

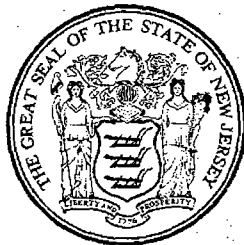
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The Property Tax

REPORT

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NEW JERSEY
TAX POLICY
COMMITTEE

The Report Consists of the Following Volumes

SUMMARY

**Part I THE REVENUE GAP AND DISTRIBUTION
OF THE TAX BURDEN**

Part II THE PROPERTY TAX

Part III SERVICE LEVELS AND STATE AID

**Part IV TRENDS IN CAPITAL NEEDS AND
DEBIT BURDENS**

**Part V NON-PROPERTY TAXES IN A FAIR AND
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Part II
of the Report of the
NEW JERSEY TAX POLICY COMMITTEE

The Property Tax

Submitted to Governor William T. Cahill
pursuant to Executive Order No. 5 of 1970

The report consists of
five separate parts and
a summary volume

TRENTON, NEW JERSEY

February 23, 1972

NEW JERSEY TAX POLICY COMMITTEE

(appointed by the Governor pursuant to Executive Order No. 5 of 1970)

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Table of Contents

	Page
Synopsis of Part II	1
Chapter I: HISTORY AND SCOPE	4
Chapter II: THE BURDEN OF THE PROPERTY TAX	9
Interstate Comparisons	10
Chapter III: WHO PAYS THE PROPERTY TAX?	13
By Class of Property	13
By Income Group	17
Chapter IV: COLLATERAL EFFECTS	19
Chapter V: WHAT ROLE FOR THE PROPERTY TAX IN STATE-LOCAL FINANCE IN NEW JERSEY?	22
Chapter VI: ADJUSTMENTS IN THE BASE	26
Classification	26
Site Value Taxation	28
Taxation of Land Value increases	29
Chapter VII: TAX EXEMPT PROPERTY	30
New Jersey Statistics	31
Alternatives to the Present System	34
Veterans' Exemptions	36
Farmland Assessment	37
Housing Abatements	40
Chapter VIII: SENIOR CITIZENS	42
Chapter IX: PROPERTY TAX LIMITS	47
The Operating Effect of Limits	47
Design of a Tax Limit for New Jersey	51
Local Non-Property Taxes	53
Chapter X: ADMINISTRATION	57
Regressivity	58
An Improvement Program	64
Appendix	66

LIST OF TABLES

	Page
Table 2- 1 Projections of the Property Tax Base in New Jersey By County, 1975 and 1980	7
Table 2- 2 Projected Property Tax Requirements Assuming Tax Rate Permitted to Rise and 4% Inflation	7
Table 2- 3 Equivalent Full Value Property Tax Rates, New Homes and Existing Homes	10
Table 2- 4 Real Estate Taxes Related to Family Income, New Homes and Existing Homes	11
Table 2- 5 State By State Comparison of the Average Value of "Middle Income" Homes and Average Property Tax Burden	12
Table 2- 6 New Jersey Property Tax Change 1970-71 by Class of Property	13
Table 2- 7A New Jersey General Property Tax in 1971 by Class of Property and by County	14
Table 2- 7B Property Taxes in New Jersey Counties by Purpose of Tax—1971	15
Table 2- 8 Property Tax in 20 Largest New Jersey Municipalities by Purpose of Tax—1971	16
Table 2- 9 Property Tax in New Jersey, Effective Tax Rates on Income by Income Class, 1970	17
Table 2-10 Comparative Tax Yields, Assessed Valuation by Building Residual Technique	20
Table 2-11 Property Taxes as % of State and Local Taxes, Fiscal Year 1970	23
Table 2-12 State of New Jersey, State Summary of 1971 Exempt Property	32
Table 2-13 State of New Jersey, Exempt Property (All Owners) as a Percent of Total Taxable and Exempt Property by Counties	32
Table 2-14 Payments in Lieu of Taxes to Municipalities, Fiscal Year Ending June 30, 1970, New Jersey State Summary by Counties	35
Table 2-15 New Jersey Farm Real Estate Taxes in 1971 by Class of Property and by County	38

LIST OF TABLES

[Continued]

	Page
Table 2-15A Reasons for Selling Land, Participants and Nonparticipants, Farmland Assessment Act, New Jersey, 1967	39
Table 2-15B Reasons for Not Selling After Receiving Offers to Buy Their Land, Participants and Nonparticipants, Farmland Assessment Act, New Jersey, 1967	39
Table 2-16 Shifting of Tax Burden by Selected Tax Abated Housing Projects	41
Table 2-17 Senior Citizen Tax Relief Systems, Tabulation and Comparison of Credits Among the States	43
Table 2-18 Classification of Tax Limitations by the Advisory Commission on Intergovernmental Relations, By State, 1962	48
Table 2-19 Increases in Property Taxation 1957-1967, United States, Relationship to Stringency of Property Tax Limits	48
Table 2-20 Increases in State and Local Government Revenue, Total Taxes, and Property Taxes, United States 1942-1957, Relationship to Stringency of Property Tax Limits	49
Table 2-21 Comparative Use of Property Taxes, United States 1967 and 1969	50
Table 2-22 Effective Tax Rates in New Jersey Counties to Determine Feasible Property Tax Limitation Rate, Calendar Year 1970	52
Table 2-23 State of New Jersey, Relation of Debt Service to Total Expenditures, New Jersey Municipalities and Counties	53
Table 2-24 State of New Jersey, Municipal Tax Rates to Determine Possible Municipal Property Tax Limitation Rates	54
Table 2-25 Tabulation of Estimated Yields from Local Sales Taxes and Local Income Taxes by County and Relationship to Property Tax Collections	56
Table 2-26 State Summary of Coefficients of Variations Found at Selected Effective Tax Rate Intervals, 1970	59
Table 2-27 Average Statewide Coefficients of Variation, 1967 through 1970	61
Table 2-28 Regressivity Coefficient Count (1970)	63

LIST OF CHARTS

	Page
Chart 2-1 Trends in Property Taxes Levied by Purpose, Amount Per Capita and % of Income Received in New Jersey—1940-1971	6
Chart 2-2 State of New Jersey, Trend of Full Valuation Taxable—1960-1980	8
Chart 2-3 State of New Jersey, Trend of Property Tax Needed—1960-1980	8
Chart 2-4 State of New Jersey, Effective Property Tax "Rates" by Income Class, 1970	18
Chart 2-5 State of New Jersey, Senior Citizen Tax Relief in Relation to Income and Local Tax Rate	46

APPENDIX TABLES

Table A-1 Trend of Tax Rate Increases by County and Municipality Ranked According to Effective Tax Rate (1960-1970) (available on request)	
Table A-2 State of New Jersey, Ranking of 567 Municipalities According to Percentage of Industrial and Commercial Assessed Valuations (Classes 4a and 4b); and Comparison with Residential (Class 2) and Industrial (Class 4a) Property	66
Table A-3 State of New Jersey, Comparison of Rankings of 567 Municipalities by Effective Tax Rates (1971) and by Percentage of Industrial and Commercial Assessed Valuations (1970)	76
Table A-4 State of New Jersey, Exempt Property in Acres and Dollars by Owner and as a Percentage of Total Taxable and Exempt Property, by Counties, 1971	86
Table A-5 New Jersey Municipalities with State Owned Property Values in Excess of 1% of the Real Property Valuations Including Both Exempt and Taxable	108
Table A-6 State of New Jersey, Municipally-Owned Tax Exempt Vacant Land by Counties, 1971	111
Table A-7 Effect of Tax Rate Limits in 29 Cities in State of New York, 1950-1969	112
Table A-8 State of New Jersey, Coefficients of Variation and Regressivity by Property Class in 1970	113
Table A-9 Selected Coefficients of Regressivity at Most Frequent Sales Price Range (RHO) and for Median Price Levels Below (RHO-Lo) and Above (RHO-Hi)	123
Graphic Presentation—Scatter Diagrams for Selected Municipalities Showing RHO Values and Coefficients of Variation	124

NEW JERSEY TAX POLICY COMMITTEE

Report: Part II

The Property Tax

Synopsis of Part II

The main thrust of the entire Report is massive relief of the property tax, and this part supports that goal with facts and figures, and with recommendations to assure that the relief once provided will be secure. The Report underscores that the property tax is not a single property tax but rather 567 different property taxes—one for each municipality in the State.

Trends in the Tax Base and Burden

In 1955 the property tax in New Jersey amounted to the equivalent of 4% of all personal income received in the State, whereas in 1970 it approached 6%—a 50% increase in relative burden. The outlook for 1980 is discouraging.

With a tax base in 1980 of \$98.1 billion including a 4% annual rate of inflation, or a tax base of \$93.1 billion with a 3% rate, if the present State tax and fiscal system were unchanged, the demands upon the property tax base would require an average effective tax rate in 1980 of \$4.42 (4% inflation) or \$3.98 (3% inflation) per hundred dollars of true value.

What has happened is that a house valued at \$10,000 in 1960 became worth \$22,000 by 1970 and its projected value with inflation would be \$30-\$32,000 in 1980. This growth in value, together with the projected rise in effective tax rate, means that the house which paid \$343.00 in tax in 1960 may be expected to be assessed from \$1,200.00 to \$1,430.00 in tax for 1980.

The Comparative Burden

New Jersey has long been a high property tax State. It collects from the property tax a greater percentage of total state and local taxes than all but three states. Its property taxes per capita in 1970 were higher than in any other state, except California and Massachusetts and only those two states among all industrial states ranked higher than New Jersey in property taxes per \$1,000 of income payments received in the State. In

terms of the actual burden on typical homeowners, New Jersey ranked second highest in the nation in property tax on new homes and third highest in the nation on existing home, upon the basis of comparative data developed from FHA mortgage financing experience.

Who Pays the Property Tax?

The Report concludes that it is impractical to generalize as to who pays the property tax statewide—it depends in each municipality on its own percentage distribution of tax ratables and its official standard of living for schools and other purposes. However, by combining all municipalities in the State, data compiled by the Division of Taxation shows that business real estate paid 32.66% of total property tax collections in 1971 and residential real estate paid 59.65%, with the balance distributed among other classes of property. This distribution varies substantially among the different counties and municipalities. A distribution of the property tax by income classes is also included in the Report. This distribution assumes that the tax is passed on from owners to tenants, and shows that the burden of the tax amounts to 14.6% on income of families with incomes under \$3,000, declining to 3.3% on income of families with incomes of over \$25,000. The Report concludes:

The burden of the property tax is excessive as compared with other states; and it is regressive in its effect in relation to income of property owners; but specific counties and municipalities differ widely in the burden and impact of the property tax.

