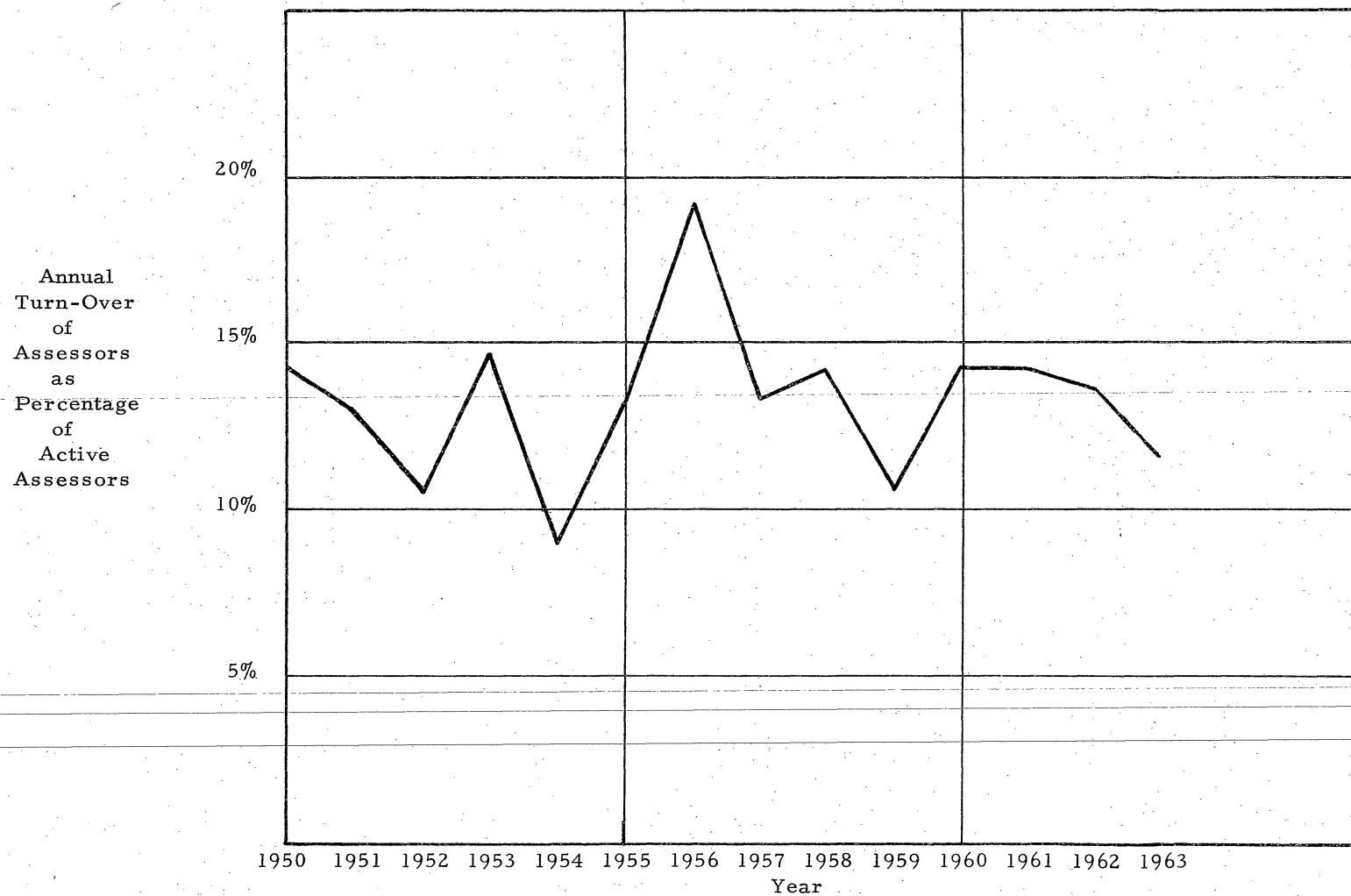
The rate of turn-over -- 13.3 per cent -- is high for an office where continuity of procedure is important, and serves as a reflection of the hazards of a position for which tenure is almost non-existent. A comparison might be made with the office of municipal clerk, where tenure is gained after five consecutive years of service.<sup>2</sup> A check for the years 1957-58, 1962-63, and 1963-64 shows an average turn-over of municipal clerks of only 8.1 per cent annually. Unless or until some form of tenure or some type of qualification standards are implemented for tax assessors, New Jersey apparently must anticipate well over one hundred new men and women entering office every year.

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<sup>1</sup> Statistics for this section have been developed from the listings of assessors contained in the annual report of the Division of Taxation in the New Jersey Department of the Treasury. In each case the listing for a given year has been compared with that for the previous year to find the new assessors in office. While some distortions are caused by varying reporting practices, the results probably give a reasonably valid picture of annual assessor turn-over.

<sup>2</sup> N.J.S.A. 40:46-7

Figure 1. Turn-Over of Tax Assessors in New Jersey, 1950 to 1963.



Source: Annual Reports of Division of Taxation in New Jersey Department of Treasury.

Table 1. Turn-Over of Tax Assessors in New Jersey, 1950 to 1963, by County, and Average Number of Tax Assessors per Municipality, 1963.

County	1950-1963 Average Annual Turn-Over of Tax Assessors	1963 Tax Assessors per Municipality
Atlantic	15.7%	2.13
Bergen	13.2	1.66
Burlington	14.0	1.33
Camden	13.6	1.43
Cape May	13.4	1.06
Cumberland	15.0	1.14
Essex	10.5	1.55
Gloucester	13.2	1.92
Hudson	13.6	2.33
Hunterdon	8.5	1.00
Mercer	10.3	1.38
Middlesex	13.4	1.76
Monmouth	11.5	1.32
Morris	16.3	2.08
Ocean	14.1	1.91
Passaic	16.0	2.19
Salem	8.0	1.13
Somerset	13.4	1.10
Sussex	15.3	1.04
Union	10.1	1.95
Warren	13.8	1.09
State	13.3	1.59

Source: Annual Report of the Division of Taxation in the New Jersey Department of the Treasury.

## Qualifications of Tax Assessors

### Statutory Requirements

Statutory requirements for election or appointment to the office of municipal tax assessor are minimal in New Jersey. The general residence rule requiring a municipal officer or employee to reside within the municipality applies to almost all assessors.<sup>1</sup> In communities which have adopted the Small Municipalities option under the 1950 Faulkner Act, appointive officers may live outside the municipality unless the governing body rules otherwise.<sup>2</sup> In boroughs and townships which have boards of assessors, the members of the boards must be "residents and citizens" of the municipality.<sup>3</sup> The meaning of borough or township "citizenship" apparently has not been defined by the courts. Where the office of assessor is elective, the general election statutes require that candidates must be residents and legal voters of the jurisdictions for which they are elected -- in this case the taxing district.<sup>4</sup> The courts have ruled that status as a legal voter means that the individual must meet all constitutional requirements for voting; the person need not be actually registered as a voter.<sup>5</sup> No other qualifications are outlined by law for the office of tax assessor. Thus, the statutory qualifications amount, in substance, only to the requirements of residence in the community, the vague provision of municipal "citizenship" in boroughs and townships with boards of assessors and constitutional status as a legal voter where the office is elective. Of course, the candidate must also have the talent for achieving election or appointment to the position.

