

## **TAX COURT OF NEW JERSEY**



ANNUAL REPORT OF THE  
PRESIDING JUDGE OF THE TAX COURT OF NEW JERSEY  
FOR THE COURT YEAR ENDED JUNE 30, 2000.

This report is submitted to the Chief Justice of the Supreme Court of New Jersey and the Administrative Director of the Courts pursuant to *N.J.S.A. 2B:13-11*.

June 30, 2000 ended the Tax Court's twenty-first year. At its inception in 1979, the court assumed a case inventory exceeding 26,000 cases. Although filings in the court have fluctuated substantially over the years from a low of 4,619 at the close of the 1986-1987 court year to a high of 16,300 at the close of the 1991-1992 court year, the Tax Court judges have been successful in clearing the court's calendar in seventeen of its twenty-one years of existence. The court year 1999-2000 marks the sixth consecutive year the court has cleared its calendar. This performance reflects the Tax Court's commitment to prompt disposition of tax cases without sacrificing the quality of justice.

In addition to hearing Tax Court cases, the six judges assigned to the Tax Court were, from time to time, assigned to hear Superior Court cases in which their special expertise could be utilized. During this past court year, they heard and disposed of a number of Superior Court cases, many of which were tax-related cases.

The primary impetus for the creation of the Tax Court in 1979 was to afford taxpayers a prompt and impartial hearing and disposition of their disputes with governmental taxing agencies by a qualified body of judges. The original objectives of the Tax Court were to: (1) provide expeditious, convenient, equitable and effective judicial review of state tax and local property tax assessments; (2)

create a consistent, uniform body of tax law for the guidance of taxpayers and tax administrators in order to promote predictability in tax law and its application; (3) make decisions of the court readily available to taxpayers, tax administrators and tax professionals; and (4) promote the development of a qualified and informed state and local tax bar. The court, during the twenty-one years of its existence, has succeeded in achieving substantially all of these goals. More important, the original objectives of the court will continue to guide the court in the future.

On November 12, 1999, the judges of the Tax Court convened in a memorial session to honor the memory of Lawrence L. Lasser, the first individual appointed to the Tax Court of New Jersey, who was also its first presiding judge. Under his firm and energetic leadership, as the presiding judge of the Tax Court from 1979 to 1994, the court acquired national respect and acclaim. His dedication and commitment to the pursuit of excellence for the Tax Court never wavered.

Although Judge Lasser left a rich legacy, he would have expected the court to build on the legacy committed to the court by him. That charge, in addition to the court's original objectives, will also continue to guide the Tax Court in the future.

### THE COURT.

The Tax Court of New Jersey was established by the Legislature in 1979 as a trial court in the judicial branch of government having statewide jurisdiction to review state tax and local property tax assessments. The original jurisdiction of the court permitted it to review the actions and determinations of assessors and county boards of taxation with respect to local property tax matters and of all state

officials with respect to state taxes. *See N.J.S.A. 2B:13-2(a)*. *See also Hernandez v. West New York*, 18 *N.J. Tax* 438, 442 (Tax 1999). The court's jurisdiction was expanded by the Legislature in 1993 to permit the court to hear "actions cognizable in the Superior Court which raise issues as to which expertise in matters involving taxation is desirable, and which have been transferred to the Tax Court pursuant to the Rules of the Supreme Court." *See N.J.S.A. 2B:13-2(b)*. *See also General Motors v. Linden*, 279 *N.J. Super.* 449, 459 n.2 (App. Div. 1995).

In accordance with this provision, during the past court year, the judges of the Tax Court were assigned to hear Superior Court cases in which their special expertise could be utilized. Examples of the types of Superior Court cases that are appropriate for Tax Court judges to hear include: (1) actions in lieu of prerogative writs seeking review of the conduct of municipal officials relating to the administration of tax laws or the duties of tax assessors and tax collectors, (2) tenant tax-rebate cases, (3) appointments of receivers for nonpayment of real property taxes, (4) condemnation cases, (5) rent-leveling cases, (6) review of assessments for municipal improvements, (7) *in rem* tax foreclosure actions, and (8) complex real estate valuation issues in matrimonial cases.

CASELOAD.

At the beginning of the court year the Tax Court had an inventory of 9,069 tax cases. Tax Court cases filed during the court year totaled 5,386, aggregating a total case inventory of 14,455 cases. Dispositions totaled 6,702, resulting in an inventory of 7,753 cases by the end of the court year.<sup>1</sup> The Tax Court judges have cleared the court's calendar for the sixth consecutive year. This performance has been accomplished as a result of the dedication, hard work, and the contributions of the Tax Court judges, their staffs and the Tax Court Management Office.

Following is a comparison of filings and dispositions of Tax Court cases for the twenty-one years of the court's existence.

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<sup>1</sup> These figures do not include miscellaneous tax applications and Superior Court cases assigned to Tax Court judges.

Year ended	Cases pending first day of period	Filings	Dispositions	Cases pending last day of period
8/31/80	26,000*	6,925	11,549	21,376
8/31/81	20,448*	8,343	15,564	13,227
8/31/82	13,227	6,376	12,288	7,315
8/31/83	7,311*	8,647	9,003	6,955
6/30/84	6,299**	8,633	9,004	5,928
6/30/85	5,928	6,523	8,012	4,439
6/30/86	4,439	5,310	6,312	3,437
6/30/87	3,437	4,619	4,687	3,369
6/30/88	3,369	4,764	5,629	2,504
6/30/89	2,532*	6,570	4,627	4,475
6/30/90	4,475	7,901	5,262	7,114
6/30/91	7,114	11,371	6,026	12,459
6/30/92	12,402*	16,300	9,224	19,478
6/30/93	19,478	14,967	16,560	17,885
6/30/94	17,885	15,223	11,697	21,411
6/30/95	21,411	12,741	17,402	16,750
6/30/96	16,750	9,410	12,075	14,085
6/30/97	14,085	7,954	10,406	11,633
6/30/98	11,633	7,124	9,390	9,367
6/30/99	9,367	6,356	7,005	8,718
6/30/00	9,069*	5,386	6,702	7,753

\* Adjusted to reflect year-end physical case inventory.

\*\* Beginning July 1, 1983, the Judiciary changed its court year to end June 30, instead of August 31.

Following is an analysis of filings and dispositions for this court year. This is an analysis of Tax Court cases only and does not include Superior Court cases or miscellaneous tax applications.