Collateral Effects

The Report reviews three major harmful collateral effects of the property tax. These include impairment of environmental quality generally, especially through "fiscal zoning", inducement to a premature spreading

Consultants and staff for this part:

Dick Netzer, Dean of the Graduate School of Public Administration, New York University;

James A. Arnold, Jr., Chief of Research Section, Division of Taxation and members of his staff;

Laurence H. Falk, Rutgers Bureau of Economic Research, for regressivity studies; and

William Miller, Staff Director, assisted by Allen D. Porter, Henry J. Frank, and other members of the Staff.

out of development, reduced property values, and a very adverse effect on housing and urban development. The recommendations of the Report are directed toward the elimination of these harmful side effects of excessive property taxation.

The Role of the Property Tax in State-Local Finance

The Committee has concluded that the property tax, for reasons both fiscal and governmental, must be retained as a significant source of local revenues to support local government. *The Committee nevertheless urges the goal of reduction of the total property tax collected by one-half, in 1971 terms.*

The Committee recommends:

Massive reduction in the burden of the property tax, as a basic policy, accompanied by every possible improvement in the structure of the tax and its administration. Such a reduction will in itself cause property values to increase and thus further insure reduced property tax rates throughout the State.

The Committee further recommends:

The State should implement a policy of depending upon the property tax for approximately one-third of total State and local taxes in any future year.

This will achieve the goal of massive reduction in property taxation, and will serve as the keystone of the balanced tax structure proposed in Part V of this Report.

Any such massive shift in tax burden would have varying effects among the municipalities. It would also require replacement taxes on the State level and the invention of appropriate ways of returning the revenue to 567 local governments—if the delivery of municipal services is to remain a local responsibility. Part III of the Report dealing with service levels contains proposals to provide for such distribution of State collected revenue and to assure local control of local services.

In 1970, the average State relied upon property taxes for 39.25% of all State and local taxes. In the same year, the New Jersey percentage was 54.08%. Under the Committee's recommendation New Jersey would drop from a rank of *fourth to thirty-fourth* in the 1970 ranking of states according to percentage of property tax reliance.

Adjustments in the Base

Following a detailed review of various possible adjustments in the real property tax base, the Committee makes two recommendations; one against real property classification for tax purposes and the other to permit site value taxation as an option for urban centers.

The Committee recommends:

That no program should be considered which would classify real property for local taxation, or further reduce the property tax base or distort its use to distribute the local tax burden. The massive reduction in overall property tax burden proposed by the Committee is intended to provide basic correction of the causes of pressure for further exemptions or subsidies for housing investment; and the income taxes recommended by the Committee will deal equitably with owners of income-producing property.

The Committee further recommends:

An option to the principal urbanized cities only to change the property tax base to a system of site value taxation, under which land is assessed at full value and improvements at one-half full value.

Tax Exempt Property

The Committee Report devotes much attention to the problems of tax exempt property. It points out that the exemption of any property serves to shift the burden of taxation from the exempt property to the remaining property owners who are taxable.

The Committee recommends:

County-owned property should be taxable for municipal purposes—with certain exceptions;

State-owned property shall be taxable for both county and municipal purposes—with certain exceptions;

Exemptions for religious, charitable, educational and cemetery uses, as protected by the Constitution, should be retained. All other property tax exemptions should be submitted by the Legislature to a statewide referendum to determine whether they should be continued.

The present veterans' exemption should be repealed.

The Farmland Assessment Act should be tightened up to limit eligibility to true farmers, to increase the rollback to five years and to eliminate the possibility of its use by land speculators.

Senior Citizens

The Report reviews the problems of the senior citizens, and the operation and effect of the existing exemption provision under the Constitution. It recommends a major revision, which would require a constitutional amendment, of the special benefits for senior citizens.

The Committee recommends:

A senior citizens property tax relief program to replace the present program as follows:

1. Delete the present \$5,000 eligibility requirements and replace it with a formula which will in effect allow basic benefits with income up to \$7,100, as in item (3) below;

2. Restore income from whatever source derived to the definition of included income;

3. Allow each senior citizen a property tax credit against his income tax or a rebate equal to the amount of property tax paid or \$500, whichever is less, minus 7% of the senior citizens' gross income, including income of the title holder's spouse living in the same dwelling;

4. Adjust the \$500 upward or downward as the equalized tax rate of his municipality is greater or less than the median tax rate in the State, according to a prescribed formula;

5. Include renters in the tax abatements program by considering 25% of rent paid as property tax;

6. The entire program shall be State financed and State administered.

Property Tax Limitation

One of the major purposes of the recommendations is to assure that once property taxes are relieved that the relief will be lasting. In a chapter on property tax limits, this part reviews the experience of other states, and the needs of New Jersey.

In view of net reductions in real estate tax of \$863.0 million proposed by the Committee, the Report recommends ceilings on the power of local governments to levy property taxes.

The Committee recommends:

In summary, the tax rate limits, in relation to equalized valuation taxable, as determined by a three year average, shall be stated as follows:

For county purposes—\$.50 per hundred exclusive of debt service;

For municipal purposes—\$1.50 per hundred exclusive of debt service and reserve for uncollected taxes;

For school purposes—as voted only, except for debt service and the tax rate equivalent required to finance per pupil amounts budgeted for 1972-73 after allowance for State and Federal funds received;

Extra voted levies—in order to provide some flexibility, the stated limited for county and municipal purposes may be exceeded by vote of the people at a referendum, provided no annual increase may exceed 10% of the preceding year's effective tax rate.

Local non-property taxes—the delegation by the State of non-property taxing power is one way of protecting the integrity of property tax limits, but

there are also serious disadvantages to such an alternative.

The Committee does not recommend that the State delegate local non-property taxing power to counties or municipalities.

Administration and Equalization

In order to test the equality of assessments under present administrative provisions, the Committee employed a computerized analysis of 73,050 useable sales of realty during the five years 1966-1970. The Report finds that assessments in some municipalities have been fair and equitable, but in most municipalities the data disclosed three types of inequities of serious proportions:

1. The assessments on properties of like value in the municipality varied widely—technically, this is described as an excessive coefficient of variation;

2. The average assessment ratio on properties of different classes within the same municipality showed a pattern of discrimination against commercial and industrial property in assessing practice, which is one of the unhealthy side effects of the presently excessive burden of property taxation; and

3. Individual parcels of property of high value tended to be assessed at a lower percentage of value than parcels of low value—this is described as regressivity in assessment practice.

The Report concludes that:

New Jersey is ready for the next phase in the strengthening of the assessment process. It should include basic structural, procedural and substantive improvements to insure greater uniformity and equity in the distribution of the tax burden.

The Report includes specific recommendations for a wide range of improvements in the organization and administration of the assessment process (pages 65-66).

Finally, the net effect of the various recommendations contained in the Report (Parts II and III) for reduction in the property tax burden, may be summarized as follows:

	<i>1971 Estimate in millions</i>
<i>Transfer of costs:</i>	
1) Welfare costs	\$ 75.0
2) Senior citizens relief	12.2
3) Veterans' deduction	22.3
4) County costs of judiciary (net)	30.0
5) County tax board costs	1.5
<i>Additional Aid Programs:</i>	
State payments on tax exempt property	13.5
Municipal block grant (net)	75.0
State financing of basic school program and aid for local school leeway expenditures (Net increase over present aid)	607.9
<i>Total reductions in property tax</i>	<i>837.4</i>
Additional property tax relief to senior citizens	25.6
<i>Net reductions in property tax</i>	<i>\$863.0</i>

Chapter I

History and Scope

The property tax has long been the mainstay of local government in New Jersey as well as in other states. Its history in this state was fully recounted by the Commission on State Tax Policy in its *Sixth Report*, subtitled *The General Property Tax, A Century of Inequities* (1953). The highlights of that history, as then told, include the following:¹

"The origins of the general property tax may be said to go back to Colonial days. Berkeley and Carteret originally specified that the Assembly of the Province was to have the power

'to lay equal taxes and assessments, equally to raise Moneys or Goods upon all Lands (except the Lands of us the Lords Proprietors before settling,) or persons within the several precincts, Hundreds, Parishes, Manors or whatsoever other Divisions shall hereafter be made and established in the said province, as oft as necessity shall require, and in such manner as to them shall seem most equal and easy for said Inhabitants; in order to the better supporting of the public charge of the said Government . . .'

Throughout the colonial period and into the nineteenth century, land, buildings and livestock were subject to taxation for the support of local government. It was not until 1851, however, that New Jersey had a truly general local property tax. In that year, Governor Daniel Haines in his message to the Legislature (January 15, 1851) declared:¹

"Although no tax is now levied for state purposes, it is impossible to foresee how soon it may be deemed the best policy to do so; and at this time large sums of money are so levied and raised for township, county and educational purposes. The burden whether great or small, shall be borne as equally as possible by all; and no proposition of political economy can be more obvious or just, than that every one should contribute towards the support of the government in proportion to the amount of his property protected by it. The passage of a law equalizing taxation seems to be imperatively demanded by the people, and I respectfully but earnestly commend it to your early consideration, and prompt and efficient action."

Following this message, the Legislature adopted the first general property tax, and all real and personal property (including intangibles) was required by law to

be taxed "upon an equal ratio according to actual value." (P.L. 1851, p. 273). From the beginning the tax has been primarily to support the general purposes of local government, and came to be used only for special purposes by the State government.

The State government did not levy any property tax when the 1851 law was enacted, because of the development of non-property tax revenues. During most of the nineteenth century, the revenue the State received from the railroads, banks and insurance companies, by virtue of New Jersey's favorable geographic position, was adequate to meet all State government needs. By the end of the nineteenth century, however, public expenditures began to increase to a point where State excise tax revenue no longer sufficed. The Railroad Tax Act of 1884, however, provided a stable source of State revenues (from a State property tax on the "main stem"), and it was not until the turn of the century that State government began to turn away from the railroad property tax toward the newer excise taxes.

Beginning in 1871, a State school tax, then levied at the rate of two mills on each dollar of assessed valuation in the State, was assessed on local property and turned over to the State only to be reapportioned to the local school districts. For 76 years, the State government continued to levy an annual property tax for this purpose, and at various times added similar levies to cover the cost of roads, bridges, tunnels, State institutions and a soldier's bonus. In 1947, with the repeal of the State school tax, the State completely withdrew from the use of the property tax.