### Civil Service Requirements

While the statutory requirements for the office of assessor in New Jersey are limited, the requirements for assessment personnel in the approximately 150 communities which have adopted Civil Service are considerably more stringent. However, these Civil Service requirements apply only to the employees of the assessor's office in such places, not to the assessors themselves who, by virtue of their status as elected or appointed officers of the municipality, are placed in the unclassified service. The standard Civil Service classifications for assessor-office employees and the requirements for these positions are shown in Table 2.<sup>6</sup>

<sup>1</sup> N.J.S.A. 40:11-1

<sup>2</sup> N.J.S.A. 49:69A-125

<sup>3</sup> N.J.S.A. 40:87 and 40:145-20

<sup>4</sup> N.J.S.A. 19:23-15

<sup>5</sup> In re Ray, 26 N.J. Misc. 56

<sup>6</sup> Only 65 communities have personnel serving under Civil Service assessing classifications. The breakdown by classification is:

Chief Assistant Assessor	13
Principal Assistant Assessor	0
Senior Assistant Assessor	27
Assistant Assessor	34
Junior Assistant Assessor	1
Principal Assessing Clerk	17
Senior Assessing Clerk	24
Assessing Clerk	35
Obsolete classifications and other employees assigned to assessor's offices	9
	<hr/> 160

Information supplied by Richard C. Darling, New Jersey Department of Civil Service.

In order to gain one of these positions, a person must meet the experience and education requirements, must pass a competitive examination, and must be appointed by the municipal appointing authority from among the top three persons on the list of those who have passed the examination. In return for meeting these requirements, employees in these municipalities gain the protection of Civil Service status which, in effect, amounts to tenure in office.

A number of persons hold dual titles both as municipal officials -- assessors in the unclassified service -- and as municipal employees -- employees in the classified service. Thus, the same man may have qualified and been appointed as Chief Assistant Assessor, with tenure in that position, and he may have been appointed as Assessor for the community, a position from which he may be discharged at the end of his term or at the pleasure of the appointing authority, depending upon the form of government under which the municipality operates.<sup>1</sup>

#### The 1959 Memorandum

In 1959 a memorandum concerning the qualification and training of tax assessors was prepared by the Rutgers University Bureau of Government Research. The following list of qualifications was recommended as desirable:<sup>2</sup>

1. Formal and other education and training showing attainment of the level represented by graduation from high school.
2. A substantial knowledge of the procedures of property tax administration.
3. A substantial knowledge of the principles of real estate appraising and real estate law.
4. Some knowledge of the basic principles of statistics.
5. Some knowledge of the basic principles of land surveying and an ability to read, draw, correct, and use simple maps.
6. Some knowledge of the government of the State of New Jersey and the municipalities within the state.
7. The ability to express thoughts clearly and concisely, both in verbal and in written form.

#### Legislative Proposals

A legislative proposal for the qualification and certification of tax assessors was introduced in 1961 as Assembly Bill 743. Basically the same proposal was introduced again as Assembly Bill 529 of the 1964 session. In general outline, the qualifications listed in the bill follow those proposed in the 1959 memorandum:

1. A high school education or its equivalent.
2. Satisfactory completion of an examination covering the subjects of:
  - a. Property Tax Administration
  - b. Real Estate Appraising
  - c. Arithmetic
  - d. Principles of Accounting
  - e. Principles of Statistics
  - f. Map Drawing and Reading
  - g. Real Estate Law
  - h. The Government of New Jersey

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<sup>1</sup> Sixteen persons held dual titles as of 1964, including seven of the thirteen Chief Assistant Assessors in the state.

<sup>2</sup> The Qualification and Training of New Jersey Tax Assessors, Bureau of Government Research, Rutgers, The State University, 1959, pp. 7-8

**Table 2. Standardized Civil Service Classifications and Specifications for Assessing Positions; Comparison of Experience and Education Requirements.**

Classification	Experience	Education
Chief Assistant Assessor	5 years of experience making real and personal property assessments on a local level.	Graduation from a four-year course at a college of recognized standing, which shall have included 6 semester hours in Principles of Municipal Assessing or Real Estate Appraising, or which shall be supplemented by a certificate of completion of a course or courses with a minimum of 28 formal instructional hours in Principles of Municipal Assessing or Real Estate Appraising.  Persons who do not meet the college education requirements may substitute assessing experience on a year for year basis.
Principal Assistant Assessor	4 years of experience making real and personal property assessments on a local level.	
Senior Assistant Assessor	3 years of experience making real and personal property assessments on a local level.	
Assistant Assessor	One year of experience making real and personal property assessments on a local level, and/or technical or supervisory experience with a revaluation concern, a county board of taxation, or the Division of Taxation, and/or possession of recognized appraisal or assessment designations obtained after completion of examination and minimum requirements.	
Junior Assistant Assessor		Graduation from a four-year course at a college of recognized standing.  Persons who do not meet the college education requirement may substitute business experience in real estate work on a year for year basis.
Principal Assessing Clerk	3 years of experience in clerical or other work involved in real and/or personal property assessment.	Formal or other education and training showing attainment of the level represented by graduation from high school.
Senior Assessing Clerk	2 years of experience in clerical or other work involved in real and/or personal property assessment.	
Assessing Clerk	One year of experience in specialized clerical work dealing with assessments and valuations of property.	

In addition, the bill introduces the new requirements that an assessor:

1. Be at least 21 years of age.
2. Have at least three years of experience as an appraiser, or tax assessor, or the equivalent.
3. Be of good moral character.
4. Be a citizen of the United States.

The Director of the Division of Taxation, who is charged by the bill with the responsibility for administering the certification and examination procedure, would be authorized to waive the examination for persons who have satisfactorily completed courses in assessing or appraising.

#### Committee Recommendations

This Committee has considered all of the requirements which have been suggested for tax assessors and has prepared its own list of desirable qualifications.

It is recommended that the list of tax assessor qualifications shown in Table 3 be adopted by the State of New Jersey as the basis for the examination and certification of tax assessors.

With the exception of the first qualification, education and experience, the committee has used three adjectives -- thorough, wide, and some -- to indicate the extent of a particular knowledge or ability which it believes is desirable in a tax assessor.

#### Education and Experience

The committee recommends that a high school education or its equivalent be a basic requirement for tax assessors. In addition, graduation from a four-year college course or four years of appraisal experience would be required.

The assessment task is becoming increasingly technical. Assessors can no longer rely only upon a subjective knowledge of property values gained by years of exposure; they must be able to study trends, analyze data in books and reports, and be capable of applying the results to their taxing districts.

In 1957, 71 per cent of the assessors in the state had finished high school and 22 per cent had completed college. By 1963, the figures had risen to 100 per cent for high school graduates, while 36 per cent had attended college for some period.<sup>1</sup> The trend definitely is toward a higher level of educational preparation. This trend should be encouraged and promoted, while at the same time leaving an opportunity for the person with lesser education, but some experience equivalent, to enter the field.

#### Property Tax Administration

The committee recommends that a thorough knowledge of property tax administration be required of tax assessors. This would include a knowledge of the statutes concerning taxation; the laws, regulations, and procedures concerning exemptions; the assessor's calendar, including the filing dates for assessment lists

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<sup>1</sup> Figures from LPTB surveys.