A. Cases filed during the court year

Local property tax cases	95.5%
State tax and Equalization Table cases	4.5%

Over the last several years, local property tax cases have represented 89% to 99% of total filings and state tax cases 1% to 11% of total filings.

B. Cases filed by general category

1. Local property tax cases filed during the court year

Regular cases	54%
Small claims cases	46%

2. State tax and Equalization Table cases filed during the court year

State tax cases (other than homestead tax rebate and equalization table cases)	57%
Homestead tax rebate cases	41%
Equalization Table cases	2 %

In addition, during the court year Tax Court judges heard and decided a number of Superior Court cases.

Detailed Tax Court statistics can be found in the Appendix.

### THE JUDGES.

The Tax Court maintains courtrooms and chambers in Hackensack, Newark, Morristown and Trenton. Tax Court cases originating in Bergen County are heard by the judge who sits in Hackensack. Tax Court cases originating in Hudson and Essex Counties are heard by the two Tax Court judges who sit in Newark. Tax Court cases originating in Morris, Passaic, Sussex, Union and Warren Counties are heard in Morristown and those cases originating in the remaining counties are heard in Trenton. For the convenience of taxpayers, certain Tax Court judges also sit in court houses in Freehold, Toms River, Camden and Atlantic City. Although, at present, there are eleven Tax Court judges, the current inventory of tax cases has permitted the court to function satisfactorily with only six of the eleven judges assigned to the Tax Court.

During the past court year, Michael A. Andrew, Jr., P.J.T.C., Francine I. Axelrad, J.T.C., Roger M. Kahn, J.T.C., Harold A. Kuskin, J.T.C., Peter D. Pizzuto, J.T.C. and Joseph C. Small, J.T.C. were assigned to the Tax Court, while Angelo J. DiCamillo, J.T.C., Joseph L. Foster, J.T.C., Raymond A. Hayser, J.T.C., James E. Isman, J.T.C. and Marie E. Lihotz, J.T.C. were assigned to the Superior Court.

Each judge's courtroom staff is limited to a single court clerk who, in addition to normal



courtroom duties, operates the sound-recording equipment. Over the past twenty-one years, the use of a sound-recording system in the Tax Court has proven to be effective and cost efficient. In addition, it enables a judge to fully review, if necessary, court proceedings in the preparation of written opinions. Moreover, sound recording has facilitated the hearing of motions, settlements and other matters on the record by telephone conference call. The Tax Court has been using telephone conferencing since 1986 to decrease the cost of litigation, eliminate the time wasted at the courthouse by attorneys waiting to be heard, and obviate the need for attorneys to travel to the courthouse in the first instance.

Work is continuing on the development of an individual computerized inventory system for each judge that would enable the judge and judge's staff to quickly learn the status of each open case using the database furnished by the Management Office. This has been extremely helpful in the management and disposition of cases involving prior and subsequent tax years. The system will ultimately also provide each judge with an index of all published decisions of the Tax Court, as well as Supreme Court and Appellate Division decisions with respect to appeals of Tax Court decisions.

Since 1979, the judges of the Tax Court have met monthly to discuss substantive and procedural developments in the field of tax law and areas of mutual concern in the operation of the court. Most important, however, has been the discussion and consideration of opinions offered for publication in the *New Jersey Tax Court Reports* by the Tax Court judges. The judges of the Tax Court, since the creation of the court, have been encouraged to prepare written opinions in cases presenting significant factual and legal issues. That philosophy continues today. Although each judge renders his or her own opinion in an assigned case, each judge will submit opinions to the other judges of the court for consideration and discussion at the monthly meetings. The Tax Court and its judges

have in the past placed, and continue today to place, significant emphasis on the care with which these opinions are prepared. One of the original objectives of the court was the creation of a consistent body of tax law. It is through the publication of quality Tax Court opinions that this objective has been achieved by the court since its commencement.

In September 1999, three Tax Court judges joined tax judges from approximately twenty other states at the nineteenth National Conference of State Tax Judges in Portland, Oregon. The agenda for the conference provided numerous areas of mutual interest for tax judges, including the valuation problems inherent in subsidized housing, ethical issues in tax court litigation, property tax developments in Russia, environmental issues in valuation determinations, alternative dispute methodologies, current developments in state taxation and recent developments in local property tax cases. The twentieth annual conference has been scheduled for September 2000 in Cambridge, Massachusetts. It is anticipated that a number of the Tax Court judges will participate in what appears likely to be a most informative session.

Many of the judges also participated in educational courses in property valuation and trial procedure. In addition, a number of the Tax Court judges were instructors for educational programs sponsored by the Institute for Continuing Legal Education, the New Jersey State Bar Association and the County Tax Commissioners and Administrators.

#### THE TAX COURT MANAGEMENT OFFICE.

The Management Office is the administrative arm of the Tax Court. It provides the support

services necessary for the efficient functioning of the court. Not only is the office responsible for record keeping and case management functions necessary to move cases to disposition, but it also manages the resources needed to support the Tax Court judges and supporting staffs in four separate locations. Specifically, the Management Office accepts papers for filing, assigns cases and prepares calendars and judgments.

The Management Office has been ably guided during the past year by the Tax Court Administrator, Doris A. DeBiasi, and her capable administrative assistant, Lynne Allsop. The office is divided into two case-management teams which perform functions of docketing, screening, data processing, calendaring, records management and administrative services. Each of the teams, at various stages in the litigation process, provides taxpayers, tax attorneys and tax administrators with information about the filing of complaints, opinions of the court, judgments and other information regarding the review of state and local property tax assessments. The staff of the Management Office also furnishes sample forms, court rules and pamphlets explaining Tax Court procedures in local property tax and state tax small claims cases.

During the course of the past court year the administrative staff of the Management Office has continued to develop a case processing standards manual. The purpose of the manual is to have available for each employee in the Management Office, in a computer format, each aspect of case processing from the receipt of mail to post-judgment tasks, so that each employee has a current work or task reference available at all times.

In 1996, the Supreme Court approved a pilot program for differentiated case management for local property tax cases in Bergen County beginning January 1, 1997. It was anticipated that

differentiated case management would enable the Tax Court to make better use of judicial resources by reserving judges' time for functions requiring a judge's effort. The management team responsible for Bergen County assumed much greater responsibilities for administrative case management activities with respect to the pilot program than had been the practice in the past.

To date, our experience with differentiated case management in Bergen County has been extremely positive. The case manager and members of the team performed many administrative tasks that heretofore were handled by the tax judge or a member of the judge's staff. Additionally, case processing has effectively improved even though there was less judicial involvement. The case disposition rate demonstrates that cases are being resolved in a more timely fashion because there is trial date certainty inherent in the differentiated case management system. As a consequence, the Supreme Court expanded the program for differentiated case management to Hudson County for local property tax cases beginning January 1, 2000.