Recent decades have seen a movement away from a general property tax. In 1945, intangibles were removed from the tax base, and this started a series of major legislative events which have since narrowed the tax down to a levy on real estate only plus certain personal property of telephone companies. In addition, a growing list of exemptions and abatements has further restricted the tax base and thus transferred part of the common burden to the owners of property which remained taxable.

New Jersey's experience with the property tax points up five developments which should be important in shaping the future of the tax:

¹ Sixth Report, cited in text, pp. 3, 6.

1. Historically, the property tax was designed to support State as well as local government; it was originally light in requirements and simple in form—so simple that it was assumed that anyone could administer the tax;

2. It was not until the middle of the nineteenth century that the idea of a general property tax took shape in the taxing laws, but the Statute did not recognize the complexities of ownership and form that property assumes under an industrialized economy;

3. As municipal services grew in scope and cost, the tax came to be imposed solely for local purposes, and its burden grew heavier, but the notion of a simple tax persisted;

4. The subsequent development of the tax and increase of its burden are marked by a patchwork response to particular evils as they were noticed over the years, but the basic structure of the tax as it exists today still has many of the hallmarks of the simple notions which gave it form and substance a century ago;

5. The gradual breakdown of the tax, as a fair and equitable method of apportioning the burden of the cost of government, has been declared repeatedly over the past twenty-five years and has motivated the adoption of new taxes and changes in the administrative machinery of the property tax; but excessive local tax rates—which in many cases destroy the very values they seek to tax—remain as the key problem in State and local finance in New Jersey.

Trends in the Base and Tax Levy

The property tax in New Jersey, as in other States, long has been the mainstay of local finance, and even now it is the source of more than half of all State and local taxes collected in the State. It has produced a

sharply increasing yield from a combination of annual increases in the tax rate levied by the various local governments together with a constant growth in the tax base. The trends of tax levy and burdens, per capita and as a percent of economic income, are shown in Chart 2-1. New construction and economic growth in the value of property, as well as increased tax rates, has provided much of the increased yield.

The tax base—or true value of real property—has had a remarkably uniform rate of growth in values in all of the counties, over the past 15 years. Based upon these historical trends a projection of the tax base for 1975 and 1980 including annual inflation rates of 3% and 4% is shown in Table 2-1.²

Inflation affects not only the tax base but also the property tax need. As shown in Table 2-2, the projection of expenditures and non-property tax revenues results in a net property tax need of \$4.330 billion in 1980, assuming an annual rate of inflation of 4%.³ If national fiscal and monetary policies and price-wage controls fail to restrain inflation within these limits, i.e. if we return to annual inflation rates of the past 5 years, the effect on the property tax burden will be correspondingly heavier. See Charts 2-2 and 2-3.

With a tax base in 1980 of \$98.1 billion including a 4% annual rate of inflation, or a tax base of \$93.1 billion with a 3% rate, if the present State tax and fiscal system were unchanged, the demands upon the property tax base would require an average effective tax rate in 1980 of \$4.42 (4% inflation) or \$3.98 (3% inflation) per hundred dollars of true value.

What these increases in effective tax rates mean to a typical owner of a home valued at \$10,000 in 1960 is striking:

Year	Assessed Value	Effective Tax Rate	Tax Bill	% Increase
1960	\$10,000	3.43	\$ 343	
1970	22,000	3.55	781	127.7% over 1960
1980				
3% inflation	30,360	3.98	1,208	54.7% over 1970
4% inflation	32,500	4.40	1,430	83.0% over 1970

Thus the basic cruelty in excessive property taxation is that it assesses a constantly rising rate on unrealized appreciation in value, which cannot be used to pay the tax. The homeowner has no real option to sell and buy another home because all other houses available to him are also at inflated values.

² A projection of the income elasticity of market values has also been considered, but has not been used, for the reason that studies have shown that elasticity coefficients of the property tax base have varied markedly over time. See B. Bridges, Jr., "Income Elasticity of the Property Tax Base" in 17 National Tax Journal 253-264 (Sept. 1964).

³ If a 3% rate of inflation is used the projected net property tax need for 1980 is \$3.703 billion as shown in Table 5 of Part I of the Report.

Chart 2-1

TRENDS IN PROPERTY TAXES LEVIED BY PURPOSE AMOUNT PER CAPITA & % OF INCOME RECEIVED IN N. J.—1940-1971

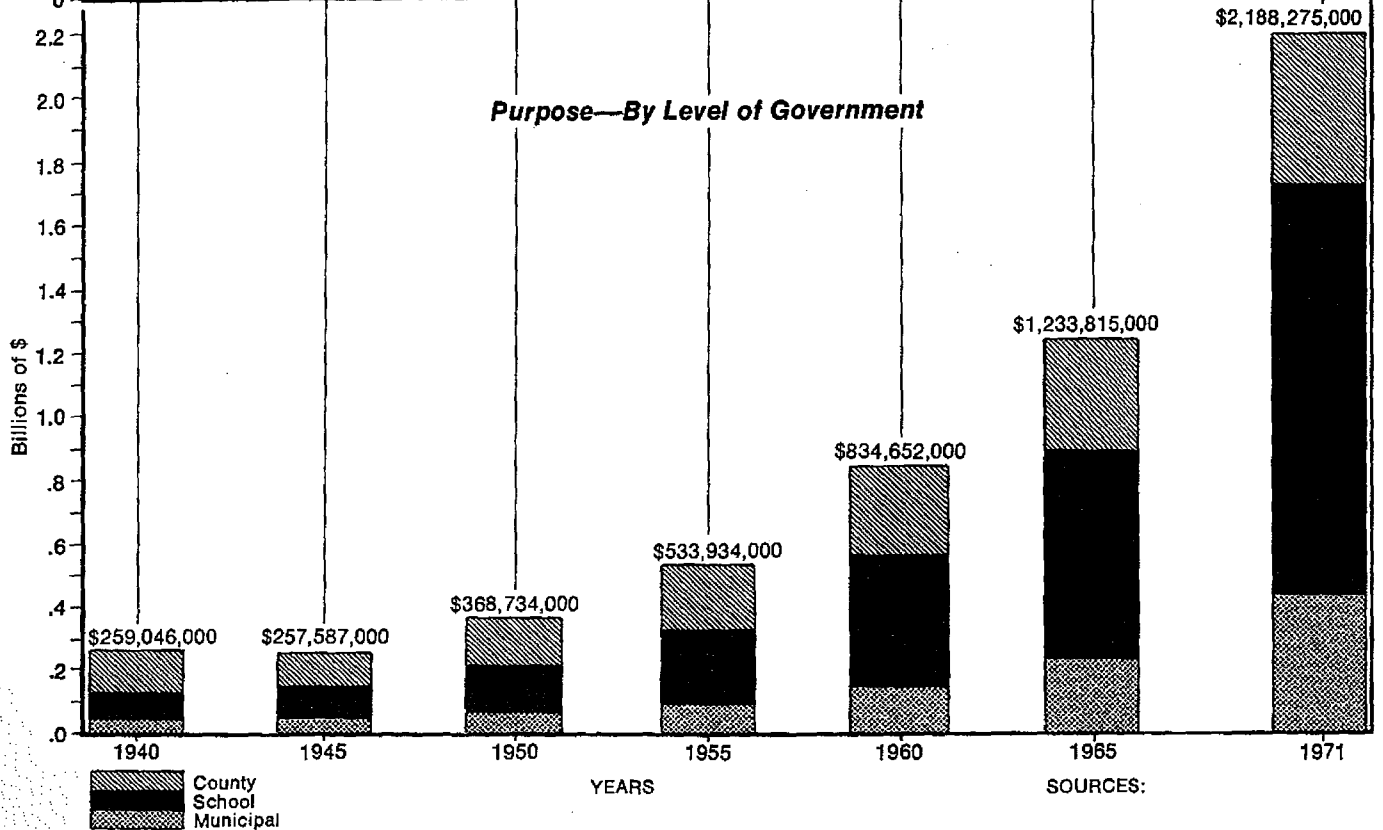
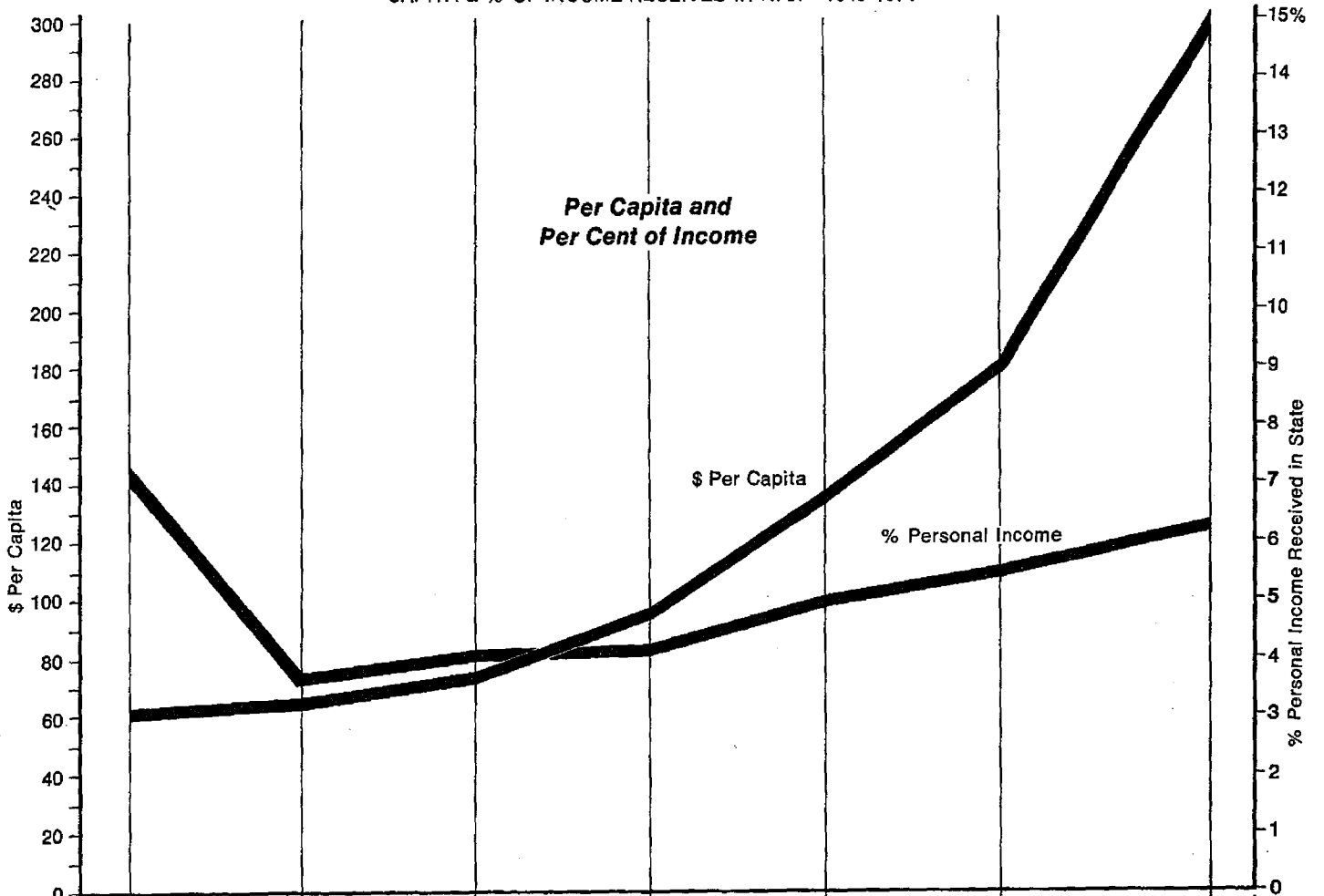