Table 3

Qualifications Recommended for Tax Assessors in New Jersey	
1.	Formal or other education and training showing attainment of the level represented by graduation from high school.
2.	Graduation from a four-year course at a college of recognized standing. Persons who do not meet the college education requirement may substitute experience in appraisal work on a year-for-year basis.
3.	<p>A <u>thorough</u> knowledge of the procedures of property tax administration.</p> <p>A. Statutory basis of taxation</p> <p>B. Tax exemptions</p> <p>C. Assessor's calendar (including make-up and filing of assessment lists, and added and omitted assessment procedures)</p> <p>D. Equalization</p> <p>E. Appeals</p> <p>F. Maintenance of assessments (including revaluation programs)</p>
4.	<p>A <u>thorough</u> knowledge of the principles of real estate appraising.</p> <p>A. Reproduction Cost Approach</p> <p>B. Market Data Approach</p> <p>C. Income Approach</p>
5.	A <u>thorough</u> knowledge of personal property evaluation.
6.	A wide knowledge of the government of the State of New Jersey and the municipalities within the state.
7.	A <u>wide</u> knowledge of modern office methods, machines, and internal organization.
8.	<u>Some</u> knowledge of building construction and mechanical installations.
9.	<u>Some</u> knowledge of the basic principles of land surveying and an ability to read, draw, correct, and use simple maps.
10.	<u>Some</u> knowledge of real estate law.
11.	<p><u>Some</u> knowledge of the principles of public relations.</p> <p>A. The ability to express thoughts clearly and concisely, both in verbal and in written form.</p> <p>B. The ability to work harmoniously with subordinates, associates, superiors, and taxpayers.</p>



and added and omitted tax procedures; the role of the assessor and of other agencies in the tax equalization process; the rules and procedures, and the role of the assessor in tax appeals; and the basic principles involved in maintaining assessments in relation to changing trends in property value.

While much of the assessor's time will be taken with the technical task of establishing the value of property, his responsibilities differ from those of a private appraiser in that he must conduct his office and present his findings in accordance with rigid sets of constitutional rules, statutory provisions, and administrative regulations. Regardless of the amount of experience a person may have had as an appraiser, he does not automatically become a competent tax assessor.

#### Real Estate Appraising

The committee recommends that a thorough knowledge of real property appraising be required of tax assessors, including the ability to use as tools the reproduction cost approach to value, the market data approach to value, and the income approach to value.

Real property makes up the bulk of the assessments in most taxing districts. In order to distribute the tax burden equitably according to law, the assessor must be a competent appraiser of real property, and must be able to use all of the recognized approaches to property valuation which are appropriate for each individual property.

#### Personal Property Evaluation

The committee recommends that a thorough knowledge of personal property evaluation be required of tax assessors. The precise skills involved in personal property evaluation will depend upon the statutes enacted for its assessment. If assessment is to be on the basis of market value, as was the case prior to the enactment of Chapter 51, the assessor must know the sources of value information and the methods of using such data. If assessment is on a self-reporting basis, based on book value, as in Chapter 51, the assessor must be able to understand accounting techniques, and must be thoroughly conversant with Federal income tax procedures.

#### State and Local Government

The committee recommends that a wide knowledge of New Jersey state and local government be required of tax assessors. The assessor is a public official. He should know how his position fits into the over-all framework of government, and he should be prepared to explain to taxpayers and other officials how the property tax laws are administered and for what purpose.

#### Office Methods

The committee recommends that a wide knowledge of office methods, machines, and internal organization be required of tax assessors. The day is quickly vanishing when the tax assessment office consisted of one man with only a field book and a pen and with much of his information kept in his head. Even in the short period between 1957 and 1963, the number of assessing clerks and field investigators rose from 248 (0.44 per taxing district) to 413 (0.73 per taxing district). In the same period, the number of addressograph installations rose from 147 to 188, the offices with

calculators from 161 to 284, and the taxing districts supplying adding machines from 384 to 462.<sup>1</sup> The suggested introduction of electronic data processing installations is indicative of the increasing complexity of the assessor's office. No longer is it sufficient that an assessor know property values and statutory requirements. More and more, he is becoming the supervisor of people and the organizer of an office.

### Building Construction

The committee recommends that some knowledge of building construction and mechanical installation be required of tax assessors. Unless an assessor can identify and evaluate the wide range of building components, he will be able to make only feeble efforts to use the various appraisal approaches in estimating value. New building techniques and materials and new mechanical installations require a constant up-dating of the assessor's knowledge.

### Use of Maps

The committee recommends that some knowledge of the basic principles of land surveying be required of tax assessors, and that they have some ability to read, draw, correct, and use simple maps.

The availability of a tax map is essential to the proper functioning of the assessment process. While the construction of such a map is properly the task of a qualified land surveyor, and its maintenance usually is a task assigned to the municipal engineer, the assessor should be sufficiently familiar with the principles involved that he can evaluate the work of these technicians, and so that he may make the maximum use of their services and the information on the map. In addition, other forms of maps, such as land value maps, can become useful aids for the assessor who is capable in their use.

### Real Estate Law

The committee recommends that some knowledge of real estate law be required of tax assessors.

A knowledge of the laws of real estate is desirable if the assessor is to arrive at a valid estimate of property value. This is particularly important in using the income approach to value, where various types of leases and mortgages will have a direct effect upon the income produced by a property. Where the assessor attempts to use the market data approach to value, which is based upon analyses of property sales, he must understand the legal factors involved in those sales.

### Public Relations

The committee recommends that some ability in public relations be required of all tax assessors, including the ability to express thoughts clearly and concisely, both in written and in verbal form, and the ability to work harmoniously with other persons.

The administration of the property tax is a complicated task, but one which is of

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<sup>1</sup> Figures from LPTB surveys of assessor's offices.

immediate concern to every taxpayer. The assessor should have an understanding of the way in which the tax is levied, but if he is unable or unwilling to explain this to the community and to other public officials, only confusion will result. Moreover, the assessor must realize that he is one part of a much larger governmental system, and that his value to the community will be in direct relation to the ease with which he fits into that system and makes his abilities available for the general welfare. Tax assessment is not an end in itself; it is a means to an end -- the effective performance of governmental services.

### Past and Present Training Programs

A variety of training programs have been in existence for a number of years in an attempt to provide qualified tax assessors for New Jersey.

### Training Courses

Training courses for tax assessors were initiated in 1951 by Stevens Institute of Technology. The first classes were held on the Stevens campus in Hoboken, an advanced course also was offered, and later a class was organized in Newton. Drew University also offered substantially the same courses at Madison during 1951-52. In all, about 105 persons attended the courses sponsored by Stevens Institute and Drew University in this period.