The Management Office, however, is now anxiously awaiting statewide implementation of differentiated case management. This proposal for statewide implementation will be submitted to the Supreme Court Committee on the Tax Court for its review and recommendation.

Over the course of the past year, the Tax Court Management Office has made Tax Court opinions available on the Internet home pages of the State Judiciary and the Rutgers-Camden Law School Internet site. In addition to the Internet publication of Tax Court opinions, the Management Office also makes available on the Tax Court's web page the following reports and information: the Annual Report of the Presiding Judge for the court year ended June 30, 1999, the Supreme Court Committee on the Tax Court Biennial Report, the rules of the Tax Court, a small claims handbook, all

court rules for the differentiated case management program, all differentiated case management forms, a small claims handbook for differentiated case management and all of the Tax Court's standard form interrogatories. The Tax Court Administrator anticipates expanding the use of the Internet by including Tax Court judgment data and all of the Tax Court's forms in the near future.

The Management Office is now in the process of developing an Intranet web page which will contain basic information about the Tax Court to include an overview of the court, a brief biography of each judge, the organization of the Management Office, Tax Court forms, procedures, rules and annual reports.

#### SUPREME COURT COMMITTEE ON THE TAX COURT.

The Supreme Court Committee on the Tax Court has continued to provide invaluable assistance to the Supreme Court and the Tax Court through its numerous recommendations and suggestions for new and innovative procedures and guidelines to improve and aid the Tax Court in its work. During the past court year the Committee, through its responsible and hardworking leadership and membership, has continued to identify areas in Tax Court practice and procedure that can be improved through changes in court rules and existing legislation.

The Committee is composed of members of the bench and tax bar as well as representatives of taxpayers' groups, local, county and state tax administrators and others interested and concerned with the administration and review of the tax laws in New Jersey. The Committee held meetings during the 1998-1999 and 1999-2000 court years to discuss the work of the Tax Court and procedures to be

followed in proceedings before the court. There were detailed and vigorous discussions that not only identified problem areas but led to proposed solutions that could be implemented by changes in the court rules.

To be more specific, the Committee considered issues relating to the review of state and local property tax assessments, recommended legislation, case management and court procedures, court forms, small claims procedure and published and unpublished Tax Court opinions. As noted in the biennial report of the Committee for the 1998-1999 and 1999-2000 court years, the issue that dominated committee business involved the appropriate threshold or jurisdiction for small claims cases in the Tax Court. After a great deal of review and consideration, the Committee recommended to the Supreme Court that the jurisdictional determination for local property tax small claims cases be changed from a dollar amount to a jurisdiction based upon property classification.

It was the majority opinion of the Committee that the recommended change would bring a more orderly issue-based classification to small claims jurisdiction and eliminate perceived filing fee abuses occurring under the current court rules. There was a minority of three members of the Committee who expressed the view that the proposed rule change was unnecessary and would have the unwanted effect of preventing the appeal of some cases because of the additional filing fees imposed on the taxpayer. The majority, however, did not believe that the additional filing fee of \$140 (\$175 regular filing fee as opposed to a \$35 small claims filing fee) would act as a deterrent to the filing of cases with any merit.

The Committee continues to provide a distinct sounding board for all the groups that have any dealings with the Tax Court. Most important, it provides those recommendations for change that have

kept, and will keep, Tax Court procedures current, efficient and respected by all concerned.

STANDARDS OF ASSESSMENT AND LEGAL PRINCIPLES  
UTILIZED BY THE TAX COURT IN LOCAL PROPERTY TAX CASES.

Local property tax cases generally involve a determination of the value of property for assessment purposes. Value for assessing purposes is fair market value, that is, the price that would be paid by a willing purchaser for all of the rights in the real estate, and accepted by a willing seller, if neither were compelled to buy or sell. The fair market value standard is utilized to achieve the uniformity in assessment that is required by the “Tax Clause” of the New Jersey Constitution. *See N.J. Const., art. VIII, § 1, ¶ 1(a)*. The court applies the valuation principles required by statute and the Constitution and determines fair market value by application of such of the three approaches to value as may be presented in evidence and deemed appropriate by the court.

These three approaches are: (1) the sales comparison approach, in which an estimate of market value is derived from the sales prices of comparable properties; (2) the cost approach, which is founded on the proposition that an informed buyer would pay no more for a property than the cost of building a new improvement with the same utility as the subject plus the value of the land; and (3) the income approach, which is predicated on the capitalization of the income the property is expected to generate.

Local property tax cases sometimes involve a claim of discrimination in assessment. In such cases the court follows the legal principles established by the Supreme Court in *In re Appeals of Kents, 2124 Atlantic Ave., Inc.*, 34 N.J. 21 (1961), *Murnick v. Asbury Park*, 95 N.J. 452 (1984)

and *West Milford Tp. v. Van Decker*, 120 N.J. 354 (1990), as well as statutory provisions granting relief from discrimination contained in N.J.S.A. 54:51A-6 (chapter 123 of the Laws of 1973).

Examples of the standards of assessment and legal principles utilized by the Tax Court during the court year ended June 30, 2000 may be found in the local property tax opinions approved for publication in the *New Jersey Tax Court Reports* during the year. These opinions are representative of the tax cases heard during the court year.

The local property tax opinions deal with such factual and legal issues as: what is a constitutionally prohibited spot assessment, whether property leased by the Casino Reinvestment Development Authority to a private entity for ninety-nine years with an option to purchase is entitled to a tax exemption, the valuation of subsidized housing, the applicability of the Freeze Act in N.J.S.A. 54:51A-8, the failure of an assessor to send appropriate assessment notices to taxpayers, highest and best use, farmland assessment, inappropriate use of a sales comparison approach and the presumption of due receipt in the mail.

Among the local property tax opinions issued during the court year were the following. In *Corrado v. Montclair Tp.*, 18 N.J. Tax 200 (Tax 1999), the court held that spot assessment, which is the reassessment of a recently sold property based solely on its sales price while other properties that have not been sold are not reassessed, violates the uniformity provisions of the *New Jersey Constitution*, art. VIII, § 1, ¶ 1.

In this case, however, the revised assessments made by Montclair's assessor for physical improvements to the subject properties that were not reflected in the property record cards made as part of the most recent revaluation were not spot assessments. The fact that the listing of the subject



properties for sale triggered the assessor's revision did not make these reassessments-spot assessments. The basis of the new assessments was not the sales price of the subject properties, but the difference between the actual physical condition of the properties and their descriptions on the existing property record cards.