TABLE 2-1
STATE OF NEW JERSEY
PROJECTIONS OF THE PROPERTY TAX BASE IN NEW JERSEY
BY COUNTY, 1975 AND 1980
(in billions of dollars)

County	1970 (3%)	1975		1980	
	Actual	4%	3%	4%	3%
Atlantic	1.174	1.459	1.496	1.887	1.785
Bergen	9.336	13.730	13.464	20.518	17.664
Burlington	1.716	2.339	2.231	3.147	2.892
Camden	2.397	3.331	3.182	4.882	4.379
Cape May .....	.912	1.244	1.158	1.654	1.449
Cumberland .....	.564	.717	.682	.897	.815
Essex	5.858	6.886	6.796	8.037	7.823
Gloucester .....	.941	1.171	1.124	1.453	1.344
Hudson	2.958	3.652	3.652	4.472	4.472
Hunterdon .....	.674	.929	.929	1.270	1.270
Mercer	1.905	2.385	2.296	2.955	2.743
Middlesex	4.571	6.082	5.794	7.896	7.213
Monmouth	3.505	4.919	4.752	6.699	6.302
Morris	3.839	5.631	5.383	7.910	7.320
Ocean	2.081	3.000	2.871	4.172	3.869
Passaic	3.393	4.473	4.543	5.825	5.991
Salem .....	.325	.351	.351	.412	.412
Somerset	1.935	2.772	2.670	3.819	3.574
Sussex .....	.734	1.096	1.096	1.663	1.663
Union	4.999	6.094	6.017	7.290	7.106
Warren .....	.513	.774	.734	1.245	1.099
TOTAL	54.330	73.015	71.151	98.103	93.105

TABLE 2-2
PROJECTED PROPERTY TAX REQUIREMENTS
ASSUMING TAX RATE PERMITTED TO RISE AND 4% INFLATION
(MILLIONS OF DOLLARS)

	Expenditures ¹				Nonproperty Tax Revenues ²				Property	
	Actual		Projected		Actual		Projected		Tax Need	
	1960	1969	1975	1980	1960	1969	1975	1980	1975	1980
Cap May, Cumberland, Salem	32.2*	74.5*	122.5*	172.1*	10.7*	23.4*	35.9*	49.2*	86.6*	122.9*
Camden, Gloucester	64.4*	147.3*	237.8*	332.9*	17.8*	34.3*	52.0*	70.4*	185.8*	262.5*
Hunterdon, Sussex, Warren	26.1*	67.9*	117.9*	169.5*	8.0*	17.3*	27.0*	38.1*	90.9*	131.4*
Atlantic	30.8	59.2	94.9	131.1	11.3	20.9	34.9	51.4	60.0	79.7
Bergen	130.4	291.1	501.2	712.2	27.2	56.4	79.6	102.1	421.6	610.1
Burlington	24.2	63.4	113.0	161.7	9.3	17.3	26.3	37.2	86.7	124.5
Essex	190.3	337.4	582.6	789.9	44.6	83.5	122.8	164.0	459.8	625.9
Hudson	132.0	210.0	299.4	394.7	36.3	66.0	103.6	146.5	195.8	248.2
Mercer	44.2	92.8	151.3	212.8	9.8	24.1	37.2	53.5	114.1	161.3
Middlesex	78.1	173.6	305.5	437.1	21.2	35.8	43.3	48.1	262.2	389.0
Monmouth	51.2	141.3	254.6	379.0	14.9	28.4	43.7	62.6	210.9	316.4
Morris	44.8	122.7	220.5	319.1	10.5	23.6	40.2	56.6	180.3	262.5
Ocean	22.2	66.8	120.6	175.6	7.0	18.0	29.7	43.5	90.9	132.1
Passaic	60.8	122.7	205.5	282.9	14.1	25.2	32.7	40.9	172.8	242.0
Somerset	21.6	62.4	142.0	291.5	5.3	12.2	18.3	24.7	123.7	266.8
Union	90.5	180.0	296.0	413.1	22.2	36.7	47.9	58.2	248.1	354.9
TOTAL	1041.8	2253.1	3765.2	5375.2	270.2	523.1	775.1	1045.0	2990.2	4330.2

¹ Includes all expenditures for municipal and county purposes, but only includes that portion of school expenditures which is over and above State and Federal aid.

² Excluding State and Federal aid for schools.

* Total for counties grouped.

Chart 2-2
 State of New Jersey
 TREND OF FULL VALUATION TAXABLE—1960-1980

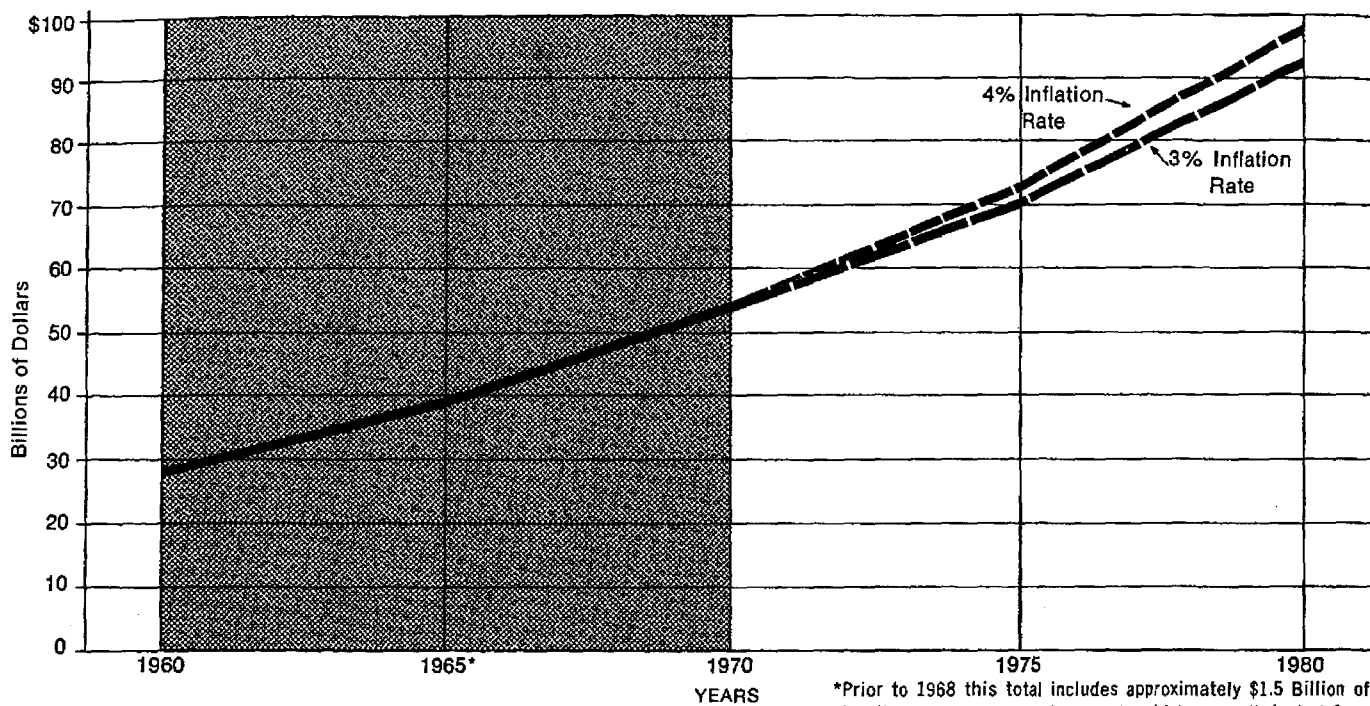
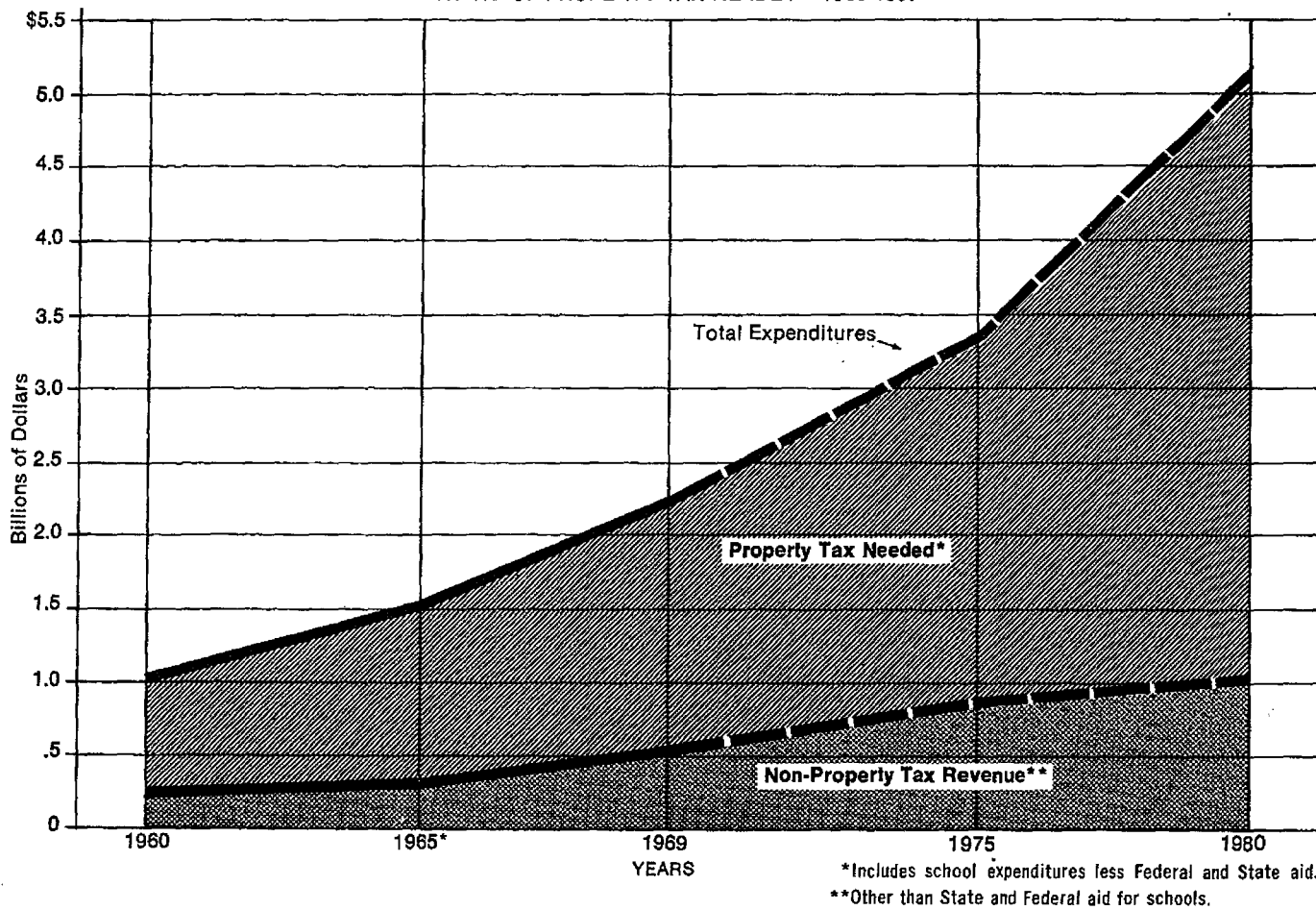