In the Spring of 1952, the Bureau of Government Research at Rutgers University offered its first extension course in Principles of Municipal Assessing, patterned after the Stevens and Drew programs. This 14-week, 28-hour program, presented in New Brunswick, was intended as an introductory course. The course was lengthened to 16 two-hour sessions in 1960-61, in order to include all of the material considered essential for an assessor. Since 1952, this course has been offered 38 times in 24 different locations throughout the state. In addition, it has been presented as a one-week, full-time course at the annual Conference for Assessing Officers, which is held on the Rutgers campus each year. The total enrollment in the course, through July 1, 1964, has been 1,512 persons. An examination at the conclusion of the course has been required since the beginning of the program as a condition for receipt of a certificate from the University. Approximately 85 per cent of those enrolled have received certificates. The course outline is as follows:

- The Statutory Basis of Assessing
- Tax Exemptions
- The Assessor's Office
- The Real Property Appraisal Manual for New Jersey Assessors
- Land Assessments
- Building Assessments
- Personal Property Assessments
- Added and Omitted Assessments
- Revaluation Programs
- Maintenance of Real Property Assessments
- Tax Appeals
- Equalization

The advanced course, Principles of Municipal Assessing II, was introduced at Stevens Institute in 1951-52. This course was carried over to the Rutgers program in the Spring of 1953. Since that time, the course has been offered 16 times in eleven locations, together with six presentations on a one-week basis at the Conference for Assessing Officers. A total of 500 persons have enrolled for the course, again with about 85 per cent passing the examination and receiving certificates. The satisfactory completion of PMA I is a pre-requisite for enrollment in PMA II. The course outline is:

- Appraisal Terminology
- Approaches to Value
- Types of Leases
- Analysis of Operating Expenses
- Gross Income Multipliers
- Capitalization Rate Selection
- Methods of Capitalization
- Appraisal of Apartment Properties
- Appraisal of Commercial Properties
- Appraisal of Industrial Properties
- Appraisal of Farms and Land in Transition

The courses in Principles of Municipal Assessing I and II have changed considerably over the years as the assessment situation in New Jersey has changed, as new study materials have been introduced, and as the instructors and the students have gained a higher level of proficiency. The Handbook for New Jersey Assessors, which recently was published by the State of New Jersey, was a natural outgrowth of the mimeographed study material prepared during the early years of the courses. Other publications, such as the Assessor's Law Manual and the Real Property Appraisal Manual for New Jersey Assessors, were used in the courses as soon as they were available.

The courses in PMA I and PMA II have built up impressive enrollment totals over the years. During the 1950's, occasional checks on the number of assessors who had completed such courses satisfactorily showed a steadily increasing coverage of the state. Table 4 shows this progress. In recent years, however, there have been diminishing returns. Since about 1960, the number of assessors who have completed PMA I has increased rather slowly despite a regular schedule of four classes per year. A special analysis of data collected in 1962-63 by the Local Property Tax Bureau shows that the turn-over rate for assessors who had completed PMA I was about 12 per cent, while it was about 16 per cent for those with no training. Thus, the program still is gaining ground, although trained assessors are leaving office almost as rapidly as those with no training.

#### Conference for Assessing Officers

An annual Conference for Assessing Officers, originally called an Institute, was organized in 1954. The Conference consists of courses in PMA I and II, as described above, plus a "conference session" for those assessors who have received certificates for the two courses. The enrollments in recent years have averaged about 25 in each of the courses and 100 persons in the conference session.

The conference session, which is open only to persons who have completed PMA I and PMA II, consists of lectures, demonstration appraisals, and workshops on subjects of current interest. The program is revised each year to keep in touch with current trends and problems.

#### Special Programs

Special training programs have been organized by the Local Property Tax Bureau from time to time as the need has arisen. These have included a series of meetings throughout the state in 1956, when the Real Property Appraisal Manual was introduced, and again in 1963 when a revised Manual was distributed, a series of orientation sessions in 1961 to explain the new assessment procedures under Chapter 51 of the Laws of 1960, and an appraisal course run in Burlington County at the request of the county association of assessors.

Table 4. Enrollment in Principles of Municipal Assessing Courses and Estimated Number of Active Assessors Who Have Completed Courses, 1954 to 1964.

Date	Enrollment in* Courses to Date		Number of Assessors in State	Active Assessors Who Have Completed Courses			
				PMA I		PMA II	
	PMA I	PMA II		Number	Per Cent	Number	Per Cent
July 1, 1954	255	85	925	144	15.6%	na	na
July 1, 1955	364	140	928	201	21.7	na	na
Jan. 1, 1958	545	140	948	301	31.8	na	na
July 1, 1959	915	173	932	443	47.5	na	na
July 1, 1960	1088	233	932	533	57.2	na	na
July 1, 1963	1456	465	913	552	60.5	259	28.4%
July 1, 1964	1587	546					

\*includes assessors, assessors' employees, and other public officials.  
na = not available

Source: Local Property Tax Bureau surveys and Bureau of Government Research records.

## A Proposed Training Program

In arriving at a proposal for a training program for tax assessors, the Committee undertook three steps: first, a statement of the basic objectives of the training program; second, an evaluation of the present courses; and third, the development of a new series of courses which would meet any deficiencies found in the evaluation.

### Basic Objectives

Two of the basic objectives of the training program are identical with the original objectives of the Committee itself:<sup>1</sup>

1. To develop assessors qualified in all phases of the municipal tax assessor's responsibilities.
  2. To develop qualified assessors for communities of all sizes.
- In addition, three other objectives were established:
3. To provide for a logical progression of courses of reasonable individual length and cost.
  4. To provide a full sequence of courses within the four-year appointment period of the assessor.
  5. To prepare the assessor for a certification examination.

### Evaluation of Present Courses

The existing courses in Principles of Municipal Assessing I and Principles of Municipal Assessing II and the appraisal course given on one occasion by the Local Property Tax Bureau were evaluated by the Committee in terms of the degree to which they provided instruction in the areas of knowledge outlined in the list of desirable qualifications for tax assessors. Table 5 shows the evaluation. In general, the evaluation indicated that the present courses are in need of some revision:

- a. to increase the time available for some subjects.
- b. to provide coverage for some subjects which are not presently included.
- c. to break the training sequence into shorter, more easily digested portions.

### Proposed Courses

The Committee recommends that a sequence of four training courses for tax assessors be established in place of the two existing courses in Principles of Municipal Assessing I and II. Table 6 shows the four courses in outline form.

#### Course 1- Property Tax Administration I

This course is intended as the initial training for municipal tax assessors. It would require 24 class contact hours, which would normally be spread over twelve weeks. While it would be desirable for an assessor to begin his training prior to taking office, this is not recommended by the committee as a mandatory requirement. Therefore, the first course must cover subjects with the highest priority in terms of immediate use to the assessor. The course deals primarily with administrative matters. No pre-requisites are required for enrollment. The texts for this course

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<sup>1</sup> See above, page 1

Table 5. Evaluation of Present Assessor - Training Courses in Relation to Recommended Qualifications of Tax Assessors