***Renaissance Plaza Assocs. v. Atlantic City***, 18 *N.J. Tax* 342 (Tax 1998), held that property owned by the Casino Reinvestment Development Authority (CRDA), a financing and investment agency, and leased to a private entity for ninety-nine years with an option to purchase after twenty years, was not the “property” of the CRDA as required by the Casino Control Act, *N.J.S.A.* 5:12-1 to -210 and, therefore, was not entitled to a tax exemption under *N.J.S.A.* 5:12-167. The ninety-nine-year lease with an option to purchase the property was simply a financing mechanism used by the CRDA to encourage investment in the municipality.

In ***Penns Grove Gardens v. Penns Grove Bor.*** 18 *N.J. Tax* 253 (Tax 1999), the court held that there are two separate and distinct housing markets for multi-family subsidized housing and conventional apartment complexes and that the highest and best use of the subject property was its continued use for federally subsidized housing and not as a conventional apartment complex. The court expressed the view that mortgage interest reduction subsidies, total reimbursement of all operating expenses, and other financing and tax incentives available to the investor in the construction and operation of a federally subsidized apartment complex were benefits which could be taken into consideration when valuing the property. The court also noted that, considering the governmental guarantees and the security of the income stream, there is less risk involved in the investment and, therefore, a capitalization rate lower than that for conventional apartments was warranted.

*New Rock Investment Partners v. Elizabeth*, 18 N.J. Tax 207 (Tax 1999), held that, in the context of the Freeze Act, N.J.S.A. 54:51A-8, the imposition of an added assessment for the first freeze year did not preclude the application of the freeze to the second freeze year, even though the taxpayer did not appeal the added assessment, and even though the assessment for the second freeze year equaled the total of the base-year assessment plus the amount of the added assessment. The base-year judgment was entered before the assessment date for the second freeze year. Because the Freeze Act is self-executing, the municipality, in order to avoid the freeze for the second freeze year, was obligated to file a Freeze Act avoidance complaint.

In *Coastal Eagle Point Oil Co. v. West Deptford Tp.*, 18 N.J. Tax \_\_\_\_ (Tax 1999), the assessor had determined that a part of the subject property previously assessed as real property for tax year 1997 should have been assessed and taxed as personal property under N.J.S.A. 54:4-2.45. As a consequence, the assessor imposed an omitted assessment, pursuant to N.J.S.A. 54:4-63.31, for the additional value of the process equipment valued as personal property, rather than valued as real property. The court held that the omitted assessment was improper because it was not based on a physical improvement to the property which had been omitted from the original assessment.

In *Centorino v. Tewksbury Tp.*, 18 N.J. Tax 303 (Tax 1999), the tax assessor increased the assessment of the subject property from the prior year. The taxpayer acquired the property before the increased assessment was made. Despite having had notice of the new owner, the assessor failed to send the notice of assessment required by N.J.S.A. 54:4-38.1 to the new owner. The first notice of the changed assessment was received by the new owner with her tax bill. The court held that the principles of due process and equity necessitated an extension of the filing deadline for the tax appeal from April 1

to forty-five days from the date the taxpayer received notice of the changed assessment.

In *C.P. Lakewood Land, LLC v. Lakewood Tp.*, 18 N.J. Tax 451 (Tax 1999), the court held that the minimal level of agricultural activity taking place on the subject woodlands did not violate the municipality's zoning ordinance. As such, the municipality failed to satisfy its burden of proving the illegality of the taxpayer's use, and the court concluded that the taxpayer was entitled to farmland assessment.

In *Regent Care Center, Inc. v. Hackensack*, 18 N.J. Tax 320 (Tax 1999), the taxpayer received a notice pursuant to N.J.S.A. 54:4-38.1 which failed to indicate that the assessment for the property had increased. Thus, the taxpayer had no reason to consider filing a tax appeal on or before April 1 as provided by N.J.S.A. 54:3-21. The court held that, since the taxpayer's first notice of an increased assessment was the tax bill, the taxpayer had forty-five days from receipt of the tax bill to file a complaint with the Tax Court. Inasmuch as the taxpayer had failed to file a complaint within forty-five days of its receipt of the tax bill, the court granted the municipality's motion to dismiss the taxpayer's complaint.

In *Casino Reinvestment Development Authority v. Atlantic City*, 18 N.J. Tax 463 (Tax 1999), the court held that property purchased by the Casino Reinvestment Development Authority (CRDA), for redevelopment as a residential subdivision, in which the project was constructed and marketed by a private entity and CRDA retained all the incidents of ownership of the land and improvements, was the "property" of the CRDA and was entitled to a tax exemption under N.J.S.A. 5:12-167. The CRDA had the broad power and authority to take the steps necessary to redevelop the site to provide affordable, decent, safe and sanitary dwelling units under N.J.S.A. 5:12-160 and -161.

*Arrow Manufacturing Co. v. West New York*, 18 N.J. Tax 574 (Tax 2000), held that, when a municipality's failure to pay refunds and interest to taxpayers pursuant to Tax Court judgments was occasioned by a lack of funds requiring the enactment of bonding ordinances, the delay necessary to enact the ordinances pursuant to appropriate statutes did not constitute willful neglect requiring the imposition of sanctions.

In another case, however, *Trisun Corp. v. West New York*, 18 N.J. Tax 533 (Tax 2000), the municipality's failure to pay refunds and interest pursuant to appropriate judgments required the taxpayers to file motions for enforcement. The municipality explained that the cause for the delay was its erroneous assumption that the refunds and interest had previously been paid. The court held that the reason for the delay did not constitute conscious intentional failure to pay the refunds but did constitute reckless indifference to the Tax Court judgments. The court, therefore, required the municipality to pay reasonable counsel fees to the taxpayers.

In *Entenmann's Inc. v. Totowa Bor.*, 18 N.J. Tax 540 (Tax 2000), the court held that in determining the highest and best use of a former bakery building, an appraiser must analyze the market. The property owner's decision as to the use of the property does not establish highest and best use. The court also observed that when an appraiser determines the highest and best use for a property to be for use as renovated office and industrial space, the appraiser's sales comparison approach using sales of unrenovated older industrial properties had to be rejected because the sold properties were not comparable to the subject.