Chart 2-3
 State of New Jersey
 TREND OF PROPERTY TAX NEEDED—1960-1980



Chapter II

The Burden of the Property Tax

There are various ways of describing or measuring the burden of the property tax. The Committee has tried them all, and has found little comfort in any of the results.

It is important to note, however, that *the property tax is not a single property tax, but rather 567 different property taxes*—one for each municipality in the State. It is at the local level that the tax base is determined, and the tax rate struck. The tendency to generalize about “the” tax must thus be understood to refer to averages, not to what people actually pay.

It is also notable that many municipalities finance a substantial part of their expenditures from non-property tax revenues. In an array of municipalities, according to the percentage of such non-property tax revenues so used, the first 10% derives 42% or more of their requirements, while the median municipality derives 22%, from non-property tax sources. The ninth decile derives 13% or less. It is at least plain that for the great majority of municipalities the property tax remains the basic source of support.

Chart 2-1 shows the trend of property tax levies, by level of government, per capita and in relation to total income received by individuals in the State. The chart illustrates the reason for the growing complaints in relation to the burden of the property tax. In 1955 this tax represented in the aggregate about 4% of personal income in the State; whereas in 1970, it is approaching 6%, a 50% increase in relative burden.

Two features of the property tax which Chart 2-1 does not show, its varying behavior over time among municipalities, and some very low tax rates which still exist in New Jersey, are shown in Appendix Table A-1 (which consists of a set of 21 charts, one for each county). There is a good reason why taxpayers in low tax rate areas complain about the heavy property tax. What actually troubles them are sharp increases in a short time, to which they cannot easily adjust.

Beyond question, property taxes in New Jersey are in fact heavy in most New Jersey municipalities. As shown in Appendix Table A-3 (a ranking of the 567 municipalities in the State according to their effective tax rate

in 1971) the median effective tax rate in 1971 was \$3.59 per \$100.⁴ Among the 567 taxing districts, 185 had effective tax rates of \$4.00 per \$100. or more; and 48 had effective tax rates of \$5.00 per \$100. or more. On the other hand, 130 had rates of \$3.00 or less and 64 had effective tax rates of less than \$2.50 per \$100.

The municipalities with heavy or light tax rates are not readily classified. It is clear that the data refute some common misconceptions:

A) Big cities alone do not have the highest tax rates; while five of the “big 6” are in the top 5% of tax rates (those exceeding \$5.55) they are joined by such places as Shrewsbury Township (Monmouth), Glen Ridge Boro (Essex), Sussex Boro (Sussex), Chesilhurst (Camden), Plainfield City (Union), Lawrence Township (Cumberland), and Hampton (Hunterdon). (See Appendix Table A-3).

B) The presence of industrial ratables does not assure a lower general tax rate—unless the tax base is 40% or more in industrial ratables of the right kind. Thus, among the “top 50” in general tax rate, ½ of them ranked among the top ⅓ of the State in percent of industrial and commercial ratables (excluding apartments); and among the lowest 50 in effective tax rate ½ of them did not fall among the top ⅓ of the State in percent of industrial and commercial ratables. (See Appendix Tables A-2 and A-3).

C) The median tax rate is not a good indicator of any general level of tax burden. With a median effective tax rate in 1971 of \$3.59 per hundred of true value, 68% of the taxing districts fall within a margin of 25% plus or minus the median, that is, between \$2.69 and \$4.49. For the same year, the State average tax rate, based upon a levy of \$2.2 billion upon a net valuation (on which county taxes are apportioned) of \$60.6 billion was \$3.66 per hundred.

⁴“Effective Tax Rate” is the rate that would apply if all property were assessed at 100% of its market value. ETR is calculated by multiplying the nominal tax rate on the tax bill by the average ratio of assessed to fair market value in the municipality as promulgated by the Director of Taxation on October 1 each year.

Interstate Comparisons

These relatively high tax rates in New Jersey municipalities are reflected in any interstate comparisons that might be made. While comparative data on assessed valuations and tax rates for properties in specific municipalities are not available, a good guide may be found in a comparison of tax burdens on single family homes. The best available data for this purpose is derived from information provided by the Federal Housing Administration, relating to its insured mortgages on such properties in each of the fifty states. At the time of this study, the latest data available was for the year 1968. In that year, about 80,000 new one-family houses were purchased in the United States financed by FHA-insured mortgages and over 300,000 existing one-family houses were purchased in a similar manner. For 1968 statistics, a sample of over 37,000 new houses and over 85,000 existing houses was used

for the whole United States. In New Jersey, a sample of 679 new houses mortgaged that year and a sample of 2,903 existing houses mortgaged that year was used.

To compare the burden on one-family houses in the various States, the actual taxes payable for the year 1968, based on the valuation of the completed property, was divided by the full value of the property. This was not done for each individual parcel, but was done on an average basis, that is, the average annual taxes paid in each state by the average value of the property mortgaged. On this basis, the equivalent full value tax rate varied from a low of .37% in Louisiana to a high of 2.92% in New Hampshire on new houses, and from a low of .44% in Louisiana to a high of 2.88% in Nebraska on existing one-family houses. This is to be expected, since Louisiana is a low property tax state and New Hampshire and Nebraska are known to be high property tax states.

TABLE 2-3
EQUIVALENT FULL VALUE PROPERTY TAX RATES
NEW HOMES AND EXISTING HOMES*

United States 1968 By States		
Equivalent Full Value Property Tax Rates (In Percents)	Number of States	
	New Homes	Existing Homes
2.50-2.99	5	7
2.00-2.49	8	12
1.50-1.99	13	10
1.00-1.49	16	16
.50-.99	4	4
Under .50	1	1
No Sample	3	—
Total	50	50

Highest Ranking States

New Homes			Existing Homes		
Rank	State	Tax Rate	Rank	State	Tax Rate
1	New Hampshire	2.92	1	Nebraska	2.88
2	NEW JERSEY	2.84	2	Massachusetts	2.82
3	New York	2.59	3	NEW JERSEY	2.81
4	Massachusetts	2.58	4	South Dakota	2.76
5	Nebraska	2.51	5	New York	2.59
6	Vermont	2.44	6	Arizona	2.57
7	Iowa	2.40	7	New Hampshire	2.55
8	Colorado	2.32	8	Wisconsin	2.45
9	Connecticut	2.31	9	Vermont	2.35
10	Arizona	2.27	10	Iowa	2.35

* One family houses purchased in 1968 with a mortgage insured by the U. S. Federal Housing Administration.

Source: U. S. Department of Housing and Urban Development, Federal Housing Administration, Division of Research and Statistics, *FHA Homes, 1968, Data for States and Selected Areas, On Characteristics of FHA Operations under Section 203*, (RR:250 Book, HUD SOR-3), 1969, Tables 9S and 27S.

TABLE 2-4

**REAL ESTATE TAXES RELATED TO FAMILY INCOME
NEW HOMES AND EXISTING HOMES***

United States 1968 By States		
Annual Real Estate Taxes as a Percent of Annual Family Income	Number of States	
	New Homes	Existing Homes
4.50-4.99%	3	2
4.00-4.49	6	2
3.50-3.99	5	7
3.00-3.49	7	11
2.50-2.99	10	5
2.00-2.49	7	10
1.50-1.99	4	8
1.00-1.49	4	4
Under 1.00	1	1
No Sample	3	—
Total	50	50

Highest Ranking States

New Homes			Existing Homes		
Rank	State	Percent	Rank	State	Percent
1	New Hampshire	4.71	1	NEW JERSEY	4.58
2	Nebraska	4.64	2	Massachusetts	4.57
3	Vermont	4.53	3	New York	4.21
4	Massachusetts	4.48	4	Nebraska	4.04
5	New York	4.45	5	New Hampshire	3.86
6	NEW JERSEY	4.33	6	South Dakota	3.85
7	Iowa	4.29	7	Wisconsin	3.70
8	Minnesota	4.19	8	Vermont	3.70
9	Connecticut	4.14	9	Arizona	3.69
10	California	3.96	10	California	3.62

* One family houses purchased in 1968 with a mortgage insured by the U. S. Federal Housing Administration.

Source: U. S. Department of Housing and Urban Development, Federal Housing Administration, Division of Research and Statistics, *FHA Homes, 1968, Data for States and Selected Areas, On Characteristics of FHA Operations under Section 203*, (RR:250 Book, HUD SOR-3), 1969, Tables 26S and 27S.

The equivalent full value property tax rates in each of the states were derived in the same manner on existing homes and on new homes, and were tabulated in six classes of one-half of one percent from zero to three percent, as shown in Table 2-3.