Qualifications Recommended for Tax Assessors in New Jersey	Evaluation of Present Courses		
	PMA I	PMA II	L. P. T. B. Appraisal
1. Formal or other education and training showing attainment of the level represented by graduation from high school.	X	X	X
2. Graduation from a four-year course at a college of recognized standing. Persons who do not meet the college education requirement may substitute experience in appraisal work on a year-for-year basis.	X	X	X
3. A <u>thorough</u> knowledge of the procedures of property tax administration			
A. Statutory basis of taxation	2	X	X
B. Tax exemptions	1	X	X
C. Assessor's calendar (including make-up and filing of assessment lists, and added and omitted assessment procedures)	1	X	X
D. Equalization	2	X	X
E. Appeals	3	X	X
F. Maintenance of assessments (including revaluation programs)	3	3	3
4. A <u>thorough</u> knowledge of the principles of real estate appraising			
A. Reproduction cost approach	1	1	2
B. Market data approach	2	1	1
C. Income approach	3	1	1
5. A <u>thorough</u> knowledge of personal property evaluation.	X	X	X
6. A wide knowledge of the government of the State of New Jersey and the municipalities within the state.	3	X	X
7. A <u>wide</u> knowledge of modern office methods, machines, and internal organization.	3	X	X
8. <u>Some</u> knowledge of building construction and mechanical installations.	3	X	X
9. <u>Some</u> knowledge of the basic principles of land surveying and an ability to read, draw, correct, and use simple maps.	3	X	X
10. <u>Some</u> knowledge of real estate law.	X	2	X
11. <u>Some</u> knowledge of the principles of public relations.			
A. The ability to express thoughts clearly and concisely, both in verbal and in written form.	X	X	X
B. The ability to work harmoniously with subordinates, associates, superiors and taxpayers.	X	X	X

\*1 = Good coverage; 2 = Medium coverage; 3 = Poor coverage; X = No coverage.



would be the Handbook for New Jersey Assessors and the Assessors' Law Manual. In selecting instructors for the course, emphasis would be upon a thorough knowledge of assessment administration and a demonstrated ability to teach.

#### Course 2 - Real Property Appraisal I

The second course in the sequence would concentrate upon the appraisal of land and upon the reproduction cost approach to building value. It would require 20 contact hours, spread over a ten-week period. Satisfactory completion of Property Tax Administration I would be a pre-requisite. Texts for the course would be the Real Property Appraisal Manual for New Jersey Assessors, together with a standard textbook on appraisal principles or special materials to be developed. In selecting instructors for the course, a thorough knowledge of real property appraisal techniques and demonstrated teaching ability would be given primary consideration.

#### Course 3 - Real Property Appraisal II

The third recommended course would be an advanced appraisal course, concerned primarily with the market data and income approaches to value. It would require 20 contact hours, spread over ten weekly class sessions. Satisfactory completion of both Property Tax Administration I and Real Property Appraisal I would be pre-requisites for enrollment. Texts for this course would be the Real Property Appraisal Manual for New Jersey Assessors and certain mimeographed study materials already developed for the current PMA II course. Instructors would be selected for their knowledge of appraisal techniques and demonstrated teaching ability.

#### Course 4 - Property Tax Administration II

The final course in the sequence would deal with the more advanced aspects of property tax administration, including the defense of tax appeals, techniques for maintaining assessments in relation to current property value trends, and various aspects of management, supervision, and public relations. While some of these subjects are touched upon briefly in the existing courses, this recommended course would consist largely of new material. It would require 20 contact hours, in ten weekly sessions. The satisfactory completion of all other courses would be a pre-requisite for enrollment. Text materials would have to be developed from a variety of sources. Instructors would be selected on the basis of their knowledge of property tax administration and their teaching ability. It is expected that this course might utilize special lecturers to a considerable extent.

#### Personal Property Tax Administration

The four courses suggested thus far do not cover the subject of personal property tax assessment. The training required to prepare tax assessors to handle this type of property cannot be determined until some experience has been gained in applying the new methods for assessing personal property. The Committee anticipates that the subject could be covered by lengthening some or all of the four recommended courses to include training on personal property evaluation.

Table 6. Recommended Training Courses for Tax Assessors

<b>PROPERTY TAX ADMINISTRATION I</b>	
The Government of New Jersey.....	2 hours
The Statutory Basis of Property Taxation.....	4
Tax Exemptions.....	6
Review and Examination.....	2
The Assessor's Calendar.....	2
Map Construction and Use.....	2
Tax Equalization.....	4
Examination.....	2
	<u>24 hours</u> (12 weeks)
↓	
<b>REAL PROPERTY APPRAISAL I</b>	
Introduction to the Real Property	
Appraisal Manual for New Jersey Assessors....	1 hour
Approaches to Value.....	1
Land Valuation.....	6
Building Valuation:	
A. Building Construction and Equipment.....	2
B. The Reproduction Cost Approach.....	8
Examination.....	2
	<u>20 hours</u> (10 weeks)
↓	
<b>REAL PROPERTY APPRAISAL II</b>	
The Market Approach (including Gross	
Income Multipliers).....	4 hours
The Income Approach (including Types of	
Leases, Methods of Capitalization,	
Capitalization Rate Selection).....	6
Appraisal Problems.....	8
Examination.....	2
	<u>20 hours</u> (10 weeks)
↓	
<b>PROPERTY TAX ADMINISTRATION II</b>	
Tax Appeals.....	4 hours
Maintenance of Assessments.....	6
Office Management.....	2
Personnel Management.....	2
Public Relations.....	2
Letter-writing.....	1
Public Speaking.....	1
Examination.....	2
	<u>20 hours</u> (10 weeks)

## Course Examinations

In the past, each training course instructor has devised and administered his own examinations, reporting the results to the proper University authorities. While this has simplified the task of administration, it may have led to some differences in standards as courses were presented by various instructors in different parts of the state. A standardized course examination might eliminate such variations. On the other hand, the committee recognizes the difficulties and hazards involved in using a single examination for a number of classes. Therefore, the Committee recommends that further thought be given to the use of a standardized course examination.

## Administration of the Training Program

Since 1952, the primary responsibility for administering the training programs for tax assessors has resided with the Bureau of Government Research and the University Extension Division of Rutgers, the State University, which work in co-operation with the Association of Municipal Assessors of New Jersey and the New Jersey Division of Taxation. The arrangement has proved satisfactory. The University is particularly suited for this task. It has a staff with a knowledge of the problems of assessment administration as well as considerable experience in the administration of training programs. The Committee recommends that the training program for municipal tax assessors remain a responsibility of Rutgers, the State University.

## Suggested Schedule of Courses

The following proposed scheduling plan has been developed by the Committee for the suggested courses. The objectives of this plan are:

- (1) To estimate the number of course sections required during each of the next ten years.
- (2) To provide a basis for locating the courses in various parts of the state within reasonable traveling distance of most assessors.
- (3) To provide continuity of training and a logical sequence of courses.
- (4) To provide a basis for estimating the over-all cost of the program.

Assumptions: In developing the scheduling plan, the following assumptions have been made:

- (1) The courses will be presented in the sequence and length described in Table 6.
- (2) The courses will be designed for a class size of 25 persons. Classes will be run for smaller groups when necessary.
- (3) Past completion of PMA I will be considered the equivalent of Property Tax Administration I and Real Property Appraisal I. Past completion of PMA II will be considered the equivalent of Real Property Appraisal II.
- (4) The approximately 925 individual assessors now in office break down into about 250 who have completed PMA I and PMA II, 275 who have completed PMA I only, and 400 who have not completed either course. While exact figures are not available, these approximations are borne out by the records of the Local Property Tax Bureau and the Bureau of Government Research.