In *Harclay House v. East Orange*, 18 N.J. Tax 564 (Tax 2000), the different approaches of two experts in determining effective gross income of an apartment house resulted in substantially

different conclusions of value. The court affirmed the original assessment because neither party's evidence was sufficient to overcome the presumption of correctness which attached to the assessment.

In *Washington Tp. v. Warren County Board of Taxation*, 18 N.J. Tax \_\_\_\_ (Tax 2000), although the assessor did perform assessment maintenance, the plaintiff-municipality did not conduct a revaluation or reassessment for tax year 1999. The court held that under these circumstances, the county board of taxation was not required to recalculate the municipality's 1999 equalized valuation using the page 8 formula when the resulting change in equalization percentage would be 1.17% and the municipality's county tax share would be reduced by only 1.16%.

In *Davis & Assocs. v. Stafford Tp.*, 18 N.J. Tax \_\_\_\_ (Tax 2000), the court expressed the view that, to invoke the presumption of due receipt, a lower standard of proof of mailing is appropriate in certain situations. This includes the bulk processing and mailing that occurs in connection with the tax assessment notices sent to taxpayers pursuant to N.J.S.A. 54:4-38.1. The court held that it would be unreasonable to impose upon a municipality the burden of requiring testimony and evidence of the actual printing, assembling and mailing of the specific notices for the properties under appeal. The court observed that the notices were computer-generated based on the tax list, which accurately reflected the taxpayers' addresses, were properly metered and bundled for bulk mailing, and contained the return address of the municipality and that none of the subject notices were returned to the municipality.

The court concluded that the taxpayer had failed to rebut the presumption of due receipt, and further, there was no equitable basis in the case to extend the statutorily mandated April 1st filing deadline. As the taxpayer's 1999 complaint was not filed until after receipt of the third-quarter tax bill in August 1999, it was untimely and, therefore, was dismissed with prejudice.

In *Union Drydock and Repair v. Hoboken*, 18 N.J. Tax \_\_\_\_ (Tax 2000), the experts for both taxpayer and the municipality agreed that the highest and best use of the subject property was as a marine repair facility. Despite this conclusion, both experts failed to use marine repair facility comparables in their valuation approaches. Accordingly, the court affirmed the original assessment because neither party overcame the presumption of correctness which attached to the original assessment.

*Secaucus v. Jersey City*, 18 N.J. Tax \_\_\_\_ (Tax 2000), involved a municipality's challenge to 1998 and 1999 tax assessments based on a tax exemption granted by another municipality in 1989 under the Fox-Lance Law, N.J.S.A. 40:55C-42 to -76. The court held that a service charge in excess of the statutory maximum would void the exemption. N.J.S.A. 40:55C-65 (repealed and reenacted as N.J.S.A. 40A:12-20).

Nevertheless, the court found that the doctrines of laches and estoppel would bar the plaintiff's appeals, if the plaintiff had actual knowledge of the adoption of the 1989 ordinance or actual knowledge of facts sufficient to impose on the plaintiff a duty of inquiry concerning the adoption of the ordinance prior to the filing of its 1998 and 1999 tax appeals. Accordingly, plaintiff's motion for summary judgment was denied, and the case was set down for a trial on the issue of the timeliness of plaintiff's complaints.

#### STATE TAX CASES.

State tax cases decided during the court year included those dealing with the sales and use tax,

gross income tax, motor fuels use tax and the corporation business tax. Among the published state tax opinions issued during the court year were the following. *Stryker Corp. v. Director, Division of Taxation*, 18 N.J. Tax 270 (Tax 1999), involved a drop-shipment transaction in which a manufacturer sold merchandise to a dealer, but shipped the merchandise directly to the customer of the dealer instead of to the dealer. The court held that, in calculating the New Jersey corporation business tax liability of a multi-state corporation, in a drop-shipment context, receipts earned by the corporation from the sales to a New Jersey dealer of merchandise manufactured by the corporation in New Jersey, and shipped by it to out-of-state customers of the dealer, are not includible in the numerator of the manufacturer's receipts fraction under N.J.S.A. 54:10A-6(B)(1) because the manufacturer made no "shipments" of such merchandise to points within New Jersey. Nevertheless, the court held that the receipts were includible in the numerator of the manufacturer's receipts fraction under N.J.S.A. 54:10A-6(B)(6) because the receipts were earned within New Jersey. The court observed that this statutory interpretation did not result in a violation of the Commerce Clause of the United States Constitution.

In *Dantzler v. Director, Division of Taxation*, 18 N.J. Tax 490 (Tax 1999), the plaintiff-taxpayer was required to provide capital to a law firm partnership. The court determined that the taxpayer was allowed to deduct the interest paid on the funds he borrowed to meet the required capital contribution from his New Jersey gross income. The court noted that, although deference is given to the Director's interpretation of a statute, that deference is not without exception. Therefore, the Tax Court specifically rejected example 6b of the partnership regulations (N.J.A.C. 18:35-1.3(g)), which stated that investing in a law partnership was a personal expense.

In *Williams Termite and Pest Control, Inc. v. Director, Division of Taxation*, 18 N.J.

*Tax 444* (Tax 1999), the plaintiff-taxpayer sold extermination services with reinspection and retreatment components. The initial contract with the customer was for a treatment which was subject to sales tax under *N.J.S.A. 54:32B-3(b)(4)*. The court held that the taxpayer's reinspection fee was also subject to the sales tax when a fee was received and the pest control operator was under a contractual obligation to perform a treatment, if necessary.

In *Eiszner v. Director, Division of Taxation*, 18 *N.J. Tax* \_\_\_\_ (Tax 2000), the court held that *N.J.S.A. 54A:9-4(d)* required more than just the amount of omitted income be disclosed in the taxpayer's New Jersey gross income tax return and attachments. Since the taxpayer did not adequately disclose the nature and source of the income, the extended six-year statute of limitations applied to the Director's assessment. The court also concluded that an employee performance award was not an "employee death benefit" under *N.J.S.A. 54A:6-4b*, but rather, was in the nature of a post-employment discretionary benefit or other deferred compensation.

As such, the payment was includible in the taxpayer's gross income and taxable under the Gross Income Tax Act.

*L & L Oil Service, Inc. v. Director, Division of Taxation*, 18 *N.J. Tax* 514 (Tax 2000), held that removing waste oil, sludge and anti-freeze from storage tanks constituted the maintenance or servicing of real or tangible personal property under *N.J.S.A. 54:32B-3(b)(2)* or (4) and, therefore, was subject to sales tax. The taxpayer's use of the waste materials for processing and resale did not affect the taxability of the removal service. The court observed that statutes administered by the New Jersey Department of Environmental Protection (DEP) relating to underground storage tanks were not *in pari materia* with the Sales and Use Tax Act. Taxability under the Sales and Use Tax Act is



determined independently of those DEP statutes. Last, the court held that the taxpayer's removal services did not constitute capital improvements that could be excluded from taxation under *N.J.S.A.* 54:32B-3(b)(2) and (4).