In five states, the average rate was over 2.50% on new homes and in seven states, the average rate was over 2.50% on existing homes. In both categories, there were five states where the equivalent full value tax rate was less than one percent, including Louisiana, where it was less than one-half of one percent in both categories. These are states which do not rely heavily on property taxes. The high ranking states are those which use property taxes to finance local services. Table 2-3 also lists the ten highest states, and their full

value equivalent tax rates, in each of the two categories, new homes and existing homes.

New Jersey is second highest in the new homes category and third highest in the nation in the existing homes category, in equivalent full value property tax rate.

Of course, there is no indication as to the extent to which older cities, older suburbs, and new developments are represented in the sample. To the extent that the New Jersey sample is as representative as the other state samples, *it is evident that we are a high property tax state, and one in which the average owner of a one-family house is most heavily burdened by property taxes.*

TABLE 2-5

STATE BY STATE COMPARISON OF THE AVERAGE VALUE OF
"MIDDLE INCOME" HOMES AND AVERAGE PROPERTY
TAX BURDEN, 1969

State	Average Value of Property	Average Property Tax Payments	Effective Tax Rate Per \$100
1. New Jersey	\$20,973	\$626	\$2.99
2. Nebraska	15,382	445	2.89
3. Massachusetts	18,450	527	2.86
4. New Hampshire	16,508	469	2.84
5. South Dakota	14,534	400	2.75
6. New York	20,161	526	2.61
7. Vermont	18,378	455	2.48
8. Wisconsin	14,992	372	2.48
9. Iowa	16,854	389	2.31
10. Colorado	17,677	404	2.29
11. Maine	14,734	335	2.27
12. Connecticut	18,937	428	2.26
13. California	21,576	482	2.23
14. Oregon	16,148	348	2.16
15. Kansas	14,518	314	2.16
16. Maryland	18,725	395	2.11
17. Rhode Island	15,574	329	2.11
18. Pennsylvania	14,573	296	2.03
19. Illinois	18,707	376	2.01
20. Montana	16,928	336	1.98
21. North Dakota	15,769	304	1.93
22. Arizona	17,286	329	1.90
23. Alaska	30,981	361	1.81
24. Michigan	19,401	352	1.81
25. Texas	16,527	290	1.75
26. Minnesota	19,364	334	1.72
27. Missouri	15,792	272	1.72
28. Indiana	14,424	245	1.70
29. Ohio	16,427	245	1.49
30. New Mexico	16,119	240	1.49
31. Nevada	22,041	327	1.48
32. Utah	17,667	262	1.48
33. Idaho	16,778	237	1.41
34. Wyoming	16,041	226	1.41
35. North Carolina	18,222	255	1.40
36. Washington	19,858	275	1.38
37. Oklahoma	15,915	219	1.38
38. Georgia	17,994	239	1.33
39. Florida	16,552	218	1.32
40. Tennessee	18,338	240	1.31
41. Delaware	17,629	221	1.25
42. Kentucky	15,163	184	1.21
43. Virginia	18,279	213	1.17
44. Arkansas	14,963	171	1.14
45. Hawaii	33,053	347	1.05
46. Mississippi	16,247	148	.91
47. West Virginia	16,695	123	.74
48. Alabama	16,545	118	.72
49. South Carolina	15,816	108	.68
50. Louisiana	18,307	79	.43
U. S. AVERAGE	\$18,181	\$329	\$1.81

Source: U. S. Federal Housing Administration, "Characteristics of FHA Operations Under Section 203, 1969". Data shown are a composite of statistics of new and existing homes purchased with FHA insured mortgages during the year. Calculations were performed by New Jersey Taxpayers Association.

When property taxes are related to the family income of mortgagors of one-family homes in the United States, the result shows the combined effect of the level of property taxation and the income level of purchasers of any given value of home. Throughout the United States, the percent of family income used to pay property taxes on newly-mortgaged existing houses varied from a high of 4.58% in New Jersey to a low of .73% in Louisiana. For new houses, the range was from 4.71% of family income for property taxes in New Hampshire to .68% in Louisiana.

In the United States, according to Table 2-4, the average homeowner pays between 2% and 4% of his income in property taxes on his home.

FHA mortgagors in New Jersey in 1968 paid out 4.33% of family income in real estate taxes on new homes and 4.58% on existing homes. This ranked

New Jersey 6th among the 50 states in the new home tax category and first among all the states in taxes on existing homes. While the nature and geographical distribution of the FHA home mortgage market tends to limit the usefulness of specific rate and rank comparisons, the data do underscore New Jersey as a heavy property tax state.

The New Jersey Taxpayers Association came to a similar conclusion from a less detailed analysis of 1969 data in the report entitled "Financing New Jersey State and Local Government" (September 1971). That study reports:

"Although the effective tax rates for all states as determined from the data compiled by the U.S. Federal Housing Administration are not representative of all homes or properties, the analysis is indicative of the relative tax burden on comparable properties in the nation. High valued homes that do not fall within FHA guidelines and non-residential properties are not included in the study. To the extent of the data, New Jersey, without question, is the leading state in the nation in property taxation. (See Table 2-5).

"Eight other states had a higher burden in 1969, based on ability to pay. Nevertheless, among the leading industrial states, New Jersey ranks number three in property tax burden per \$1,000 of personal income.

"On the other hand, the special FHA study shows New Jersey middle income families have to allocate up to 5.0 percent of family income, up from 4.6 percent in 1968, to meet property tax payments. No other state exacts a heavier toll on income in the form of property taxes, based on the FHA material."

In summary

... New Jersey property taxes on FHA-insured homes in 1968 and 1969 were at a greater effective tax rate than in any other comparable state;

... New Jersey collected from the property tax in 1970 a greater percentage of total State and local taxes than all but three states (See Table 2-11);

... New Jersey property taxes per capita (\$241.89) in fiscal 1970 were higher than in any other state except California and Massachusetts (See Table 2-11), with the median state at \$162.28;

... New Jersey property taxes per \$1,000. of income payments in fiscal 1970 (\$57.20) ranked twelfth among the 50 states, with the median state at \$43.01.* Among industrial states, only California (5th, \$62.71) and Massachusetts (6th, \$62.61) ranked higher than New Jersey in this burden index.

* Source: U.S. Bureau of the Census, Governmental Finances in 1969-70 (September 1971) Table 24.

Chapter III

Who Pays the Property Tax?

By Class of Property

The Division of Taxation prepares an annual tabulation of property tax distributed by class of property. The 1971 table appears here as Table 2-6. It shows that on a state-wide basis, 59.7% of all property tax in 1971 was paid by owners of residential property; 35% was paid by commercial and industrial real estate including apartments and the personal property of telephone and telegraph companies. Farm real estate and vacant land combined paid only 5.4% of the total.

The geographical and political division distribution of the \$2.2 billion in property tax levied in 1971, also has been computed by the Division of Taxation. As

shown in Tables 2-7A & B, the 7 largest counties accounted for about 2/3 of the state-wide total levy, while the seven smallest counties combined levied only 8% of the State total. It also is significant that school taxes were 58.8% of the total, were close to this in the totals of each of the three groups of counties, but varied widely among the counties. For example, school taxes took only 36% in Cape May, 45.7% in Atlantic and 42% in Hudson County; while they accounted for as much as 70% or more in Hunterdon, Gloucester and Somerset Counties.

Even among the 20 largest municipalities in the State there is no fixed pattern. As shown in Table 2-8,

TABLE 2-6

NEW JERSEY PROPERTY TAX CHANGE 1970-71 BY CLASS OF PROPERTY

Property Class	(Amounts in Thousands of Dollars)				% Distribution	
	1970	1971	Change	% Change	1970	1971
RESIDENTIAL						
Real Estate	\$1,183,328	\$1,340,128	\$+156,800	+ 13.25%	61.16%	61.21%
Less: Senior Citizen and Veterans Deductions ..	33,853	33,981	+ 128	.38	1.75	1.55
Less: Miscellaneous Exemptions ¹	52	73	+ 21	+ 40.38	— ³	— ³
Net Residential	\$1,149,423	\$1,306,074	\$+156,651	+ 13.63%	59.41%	59.65%
BUSINESS						
Real Estate	\$ 634,802	\$ 715,024	\$+ 80,222	+ 12.64%	32.81%	32.66%
Commercial	299,772	336,784	+ 37,012	+ 12.38	15.49	15.38
Industrial	199,587	226,100	+ 26,513	+ 13.28	10.32	10.33
Less Pollution Equipment..	118	239	+ 121	+102.54	.01	.01
Net Industrial	199,469	225,861	+ 26,392	+ 13.23	10.31	10.32
Apartment	135,561	152,379	+ 16,818	+ 12.41	7.01	6.96
Personal Property	44,279	49,783	+ 5,504	+ 12.43	2.29	2.27
Total Business	\$ 679,081	\$ 764,807	\$+ 85,726	+ 12.62%	35.10%	34.93%
FARM						
Real Estate	\$ 28,452	\$ 30,567	\$+ 2,115	+ 7.43%	1.47%	1.40%
Less Water & Sewer Facilities	4	—	— 4	—100.00	—	—
Net Farm	\$ 28,448	\$ 30,567	\$+ 2,119	+ 7.45%	1.47%	1.40%
VACANT LAND	\$ 77,890	\$ 87,931	\$+ 10,041	+ 12.89%	4.03%	4.02%
TOTAL GENERAL PROPERTY TAX²						
	\$1,934,842	\$2,189,379	\$+254,537	+ 13.16%	100.00%	100.00%

Difference in totals due to rounding.

¹ Miscellaneous Exceptions	1970	1971
Fallout Shelters	\$ 9,270	\$ 9,566
Totally Disabled Veterans	42,344	63,874
	<u>\$51,614</u>	<u>\$73,440</u>

Residences of District Superintendents of Religious Associations exempted fully (P.L. 1968, c. 287).

² Total Tax Levy exclusive of deductions and exemptions in County Abstract of Ratables—\$1,933,765,000. 1970
\$2,188,275,000. 1971

³ Less than one one-hundredth of one percent.