- (5) The current turnover rate is approximately 16% annually for the untrained assessors and 12% annually for assessors with some training. These figures are based upon assessor turnover for the period July 1, 1962 to March 1, 1963 compiled by the Local Property Tax Bureau and analyzed by the Bureau of Government Research. This results in an overall turnover rate of about 13.4 per cent, which compares with a 14-year, 1950-1962, average of 13.3 per cent calculated by the Bureau of Government Research in a separate analysis. These turnover rates are assumed to continue in the future.
- (6) About 125 new assessors will be appointed or elected each year. This figure represents 13.5 per cent of a 925 assessor total.
- (7) The training program will be designed to serve all new assessors, plus those now in office who desire to enroll.
- (8) Assessors currently in office will voluntarily enroll in the courses for which they are eligible at the rate of 10 per cent for each sequence of course offerings. For example, the first time that a series of Property Tax Administration I classes is made available, 10 per cent of the 400 presently untrained assessors would be expected to enroll. This is an arbitrary assumption; there is no experience basis for the figure.

Course Sequence: The course sequence, making use of all of the above assumptions, is shown in Figure 2.

Calculation of Course Section Requirements: The number of sections required for each training course has been calculated by estimating the number of persons eligible at the beginning of each Fall and Spring semester, and establishing sections with a 25-person class limit.

- (1) Property Tax Administration I - The potential enrollment for this course would be the 125 new assessors each year. (A), plus those untrained assessors now in office who decide to enroll (F).
- (2) Real Property Appraisal I - The potential enrollment for this course would be the graduates of PTA I (B), minus the members of this group who retire before moving on to a second course(J).
- (3) Real Property Appraisal II - The potential enrollment for this course would be the graduates of RPA I (C), minus the members of this group who retire before moving on (K), plus those assessors now in office who have completed PMA I only and who decide to enroll (I).
- (4) Property Tax Administration II - The potential enrollment for this course would be the graduates of RPA II (D), minus the members of this group who retire before moving on (L), plus those assessors now in office who have completed PMA I and PMA II and who decide to enroll (N).

Table 7 shows the number of course sections which would be required, based upon Fall and Spring schedulings and the above assumptions and sequences. No plans are included for offering these courses as part of the Conference for Assessing Officers in June.

Figure 2. Proposed Course Sequence and Flow of Enrollment.

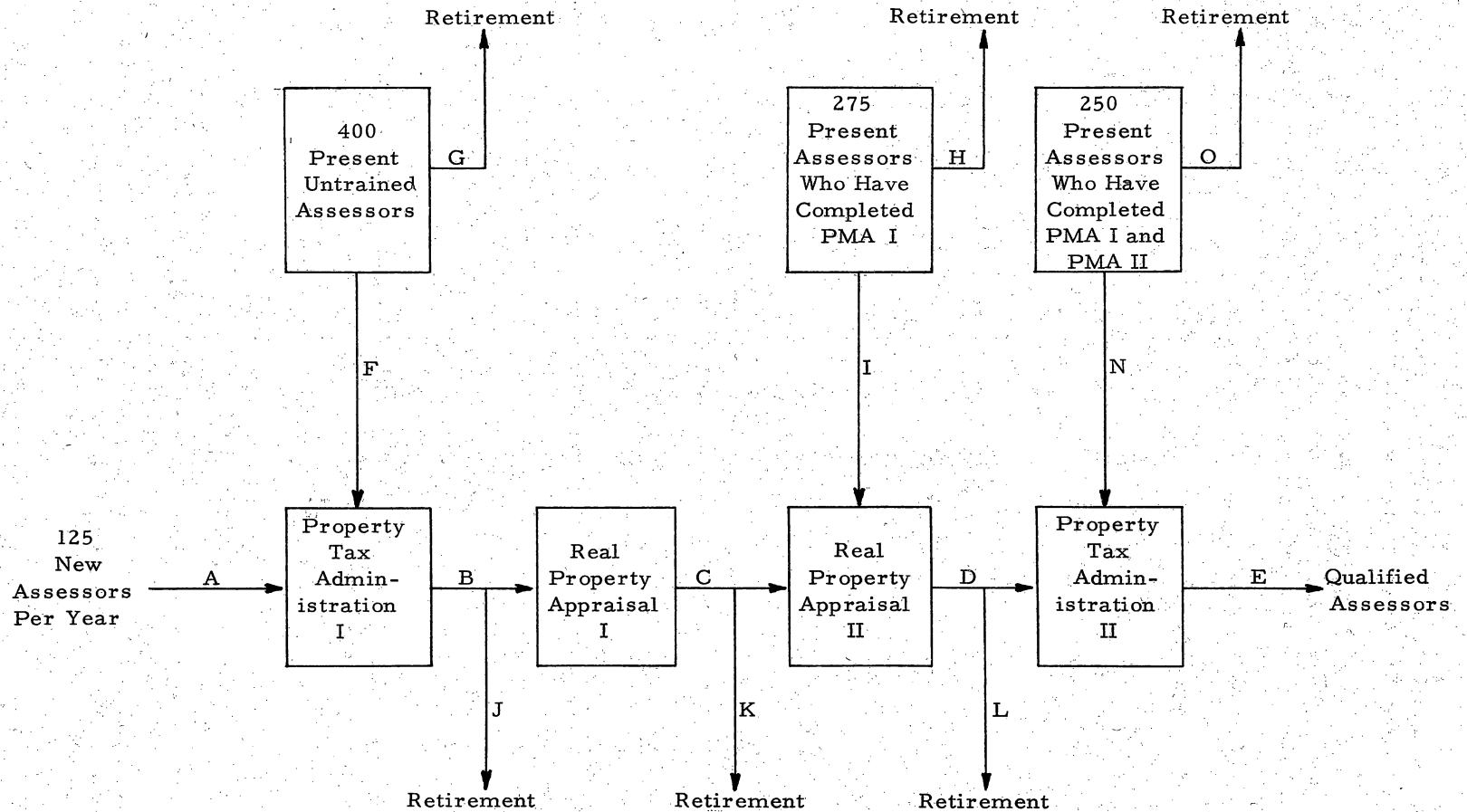


Table 8 shows the estimated depletion of the blocks of current assessors through enrollment in the new courses and through retirement at the assumed rates.

Location of Classes: Seven places have been selected as strategically located for the convenience of assessors in attending classes. Some portion of 481 of the state's 567 taxing districts are located within a 20-mile radius of one of these locations. Only the tip of Cape May County lies more than 30 miles distant from a selected location. These locations have been assigned the following priority for scheduling purposes.

1. New Brunswick
2. Montclair
3. Glassboro
4. Netcong
5. Mays Landing
6. Toms River
7. Paramus

Where seven course sections are required, all locations would be used. Generally, where fewer sections are needed, lower priority locations would be eliminated. Mays Landing and Toms River are considered to some extent interchangeable. In future years, when the program settles down to more routine operations, some courses would be run alternately in these two locations.

Table 9 shows the tentative schedulings for the years 1964-65 through 1973-74. These places have been selected with no regard for the location within the state of the assessors who already have taken PMA I and II, or for the areas of high or low turnover. A comprehensive record-keeping system must be established in order to adjust this schedule to actual needs as the years pass.

Cost of the Program: The over-all cost of the program has been estimated at \$1,000 for each section of PTA I (12 week-course) and \$875 for each section of RPA I, RPA II, and PTA II (10-week courses). If these courses are run on a self-supporting basis, with the assessors or municipalities paying the cost, the fees would be \$40 for the first course and \$35 for each of the other three. This may be compared with \$50 now charged for each of the 16-week PMA I and PMA II courses. All cost figures stated here are at 1964 levels. Adjustments may have to be made in the future as operating costs continue to rise or if the courses must be lengthened to include instruction on personal property evaluation.