In ***Reck v. Director, Division of Taxation***, 18 *N.J. Tax* \_\_\_\_ (Tax 2000), the court held that a partnership's contribution to a Keogh Plan for a partner is deductible when calculating the partner's distributive share of partnership income under *N.J.S.A.* 54A:5-1k. The court noted that Keogh Plan monies are taxable when they are distributed to the partner, not when they are contributed to the plan. The court also held that interest paid on a bank loan to a partner was deductible when calculating the partner's distributive share of partnership income when the terms of the loan were negotiated by the partnership, and the loan proceeds were usable only to fund the partner's capital contribution to the partnership.

***TAS Lakewood, Inc. v. Director, Division of Taxation***, 18 *N.J. Tax* \_\_\_\_ (Tax 2000), involved an action to review a deficiency assessment under the Sales and Use Tax Act. The court held, in light of the fact that taxpayer had no books or records that could be audited, the Division of Taxation justifiably relied upon federal and state tax returns filed by taxpayer to calculate the taxpayer's receipts for sales in New Jersey. The court expressed the view that uncorroborated testimony offered by the taxpayer's vice president was insufficient to rebut the presumption of correctness that attached to the Division of Taxation's determination.

In ***Cohen v. Director, Division of Taxation***, 18 *N.J. Tax* \_\_\_\_ (Tax 2000), the taxpayer's failure to file appropriate opposition papers to the Division's motion for summary judgment made it impossible for the court to give the taxpayer the benefit of all legitimate inferences. The taxpayer merely

relied upon the uncertified allegations of his complaint. Consequently, the facts in the Division's moving papers were deemed undisputed, and those facts required the court to grant summary judgment in favor of the Division.

*Nobel v. Director, Division of Motor Vehicles*, 18 N.J. Tax \_\_\_\_ (Tax 2000), held that under the Motors Fuels Use Tax Act and the regulations promulgated thereunder, the taxpayer was required to keep specific types of records of fuel purchased in New Jersey in order to receive credit for taxes paid on fuel purchased in New Jersey and used outside of the State.

In *Alpha I, Inc. v. Director, Division of Taxation*, 18 N.J. Tax \_\_\_\_ (Tax 2000), the court observed that, pursuant to N.J.S.A. 54:32B-27(b), the Division of Taxation is allowed to assess additional sales and use tax for up to four years from the date of the filing of a sales and use tax return. At the time in question, N.J.S.A. 54:32B-16 required taxpayers to maintain purchase and sale records for a period of three years. The court held that this statute did not, however, preclude the Division from assessing additional sales and use tax after that period. In the event a taxpayer discards purchase and sale records, the Division can assess sales tax based upon substitute records. In accordance with N.J.S.A. 54:32B-27(b), the Division's assessment was timely.

## APPEALS FROM TAX COURT DECISIONS.

### A. SUPREME COURT OF NEW JERSEY

During the court year, the Supreme Court was presented with twelve Tax Court cases. The Court denied certification in four cases, granted motion for leave to appeal in one case, dismissed one

case and three matters were withdrawn by the parties. The Court did not render a decision with regard to a petition for certification in one matter during the court year and rendered decisions in two Tax Court cases, *Playmates Toys, Inc. v. Director, Division of Taxation*, 316 N.J. Super. 509 (App. Div. 1998), *aff'd*, 162 N.J. 186 (1999) and *American Trucking Assocs., Inc. v. State of New Jersey*, 324 N.J. Super. 1 (App. Div. 1999), *remanded*, \_\_\_\_ N.J. \_\_\_\_ (2000).

In *Playmates Toys, Inc.*, the Division of Taxation audited Playmates' corporation business tax returns for tax years 1989 through 1992 and issued a notice of assessment stating that the amount of \$24,893 was due the State, but that Playmates had made overpayments of \$88,356. The amount owed to the State was offset leaving a balance of overpayments by Playmates of \$63,463. Playmates was advised that the \$63,463 was not available for refund because it was beyond the applicable statutory period for a refund at that time (then 2 years - it is now 4 years under the Taxpayers' Bill of Rights, N.J.S.A. 54:49-14).

Playmates filed a protest with the Conference and Appeals Branch of the Division and separately claimed a refund with the Corporation Business Tax Refund Section of the Division. These were filed at the same time but without reference to each other. The Refund Section paid the claimed refund of \$63,463. The Conference and Appeals Branch, after learning of the mistakenly paid refund, issued a final determination upholding the original notice of assessment which provided that it was too late for Playmates to claim the refund and directed Playmates to return the \$63,463.

In both the Tax Court and Appellate Division, Playmates, although conceding that the claim for refund was filed beyond the statute of limitations, contended that the Director could not recover the refund payment once it was disbursed because there was no statutory authority permitting it. The Tax

Court held that the Director had the inherent authority to recover a mistaken disbursement even though there was no express statutory power to recoup funds disbursed in error. The Appellate Division agreed. The Supreme Court affirmed the judgment of the Appellate Division substantially for the reasons stated by the Appellate Division. The Court, however, added a proviso that its judgment did not confer on the Division of Taxation unlimited inherent authority to correct and revise erroneous tax determinations once made (a concept which the Appellate Division apparently adopted in its opinion). Given that the Division of Taxation had earlier determined that the taxpayer was not entitled to a refund, and had communicated this to the taxpayer, the recovery of the funds in this case was more akin to the correction of a clerical error than the correction of an error in judgment.

In *American Trucking Assocs., Inc. v. State of New Jersey*, the Tax Court, in an oral opinion on cross motions for partial summary judgment, held that hazardous waste transporter registration fees, authorized by *N.J.S.A. 13:1E-18* of the Solid Waste Management Act, *N.J.S.A. 13:1E-1 to -207*, and regulations adopted by the Department of Environmental Protection to register and track vehicles that collect or deliver hazardous waste in New Jersey, constituted a burden upon interstate commerce in violation of the Commerce Clause, *U.S. Const.*, art. I, § 8, cl. 3.