TABLE 2-7A

NEW JERSEY GENERAL PROPERTY TAX IN 1971 BY CLASS OF PROPERTY AND BY COUNTY

County and Group	Amount of Tax (Thousands)					Total Property Tax	Percent Distribution of Net Tax					
	Net Real Estate						Residential	Business	Farm	Vacant Land	Pers. Prop. Tel. & Tele.	Total
	Residential	Business	Farm	Vacant Land	Pers. Prop. Tel. & Tele.							
7 Largest												
Bergen	\$ 209,932	\$ 82,213	\$ 480	\$ 9,245	\$ 3,923	\$ 305,793	68.65%	26.89%	.16%	3.02%	1.28%	100.00%
Essex	180,097	152,983	116	5,917	11,340	350,453	51.39	43.65	.03	1.69	3.24	100.00
Hudson	60,218	97,076	—	5,995	4,067	167,356	35.98	58.01	—	3.58	2.43	100.00
Middlesex	97,926	65,752	1,409	8,198	3,068	176,353	55.53	37.28	.80	4.65	1.74	100.00
Monmouth	98,611	36,852	3,869	6,670	2,847	148,849	66.25	24.76	2.60	4.48	1.91	100.00
Morris	92,847	35,969	1,453	8,722	2,668	141,659	65.54	25.39	1.03	6.16	1.88	100.00
Union	107,025	63,203	76	2,873	2,923	176,100	60.78	35.89	.04	1.63	1.66	100.00
Total	\$ 846,655	\$534,048	\$ 7,403	\$47,620	\$30,834	\$1,466,560	57.73%	36.41%	.50%	3.25%	2.10%	100.00%
7 Middle												
Atlantic	\$ 25,141	\$ 21,002	\$ 1,004	\$ 3,543	\$ 1,554	\$ 52,244	48.12%	40.20%	1.92%	6.78%	2.97%	100.00%
Burlington	46,591	17,374	2,765	3,349	1,650	71,729	64.95	24.22	3.85	4.67	2.30	100.00
Camden	67,304	38,697	698	3,599	3,527	113,825	59.13	34.00	.61	3.16	3.10	100.00
Mercer	48,843	30,732	1,701	2,003	2,748	86,027	56.78	35.72	1.98	2.33	3.19	100.00
Ocean	49,430	12,463	708	7,707	1,299	71,607	69.03	17.40	.99	10.76	1.81	100.00
Passaic	74,891	46,823	115	6,027	2,712	130,568	57.36	35.86	.09	4.62	2.08	100.00
Somerset	44,039	16,749	2,528	3,380	993	67,689	65.06	24.74	3.74	4.99	1.47	100.00
Total	\$ 356,237	\$183,840	\$ 9,520	\$29,606	\$14,484	\$ 593,687	60.00%	30.97%	1.60%	4.99%	2.44%	100.00%
7 Smallest												
Cape May	\$ 16,222	\$ 6,847	\$ 122	\$ 1,675	\$ 385	\$ 25,251	64.24%	27.12%	.48%	6.63%	1.52%	100.00%
Cumberland	13,995	8,657	2,255	1,348	714	26,969	51.89	32.10	8.36	5.00	2.65	100.00
Gloucester	21,911	11,264	2,290	2,089	856	38,410	57.04	29.33	5.96	5.44	2.23	100.00
Hunterdon	12,806	5,182	3,704	1,316	661	23,669	54.11	21.90	15.65	5.56	2.79	100.00
Salem	5,926	4,385	1,353	360	455	12,479	47.49	35.14	10.84	2.88	3.65	100.00
Sussex	21,248	5,050	2,083	3,218	923	32,522	65.33	15.53	6.41	9.89	2.84	100.00
Warren	11,075	5,533	1,837	700	472	19,617	56.46	28.21	9.37	3.57	2.41	100.00
Total	\$ 103,182	\$ 46,919	\$13,644	\$10,704	\$ 4,465	\$ 178,914	57.67%	26.22%	7.63%	5.98%	2.50%	100.00%
State Total	\$1,306,074	\$764,807	\$30,567	\$87,931	\$49,783	\$2,239,161	58.33%	34.16%	1.37%	3.93%	2.22%	100.00%

Difference in totals due to rounding.

Source: N. J. Division of Taxation.

TABLE 2-7B
PROPERTY TAXES IN NEW JERSEY COUNTIES BY PURPOSE OF TAX—1971

County and Group	Amounts in Thousands					Percent Increased Over 1970				Percent Distribution of Net Tax			
	County Taxes	School Taxes	Municipal Taxes	Deductions Sr. Citizens & Veterans	Total Tax	County Taxes	School Taxes	Municipal Taxes	Total Tax	County Taxes	School Taxes	Municipal Taxes	Total
7 LARGEST													
Bergen	\$ 40,821	\$ 191,305	\$ 69,364	\$ 4,975	\$ 306,465	6.48%	11.94%	15.31%	11.72%	13.45%	63.45%	23.01%	100.00%
Essex	88,267	169,141	82,291	2,873	342,572	27.81	25.43	-14.54	13.01	25.98	49.79	24.22	100.00
Hudson	42,394	69,189	51,814	1,617	165,014	9.62	20.03	-12.50	5.02	25.95	42.34	31.71	100.00
Middlesex	31,778	109,271	32,161	2,987	176,196	20.84	12.36	37.05	17.47	18.35	63.09	18.57	100.00
Monmouth	26,129	94,229	25,785	2,270	148,414	24.91	15.27	13.78	16.32	17.88	64.48	17.64	100.00
Morris	19,085	95,395	24,455	1,752	140,686	21.10	14.55	15.78	15.40	13.74	68.66	17.60	100.00
Union	27,608	103,801	41,622	2,691	175,722	22.94	9.86	8.07	11.10	15.96	59.99	24.05	100.00
Total	\$276,082	\$ 832,331	\$327,492	\$19,165	\$1,455,069	19.26%	15.58%	1.89%	12.60%	19.23%	57.97%	22.81%	100.00%
7 MIDDLE													
Atlantic	\$ 10,763	\$ 23,165	\$ 16,738	\$ 1,089	\$ 51,755	4.27%	14.58%	6.08%	9.19%	21.24%	45.72%	33.04%	100.00%
Burlington	13,263	48,783	7,949	1,504	71,499	20.90	16.25	19.39	16.91	18.95	69.69	11.36	100.00
Camden	27,345	65,032	17,901	2,504	112,782	25.08	18.24	-13.49	12.79	24.80	58.97	16.23	100.00
Mercer	21,045	46,587	15,661	1,581	84,873	16.85	13.34	0.00	11.14	25.27	55.93	18.80	100.00
Ocean	11,746	45,852	12,609	1,525	71,732	13.40	21.94	11.43	18.13	16.73	65.31	17.96	100.00
Passaic	25,379	71,877	30,448	1,980	129,685	10.93	20.26	3.24	13.62	19.87	56.28	23.84	100.00
Somerset	10,542	47,264	8,863	987	67,656	16.85	15.03	11.57	14.59	15.81	70.89	13.29	100.00
Total	\$120,084	\$ 348,560	\$110,169	\$11,170	\$ 589,982	16.11%	17.46%	2.44%	13.72%	20.75%	60.22%	19.03%	100.00%
7 SMALLEST													
Cape May	\$ 5,409	\$ 9,034	\$ 10,480	\$ 521	\$ 25,443	13.35%	19.96%	7.36%	12.74%	21.70%	36.25%	42.05%	100.00%
Cumberland	7,272	15,433	3,528	598	26,830	7.53	18.58	3.98	12.89	27.72	58.83	13.45	100.00
Gloucester	6,520	26,415	4,573	972	38,481	13.83	14.52	12.58	13.78	17.38	70.42	12.19	100.00
Hunterdon	3,709	17,263	2,006	383	23,360	15.26	8.14	28.75	10.63	16.14	75.13	8.73	100.00
Salem	3,791	7,313	908	326	12,338	9.09	-65	18.38	3.45	31.56	60.88	7.56	100.00
Sussex	7,645	19,309	4,662	418	32,035	31.92	16.92	25.76	21.17	24.18	61.07	14.75	100.00
Warren	4,713	12,492	1,924	429	19,558	17.77	14.68	19.06	15.46	24.64	65.30	10.06	100.00
Total	\$ 39,059	\$ 107,259	\$ 28,081	\$ 3,647	\$ 178,045	15.72%	13.69%	12.93%	13.71%	22.40%	61.50%	16.10%	100.00%
STATE TOTAL	\$435,225	\$1,288,150	\$465,742	\$33,982	\$2,223,096	18.05%	15.92%	2.62%	12.98%	19.88%	58.84%	21.28%	100.00%

Difference in totals due to rounding.

Source: New Jersey Division of Taxation.

TABLE 2-8

PROPERTY TAX IN 20 LARGEST NEW JERSEY MUNICIPALITIES BY PURPOSE OF TAX—1971

District and County	Amounts in Thousands					Percent Distribution				Percent of State Totals				
	County	Municipal	School	Deduct'n Vet. & Sr. Citizn.	Total	County	Muni- cipal	School	Deduct'n Vet. & Sr. Citizn.	County	Muni- cipal	School	Deduct'n Vet. & Sr. Citizn.	Total
Camden City, Camden....	\$ 3,679	\$ 7,460	\$ 9,302	\$ 465	\$ 20,905	17.60%	35.68%	44.50%	2.22%	0.85%	1.60%	0.72%	1.37%	0.94%
Cherry Hill Twp., Camden	6,224	2,263	16,892	326	25,704	24.21	8.80	65.72	1.27	1.43	0.49	1.31	0.96	1.16
Bloomfield Town, Essex..	5,594	4,227	8,061	259	18,141	30.83	23.30	44.43	1.43	1.29	0.91	0.63	0.76	0.82
East Orange City, Essex..	5,222	12,369	11,016	159	28,766	18.15	43.00	38.30	0.55	1.20	2.66	0.86	0.47	1.29
Irvington Town, Essex....	4,785	7,034	7,029	222	19,070	25.09	36.88	36.86	1.16	1.10	1.51	0.55	0.65	0.86
Newark City, Essex.....	23,683	23,217	65,040	592	112,531	21.05	20.63	57.80	0.53	5.44	4.98	5.05	1.74	5.06
Bayonne City, Hudson....	5,934	7,126	7,354	255	20,669	28.71	34.48	35.58	1.23	1.36	1.53	0.57	0.75	0.93
Jersey City, Hudson.....	12,856	23,952	29,516	625	66,950	19.20	35.78	44.09	0.93	2.95	5.14	2.29	1.84	3.01
Union City, Hudson.....	2,503	4,698	5,316	107	12,624	19.83	37.21	42.11	0.85	0.58	1.01	0.41	0.31	0.57
Hamilton Twp., Mercer..	4,708	392	10,468	536	16,104	29.24	2.44	65.00	3.33	1.08	0.08	0.81	1.58	0.72
Trenton City, Mercer.....	3,665	10,461	10,684	518	25,328	14.47	41.30	42.18	2.05	0.84	2.25	0.83	1.52	1.14
Edison Twp., Middlesex..	4,342	6,905	9,156	331	20,734	20.94	33.30	44.16	1.60	1.00	1.48	0.71	0.97	0.93
Woodbridge Twp., Middlesex	5,752	3,673	17,163	579	27,167	21.17	13.52	63.18	2.13	1.32	0.79	1.33	1.70	1.22
Middletown Twp., Monmouth	2,849	1,801	10,225	307	15,182	18.77	11.86	67.35	2.02	0.65	0.39	0.79	0.90	0.68
Parsippany-Troy Hills Twp., Morris	2,196	2,449	10,574	167	15,386	14.27	15.92	68.72	1.09	0.50	0.53	0.82	0.49	0.69
Clifton City, Passaic.....	6,234	3,725	11,355	497	21,811	28.58	17.08	52.06	2.28	1.43	0.80	0.88	1.46	0.98
Passaic City, Passaic.....	2,121	3,578	6,705	135	12,539	16.91	28.53	53.47	1.08	0.49	0.77	0.52	0.40	0.56
Paterson City, Passaic..	4,344	12,304	16,499	394	33,540	12.95	36.68	49.19	1.17	1.00	2.64	1.28	1.16	1.51
Elizabeth City, Union....	3,639	9,908	13,511	323	27,382	13.29	36.19	49.34	1.18	0.84	2.13	1.05	0.95	1.23
Union Twp., Union.....	3,526	3,691	9,118	376	16,711	21.10	22.09	54.56	2.25	0.81	0.79	0.71	1.11	0.75
Total	\$113,856	\$151,233	\$ 284,984	\$ 7,173	\$ 557,247	20.43%	27.14%	51.14%	1.29%	26.16%	32.47%	22.12%	21.11%	25.07%
STATE TOTAL	\$435,225	\$465,740	\$1,288,151	\$33,981	\$2,223,097	19.58%	20.95%	57.94%	1.53%	100.00%	100.00%	100.00%	100.00%	100.00%