The Committee recommends that the new pattern of training courses be instituted during the Spring of 1965.

#### State Financial Aid for Assessor Training

In recent years, about 90 per cent of the persons enrolled in assessor-training programs have had their tuition paid by their municipality or other public agency. While this figure is high, and may seem to obviate any need for State financial support for the program, it tells only part of the story, for there may well be many assessors who do not enroll because the taxing districts will not pay for their tuition. The assumption by the State of New Jersey of the cost of assessor training would make this training available equally to all tax assessors and to all taxing districts, regardless of their wealth or budget.

Table 7. Sections Required for Proposed Assessor-Training Courses,  
1964-65 to 1973-74.

Year	Property Tax Administration I	Real Property Appraisal I	Real Property Appraisal II	Property Tax Administration II
1964-65	7	0	1	1
1965-66	7	7	3	3
1966-67	6	6	7	5
1967-68	6	5	6	7
1968-69	6	5	6	6
1969-70	5	5	5	5
1970-71	5	5	5	5
1971-72	5	5	4	5
1972-73	5	5	4	4
1973-74	5	5	4	4

Table 8. Estimated Number of Assessors with Specified Training,  
1964-65 to 1973-74.

At End of Year:	No Training	Completed PMA I Only	Completed PMA I and II Only	Completed All Proposed Courses
Current	400	275	250	0
1964-65	266	193	175	22
1965-66	176	144	122	85
1966-67	117	102	85	185
1967-68	77	72	59	317
1968-69	51	50	41	415
1969-70	34	35	29	468
1970-71	23	24	21	513
1971-72	15	17	14	548
1972-73	10	12	10	561
1973-74	6	9	7	573

Table 9. Tentative Scheduling Plan for Proposed Courses, 1964-65 to 1973-74.

	New Brunswick	Montclair	Glassboro	Netcong	Mays Landing	Toms River	Paramus
1964-65 Fall Spring	- 1-3-4	- 1	- 1	- 1	- 1	- 1	- 1
1965-66 Fall Spring	1-2-3-4 -	1-2 -	- 1-2	- 1-2	- 1-2	- 1-2	- 1-2
1966-67 Fall Spring	1-2-3-4 -	2-3 1-4	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 1-2-3	- 3
1967-68 Fall Spring	1-2-3-4 -	3-4 1-2	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 1-3-4	- 4
1968-69 Fall Spring	1-2-3-4 -	4 1-2-3	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 1-4	- -
1969-70 Fall Spring	1-2-3-4 -	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- -	- -
1970-71 Fall Spring	1-2-3-4 -	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 2-3-4	- 1	- -
1971-72 Fall Spring	1-2-3-4 -	- 1-2-3-4	- 1-2-3-4	- 1-2-3-4	- 1-4	- 2	- -
1972-73 Fall Spring	1-2-3-4 -	- 1-2-3-4	- 1-2-3-4	- 1-2-4	- 2	- 1-3	- -
1973-74 Fall Spring	1-2-3-4 -	- 1-2-3-4	- 1-2-3-4	- 1-2	- 1-3	- 2-4	- -

1 = Property Tax Administration I

2 = Real Property Appraisal I

3 = Real Property Appraisal II

4 = Property Tax Administration II



The estimated cost of such a program as shown in Table 10 in 1964 dollars is fairly modest -- beginning at \$8,750 in 1964-65, rising to a peak of \$21,550 in 1966-67, and then declining gradually to a level of \$16,375 by 1972-73. Conditions under which such a State subsidy might take place are as follows:

- (1) State support would be given only for the enrollment of municipal tax assessors; the State would pay to the University \$40 tuition for each assessor enrolled in PTA I and \$35 for each assessor enrolled in any of the other courses.
- (2) The courses would be open to non-assessors on a fee basis, payable by the individual or the municipality to the University.
- (3) A 25-person enrollment limit would be placed on every class, with assessors having first priority, employees in assessment offices having second priority, other public officials and employees next priority, and the general public having lowest priority.
- (4) The University would be committed to schedule classes substantially according to the plan shown in Table 9, with the option of cancelling any class which has an enrollment of less than 15 persons. The scheduling plan would be reviewed each year to keep it in touch with the current situation.
- (5) The University would have the right to schedule more sections of each course if it so desired, with State reimbursement for assessor enrollments on the same basis as in point (1).
- (6) The University would have full control over admissions, course content, instruction, and grades.
- (7) The contract for State support would be written for a 3-year period and would be renegotiated at the end of that period.

The committee recommends that the State of New Jersey underwrite the cost of training municipal tax assessors.

#### The Role of Conferences and Special Programs

The program outlined above consists entirely of training courses. There is a definite need for the continuation of conference-type programs to keep the trained assessor in touch with current developments and for special programs to meet particular problems. The committee recommends that the Conference for Assessing Officers be continued as an annual event, and that special programs be developed whenever necessary to supplement the regular training courses.

Table 10. Over-all Cost of Proposed Assessor-Training Program, 1964-65 to 1973-74.

Year	Property Tax Administration I		Real Property Appraisal I		Real Property Appraisal II		Property Tax Administration II		Total Cost
	Sec.	Cost	Sec.	Cost	Sec.	Cost	Sec.	Cost	
1964-65	7	\$7,000	0	0	1	\$ 875	1	\$ 875	\$ 8,750
1965-66	7	7,000	7	\$5,925	3	2,625	3	2,625	18,175
1966-67	6	6,000	6	5,250	7	5,925	5	4,375	21,550
1967-68	6	6,000	5	4,375	6	5,250	7	5,925	21,550
1968-69	6	6,000	5	4,375	5	4,375	6	5,250	20,000
1969-70	5	5,000	5	4,375	5	4,375	5	4,375	18,125
1970-71	5	5,000	5	4,375	5	4,375	5	4,375	18,125
1971-72	5	5,000	5	4,375	4	3,500	5	4,375	17,250
1972-73	5	5,000	5	4,375	4	3,500	4	3,500	16,375
1973-74	5	5,000	5	4,375	4	3,500	4	3,500	16,375

- Notes:
1. Property Tax Administration I is a 12-week course budgeted at \$1,000 per section. All other courses are 10-week courses budgeted at \$875 per section.
  2. These figures assume that all places in the courses will be taken by assessors, with the State paying their tuition.

### Motivation for Training

Thus far, this report has suggested a list of desirable qualifications for the tax assessor and a comprehensive training program to enable each assessor to achieve those qualifications. Merely to make such a program available is not sufficient, however. Individuals must be motivated to attend the training program and to qualify themselves for the job. While many persons will do this with only the potential satisfaction of performing a better job as their stimulus, New Jersey cannot rely upon this form of motivation alone. It will be necessary to provide some rewards for the persons who take the time and trouble to gain the qualification needed to do the job properly.

The Committee proposes that the assessor-training program be linked with a certification procedure and a tenure plan for competent assessors. The certification program would ensure that only qualified assessors remained in office. Tenure would serve as an incentive for the assessor to gain sufficient training for his post. A training program without certification of qualified assessors and proper remuneration will remain a three-legged stool with only one leg.