The Appellate Division rejected the conclusion of the Tax Court on constitutional grounds as premature. The Appellate Division observed that Congress had enacted the Hazardous Materials Transportation Act and denominated the United States Department of Transportation as the appropriate agency to resolve an issue of whether a state fee unreasonably burdens interstate commerce in its consideration of the fairness of a regulatory fee. It was the view of the Appellate Division that a determination by the United States Department of Transportation would render

unnecessary a decision on a constitutional question. Therefore, the Appellate Division directed the State to apply to the United States Department of Transportation for a ruling as to the fairness of the registration fees required by regulations adopted by the New Jersey Department of Environmental Protection.

Both parties sought leave to appeal the judgment of the Appellate Division, which was granted by the Supreme Court. 162 *N.J.* 124 (1999). On June 20, 2000, the Supreme Court concluded that it should await the presentation of a well-developed record before it determines the proper role of the United States Department of Transportation under the provisions of the Hazardous Materials Transportation Act and the Hazardous Materials Transportation Uniform Safety Act of 1990. The Court remanded the matter to the Tax Court for a plenary hearing on the allegedly discriminatory economic impact of the hazardous waste transporter fees.

#### B. APPELLATE DIVISION OF THE SUPERIOR COURT.

During the court year, appeals were filed with the Appellate Division of the Superior Court from 45 Tax Court decisions. The numbers of Tax Court cases appealed to the Appellate Division over the past twenty-one years are:

1979-1980	11
1980-1981	53
1981-1982	92
1982-1983	84
1983-1984	56
1984-1985	65
1985-1986	51
1986-1987	49
1987-1988	48
1988-1989	44
1989-1990	32
1990-1991	40
1991-1992	49
1992-1993	43
1993-1994	67
1994-1995	84
1995-1996	79
1996-1997	53
1997-1998	71
1998-1999	58
1999-2000	45

During the court year, decisions were rendered by the Appellate Division in 70 Tax

Court cases. The Appellate Division took the following actions:

Affirmed	50
Dismissed	11
Reversed & Remanded	3
Reversed	4
Motion for leave to appeal denied	1
Modified & Remanded	1
Total Dispositions	70

#### PUBLICATION OF TAX COURT OPINIONS.

One of the original objectives of the Tax Court was the creation of “a consistent, uniform body of tax law for the guidance of taxpayers and tax administrators, in order to promote predictability in tax law and its application.” This has been, and continues to be, accomplished through the publication of Tax Court opinions. West Publishing Company publishes the opinions of the Tax Court in the *New Jersey Tax Court Reports* and issues bimonthly advance sheets prior to the publication of these reports. Volume 18 of the *New Jersey Tax Court Reports* will be published in the Fall of 2000.

The *New Jersey Tax Court Reports* contain state and local property tax opinions, as well as Appellate Division opinions that usually are not published in the Superior Court Reports but decide appeals from Tax Court decisions. The Appellate Division decisions are, therefore, normally published in the *New Jersey Tax Court Reports* to complete the record.

Summaries of opinions approved for publication are published in the *New Jersey Law Journal*

and the *New Jersey Lawyer*. “Slip” opinions (those opinions that have been approved for publication but have not appeared in the advance sheets) are produced and made available by the Tax Court Management Office to the tax bar, tax administrators, tax professionals and any other individuals expressing an interest in Tax Court opinions.

In addition to the publication of Tax Court opinions in the *New Jersey Tax Court Reports*, Tax Court opinions are available on the Internet home pages of the state Judiciary and the Rutgers-Camden Law School. These opinions can be accessed at <http://www-camlaw.rutgers.edu> or <http://www.judiciary.state.nj.us> and can be read online or downloaded in a word-processing format. At present, users have to search for opinions by means of the names of cases, key words or phrases. It is anticipated, however, that eventually opinions will be grouped and made available by court and date of release.

#### RECOMMENDATIONS FOR LEGISLATIVE CHANGES.

The court's experience with taxpayers, tax attorneys and tax administrators has revealed areas in which the state and local property tax review system can be improved with certain legislative changes.

Recommendations for legislative changes have been made by the Supreme Court Committee on the Tax Court in its biennial report for the 1998-1999 and 1999-2000 court years. One of the more significant legislative changes recommended by the Committee is the proposed amendment to *N.J.S.A.*



54:3-21 to expand the direct appeal jurisdiction of the Tax Court to include all commercial properties, industrial properties or apartments designed for the use of five families or more (referred to as “class 4 properties” based upon classifications set forth in *N.J.A.C. 18:12-2.2*), without regard to the assessed value of the property. The current version of *N.J.S.A. 54:3-21* only permits a direct appeal to the Tax Court if the assessed valuation of a property exceeds \$750,000. At present, if the assessed valuation does not exceed \$750,000, a taxpayer must first bring an appeal to a county board of taxation.

Many local property tax practitioners have advanced the position that tax appeals involving class 4 properties often involve complex issues that inevitably reach the Tax Court for review and disposition. In complex cases involving class 4 properties, these tax practitioners are of the view that taxpayers should have the choice of bypassing the county board level by filing a complaint directly with the Tax Court. The Committee agrees with this view and believes that taxpayers should have the option to bring a class 4 property tax appeal directly to the Tax Court and thereby avoid the time and expense associated with an appeal to the county board of taxation.

I join the Supreme Court Committee on the Tax Court in recommending this proposal for the amendment of *N.J.S.A. 54:3-21*.

The Committee has also voiced its opposition to a number of legislative bills presently pending in the Assembly. These include: (1) *Assembly Bill 537*, which seeks to limit local property tax appeals if an appeal was filed in the previous three tax years, unless the assessed value has increased by ten percent or more; (2) *Assembly Bill 1050*, which requires a taxpayer appealing a local property tax assessment over \$750,000 to file a tax appeal along with a professional appraisal on or before March 1; (3) *Assembly Bill 3066*, which, among a number of provisions, proposes to prevent judges of the

Tax Court from substituting their own opinion of value for the opinion of an expert witness without justifying the court's valuation process.

I agree with the stated position of the Supreme Court Committee on the Tax Court with respect to its opposition to these pending bills.

RECOMMENDATION FOR  
TECHNOLOGICAL CHANGE.

During the 1997-1998 court year the Tax Court Management Office, with the technical assistance of the Information Systems Division of the Administrative Office of the Courts, implemented a technical conversion of the Tax Court's computer system from an inefficient DBASE 3, CLIPPER PC application to a SYBASE PC client-server application to accommodate the data processing needs of the Tax Court at that time. A variety of positive enhancements relating to such matters as data entry, table additions, edits and prompts, have been added to the system since that time, all with a view toward improving the quality of case processing.

The Tax Court's computer system, at present, offers up-to-date computer technology, permits detailed analyses of case data and provides a sound foundation for the establishment of electronic filing in the court. Specifically, the current objective is to move the Tax Court from a "paper" world to one that is entirely "paperless" or electronic.

We, in the Tax Court, view electronic filing as a major step forward in our continuing efforts to provide more and better service to the tax community. Some of the benefits that can be derived from an electronic filing program in the Tax Court would be: (1) the reduction of the receipt, storage and

manipulation of paper work, filing costs and movement of physical case files, and (2) the ability to provide taxpayers, county tax administrators, tax assessors, tax collectors and tax practitioners with immediate access, by means of the Internet, to all filings and dispositions in the court. With respect to municipal officials, this data would facilitate the process of preparing and approving budget requirements by local governing bodies. In addition, electronic filing would reduce data processing time and better serve taxpayers in general. Most important, however, electronic filing would permit immediate access to: filing information, the Tax Court's docket and calendars, case status, and also would provide immediate transmission of court notices and judgments.

During the past court year, the Tax Court entered the first phase of an electronic filing project- the identification of the needs or requirements of the Tax Court to establish electronic filing and a more or less rough estimate of the costs necessary to implement electronic filing. The Oracle Corporation was engaged to develop, in concert with the Information Systems Division and the Tax Court Management Office, the requirements for electronic filing, along with a cost estimate. In September 1999, the Oracle Corporation submitted its report to the Tax Court in which it detailed the requirements for electronic filing and presented a rough cost estimate of \$3,201,170 to complete the project. The Tax Court Administrator in her review of the Oracle report has, however, expressed the opinion that the project can be completed for approximately one-third of the Oracle Corporation's projected cost. The issue now is whether the benefits to be derived from electronic filing in the Tax Court justify the costs to be incurred. In the opinion of the Presiding Judge and the Tax Court Administrator the answer is definitely affirmative and it is strongly recommended that the Administrative Office of the Courts provide the necessary funding to bring electronic filing to the court.

CONCLUSION.

The overall mission of the Tax Court over the past twenty-one years, to provide prompt and impartial hearings and dispositions of tax disputes, has remained steadfast and unyielding.

The Tax Court judges, the Tax Court Administrator and their staffs have worked diligently and efficiently throughout the past court year to accomplish that mission. Their efforts have been efficient and of very high quality. What is most important is that the original objectives of the court have been largely achieved. I am satisfied that the public has been well served because the court has contributed, in large measure, to the efficient administration of the tax laws of the State. Moreover, the work of the court has substantially aided taxpayers, tax practitioners and tax administrators by contributing to the development of a consistent body of tax law for their guidance. The court is committed to a continuation of the high quality of service it renders to the citizens of the State of New Jersey.

Michael A. Andrew, Jr.  
Presiding Judge of the  
Tax Court of New Jersey

Dated: July 26, 2000

APPENDIX.

ANNUAL REPORT OF THE  
PRESIDING JUDGE OF THE TAX COURT OF NEW JERSEY  
FOR THE COURT YEAR ENDED JUNE 30, 2000.

	<u>Page No.</u>
Tax Court cases pending, filed and disposed	1a
Character of complaints filed	1b
Breakdown by county of local property tax complaint filings by court year	1c
Summary of Tax Court action in review of local property tax complaints	1d

Tax Court of New Jersey

July 1, 1999 - June 30, 2000

A. Tax Court cases pending, filed and disposed:

	Local Property Tax	State Tax	Equali-zation & related	Totals
1. Cases pending as of first day of period	8,729	340	0	9,069
2. New cases filed during period	5,144	238	4	5,386
Subtotal	13,873	578	4	14,455
3. Cases disposed	6,510	188	4	6,702
4. Pending as of last day of period	7,363	390	0	7,753

1a

B. Character of complaints filed

1. Local property tax

Regular	2,774	
Small claims	<u>2,370</u>	
		5,144

2. Cases other than local property tax

a. State tax

Regular	98	
Small claims	<u>140</u>	
		238

Type of tax

Alcoholic Beverage	1
Atlantic City Luxury	1
Cigarette	1
Corporation Business	37
Disabled Veteran's Refund	6
Gross Income	54
Gross Receipts	1
Homestead Tax Rebate	101
Inheritance	6
Litter Control	1
Miscellaneous	12
Railroad Franchise	1
Sales and Use	14
Superior Court transfers	2

b. Equalization and related

Table of equalized valuation (school aid)	<u>4</u>
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5,386

1b

## C. Breakdown by county of local property tax complaint filings for court years ended:

	6/30/94	6/30/95	6/30/96	6/30/97	6/30/98	6/30/99	6/30/00
Atlantic	633	543	229	219	168	130	451
Bergen	2,801	2,994	1,799	1,456	1,457	1,219	867
Burlington	113	147	101	88	55	82	53
Camden	189	131	129	166	114	86	64
Cape May	135	518	94	74	44	21	23
Cumberland	26	17	21	18	22	13	14
Essex	1,584	1,737	1,082	1,973	1,138	1,094	809
Gloucester	96	93	102	57	58	55	49
Hudson	2,302	1,482	1,653	1,281	977	842	606
Hunterdon	58	41	50	54	42	50	36
Mercer	220	214	184	164	84	91	68
Middlesex	1,032	783	863	710	513	298	226
Monmouth	1,231	911	525	332	243	199	171
Morris	734	536	499	320	363	441	382
Ocean	467	361	195	267	146	82	91
Passaic	1,228	783	759	712	613	735	583
Salem	24	31	20	26	11	11	7
Somerset	266	294	141	115	108	72	111
Sussex	244	86	72	48	63	77	46
Union	835	747	639	513	504	417	428



Warren	0	43	54	33	46	38	59
TOTALS	14,218*	12,492*	9,211*	7,726	6,769	6,053	5,144

\* This figure does not include added assessment, omitted assessment, farmland assessment or correction of error complaints which approximated 100 filings a year.

1c

Summary of Tax Court Action  
in Review of Local Property Tax Assessments

July 1, 1999 - June 30, 2000

Total Assessments on Direct Appeal Complaints reviewed by Tax Court	\$13,721,550,815
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Total Assessments as determined by County Tax Board judgments reviewed by Tax Court	\$ 1,676,026,052
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Total Assessments for Correction of Errors reviewed by the Tax Court	<u>\$ 16,011,000</u>
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Total Local Property Assessments Reviewed	<u><b>\$15,413,587,867</b></u>
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1d