### Certification of Assessors

The Committee recommends that a certification program for tax assessors be implemented with the following characteristics:

- (1) A state examination, to be administered by the Director of the Division of Taxation, would be given to all applicants at least twice a year. The examination would be comprehensive and would cover all of the qualifications listed in Table 3. The training courses would be intended as the proper preparation for the examination, but their completion would not be a pre-requisite. In other words, any person would have the right to develop his talents in his own way and to take the examination whenever he felt able to pass it.
- (2) Any person who met the present legal qualifications for the position of assessor would be eligible for appointment to the office, but no person who took office after June 30, 1965 would be eligible for a second term of office until he had passed the examination and been certified by the Director of the Division of Taxation as qualified. All assessors in office on June 30, 1965 who hold the designation of Certified Assessment Evaluator (C. A. E.) granted by the International Association of Assessing Officers, Member of the Appraisal Institute (M. A. I.) or who have been accepted as members of the Society of Municipal Assessors (S. M. A.) sponsored by the Association of Municipal Assessors of New Jersey, would be certified by the director without examination. In each case, these designations have been earned through comprehensive examinations and other requirements which are at least equivalent to the certification examination which the committee has recommended.
- (3) All assessors actually in office on June 30, 1965 would be allowed to be re-appointed at the end of their terms without passing the examination or being certified as qualified.

The Advisory Committee on Intergovernmental Relations, in its comprehensive report, The Role of the States in Strengthening the Property Tax, has recommended that: "The State supervisory agency should be empowered to establish the professional qualifications of assessors and appraisers and certify candidates as to their fitness for employment on the basis of examinations given by it or of examinations satisfactory to it given by a State or local personnel agency, and to revoke such certification for good and sufficient cause. No person should be permitted to hold the office of assessor or to appraise property for taxation who is not certified."<sup>1</sup> This recommendation by the Committee is a first step toward implementing the Advisory Commission's recommendation.

In the Committee's opinion, equity demands that incumbent tax assessors be permitted to continue in office under the same conditions which prevailed when they gained their positions. The Committee also believes that an undue hardship would be imposed on the New Jersey communities by the application of a rule barring from the office of assessor all persons who have not been certified. Instead, the Committee recommends that no restrictions be placed upon the initial appointment of an assessor, but that re-appointment be possible only after certification. This would permit an assessor to gain qualification during his first term in office.

#### Remuneration

Public officials and employees may be remunerated in two ways. They can be paid salaries for the work performed, and they can be given security in their jobs. The committee has considered both of these methods of remuneration.

The Committee recommends that the level of salaries be left to the discretion of the municipal governing body. A salary level mandated by statute usually must be fixed at a level which will be reasonable for the poorest-paying jurisdiction, and this level frequently becomes the standard for most other jurisdictions. Furthermore, the fixing of local salaries by State statute may well involve an infringement on the concept of home rule. The committee believes that the requirement for certification of assessors and for the re-appointment of only qualified persons will serve adequately to limit the supply of candidates to the point where competitive bidding for competent persons will raise salaries to appropriate levels.

This recommendation is directly in line with another of the suggestions made by the Advisory Commission on Intergovernmental Relations: "To avoid obstruction to the local recruitment and retention of competent professional personnel, the State legislatures should not set, or place limits on, salaries paid certified local assessors and appraisers."<sup>2</sup>

On the other hand, the Committee recommends that two steps be taken to heighten the security of the assessor's job.

- (1) New Jersey should abandon the election of tax assessors.  
The job of the assessor is technical in nature; he does not and should not make policy decisions. There is no reason to believe that the characteristics which

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<sup>1</sup> Advisory Commission on Intergovernmental Relations, The Role of the States in Strengthening the Property Tax (Washington: June 1963) Volume I, p. 16.

<sup>2</sup> Advisory Commission on Intergovernmental Relations, page 16.

contribute to a successful political campaign are the same qualifications needed to carry out the highly technical job of determining property value and administering an assessor's office.

This Committee agrees fully with the statement of the Commission on State Tax Policy, made more than a decade ago, "The idea of an elected assessor is as incomprehensible as the idea of an elected engineer, health officer or institutional superintendent. All of them are technical jobs and require technically qualified people. Failure to recognize this fact with respect to the assessor is largely responsible for the decay of the general property tax".<sup>1</sup>

- (2) Tenure should be granted to all qualified assessors upon reappointment. In the sections above, it was recommended that, except for individuals in office on June 30, 1965, no person should be reappointed as assessor unless certified as qualified following satisfactory completion of a comprehensive examination. If a person has achieved such qualifications and certifications,<sup>2</sup> and if he has performed for one four-year term to the satisfaction of the governing body, he should be granted an indefinite appointment, with removal being possible only for cause after charges have been presented and a hearing held.

Again, these recommendations are quite close to the proposals of the Advisory Commission: "All assessors should be appointed to office, with no requirement of prior district residence, by the chief executives or executive boards of local governments.....; they should be appointed for indefinite, rather than fixed, terms; and should be subject to removal for good cause, including incompetence, by the appointing authorities."<sup>3</sup> The Committee's recommendation differs only in that tenure would be gained upon reappointment, rather than initial entry to the office.

#### Conclusion

This report has grown out of a belief that the present training program for assessors was not completely adequate to provide well-qualified assessors for all of New Jersey's taxing districts. The Committee has established that the belief was well-founded. Despite the extensive program of training which has been carried on since 1951, the current program is inadequate because:

- (1) there is a lack of class time to cover the continually changing and expanding duties of the tax assessor.
- (2) there are gaps in the present course content.
- (3) there is a substantial expense factor -- those districts most in need of training for their assessors probably are the ones least likely to sponsor their attendance at courses.
- (4) there is a lack of a security incentive which would give the individual some assurance that if he attains the qualifications for the job and does his work well, he will be able to continue in office.

<sup>1</sup> Commission on State Tax Policy, Sixth Report, The General Property Tax in New Jersey, A Century of Inequities, (Trenton: February, 1953), p. 154.

<sup>2</sup> Either through the examination administered by the Director or by virtue of holding both office as an assessor and the C. A. E., M. A. I., or S. M. A. designation on June 30, 1965.

<sup>3</sup> Advisory Commission on Intergovernmental Relations, page 16.

- (5) the rapid turnover of assessors -- 13.3 per cent each year -- leads to the departure from office of many trained and qualified persons. Funds spent for their training are wasted by the municipality if they serve only a few years.

Various recommendations made by the Committee would remedy all of these deficiencies. New Jersey has made huge strides in the administration of the property tax during the past decade. A comprehensive equalization program has been introduced. Court decisions have opened new avenues for redress of inequitable assessments. Major changes have taken place in the statutory rules for assessment. A State agency has been established to provide local assistance. The time is now here for a major step toward providing more qualified assessors. The Committee recommends that this be done through a program of training, certification, and tenure as outlined in this report.

In conclusion, the Committee wishes to point out that its recommended program, while representing a significant measure of improvement, will not provide the ultimate in assessment administration. Numerous other devices for providing better-qualified assessors have been suggested, such as the creation of joint assessment districts, the elimination of residence requirements, etc. On these points, the Committee has made no recommendation beyond the suggestion that they deserve further study.