Differences in totals due to rounding.

Note: These are the 20 largest municipalities by population based on 1970 Census.

Source: United States Department of Commerce, Bureau of the Census; 1970 Census of Population.

Source: New Jersey Division of Taxation.

the tax for school purposes is not quite 2 times the tax for municipal purposes of this group, but Newark shows a 2.4:1 ratio while Paterson and Elizabeth have a 1.3:1 ratio, Clifton 3:1, and Woodbridge almost 5:1.

It may be concluded—

It is impractical to state categorically who pays the property tax—it depends on the municipality and school district, its percentage distribution of tax ratables and its official “standard of living” for school and other purposes.

By Income Group—

The property tax in New Jersey lives up to its academic reputation for regressivity. Statistics compiled

for the Committee (See Part I of Report) reveal that its effective tax rate declines as income rises. Chart 2-4 shows this characteristic to be most pronounced at extreme ends of the income scale, with people earning less than \$3,000 per year being taxed at a rate more than quadruple that imposed on those earning over \$25,000. Thus, the tax strikes hardest at those least able to pay it.

The property tax has such great impact on the state-local tax system as a whole that it converts a burden that would otherwise fall roughly proportionately, i.e. at the same rate on all income groups except the wealthy into a burden which becomes steadily heavier as income decreases. Table 2-9 demonstrates this un- toward effect.

TABLE 2-9
PROPERTY TAX IN NEW JERSEY
Effective Tax Rates On Income By Income Class, 1970*

Tax and Average Rate	Under \$3,000	\$3,000 to \$5,000	\$5,000 to \$7,500	\$7,500 to \$10,000	\$10,000 to \$15,000	\$15,000 to \$25,000	Over \$25,000
Property Tax (Avg. 6.67)	14.6%	10.0%	9.1%	7.7%	7.0%	5.8%	3.3%
Total Taxes (Avg. 12.27)	20.3	16.9	15.2	13.6	12.9	11.5	7.2
Total Less Property Tax (Avg. 5.67)	5.7	6.9	6.1	5.9	6.0	5.7	3.9

* 1971 Sales Tax Yield included; with no provision for exporting due to offsets against federal taxes.

The Committee concludes—

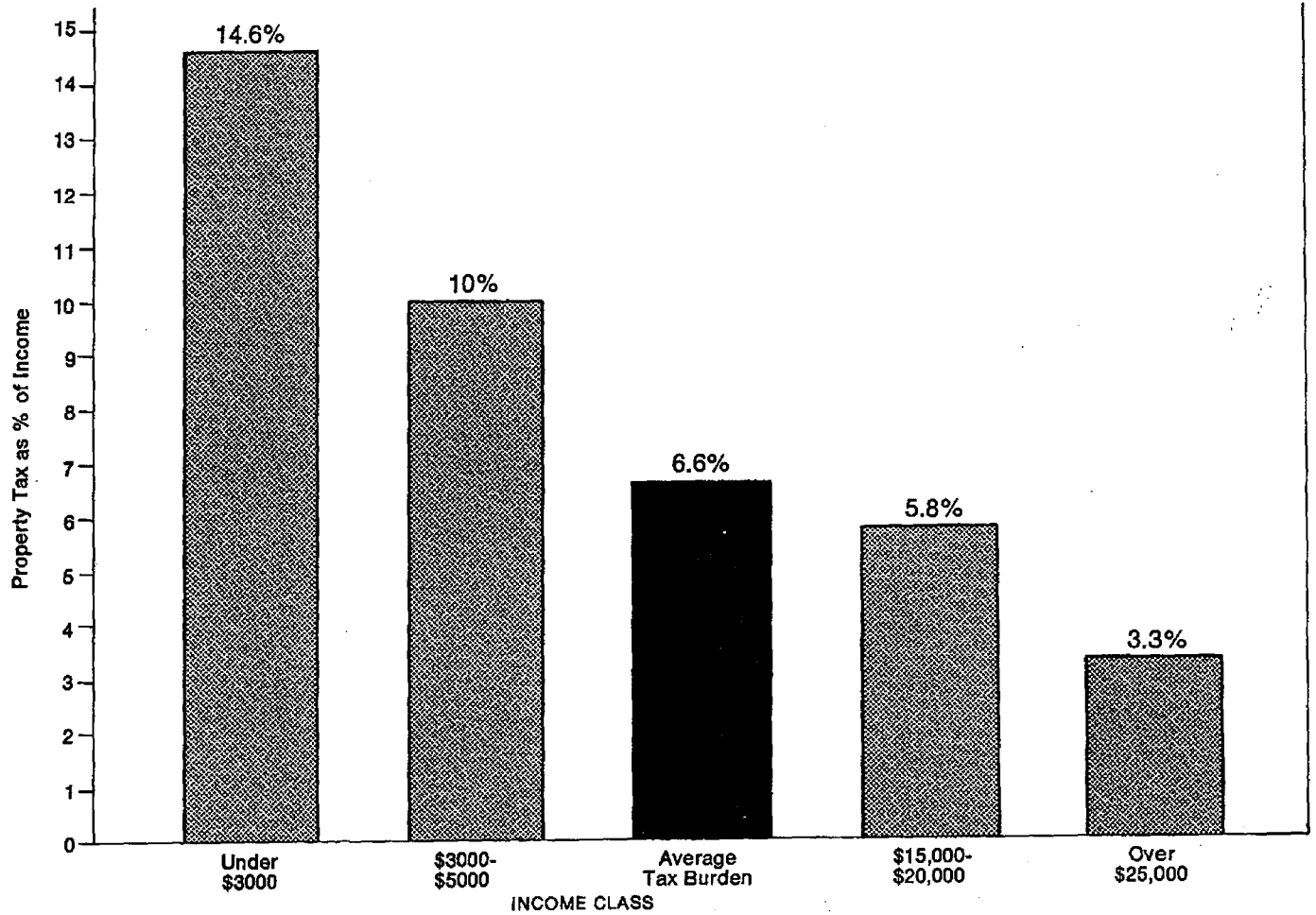
The burden of the property tax is excessive as compared with other states; and it is regressive in

its effect in relation to income of property owners; but specific counties and municipalities differ widely in the burden and impact of the property tax.

Chart 2-4

State of New Jersey

EFFECTIVE PROPERTY TAX "RATES" BY INCOME CLASS, 1970*



*NOTE: These property tax "rates" are not as assessed, but are the measure of economic incidence of the tax after it is passed on to the consumer, tenant etc., as well as paid directly by the individual owner.

Chapter IV

Collateral Effects

Environmental Quality Generally. Excessive property taxes have had an adverse effect upon environmental quality. This stems largely from the unending search of municipalities for tax ratables which is reflected in "fiscal zoning". Such zoning contributes to misuse of land resources, misdirected planning, and unnecessary pollution. On the other hand, to promote anti-pollution efforts, State law now provides for an exemption or abatement of property tax on pollution control installations. There has been a growing use of this preferential tax treatment. The Farm Land Assessment Act also was promoted as an ecological measure because it was designed to remove the property tax disincentive to the maintenance of open space. Thus far, it has not been possible to demonstrate this effect, and it may well be that when the capital gain is large enough the land will move in the marketplace, despite property tax deferral for farm use.

Nevertheless, the preservation of open spaces remains a desirable objective. It is hoped that a reduced emphasis upon property taxation in the New Jersey tax structure will encourage the preservation of open spaces. However, special study may be required to find means to protect open areas from the pressures of urbanization. The reservoir of privately held open space land used for recreation and conservation purposes is fast becoming depleted, and should be protected from the pressures of fiscal zoning.

There undoubtedly are also various indirect effects on the environment which might be attributed to the property tax. These include primarily a premature spreading out of development, as developers seek cheaper land with lower tax burdens, and leap-frog other more logical sites in the process. As the Regional Plan Association has told the Committee:

"More natural countryside is being invaded than necessary. If present policies continue, Northern New Jersey will urbanize more land in the next 30 years than it urbanized in the past 300 years.

"Housing choice is limited. People's housing choices before fiscal zoning became widespread and their replies on recent Regional Plan questionnaire surveys indicate that families vary in their preference for space around their homes when considered alongside accessibility to places they go to frequently.

Some prefer to give up space for accessibility; others prefer the opposite. Now, there is little choice. Everyone must choose a great deal of space and poor accessibility, a totally auto-dependent environment. Development is all the same, aesthetically and socially dull. The countryside has measles—houses dotted around, changing it from rural to urban and filling the roads but offering few urban advantages. . . .

"Local leaders justify 'home rule' in planning and zoning on the basis that local people should have the right to determine the kind of community they want. But debate on most plans or zoning ordinances in New Jersey focuses almost entirely on taxes, not the pattern of the community that will result. Shortly after World War II, communities on the edge of urbanization in New Jersey were variously zoned, much more in conformance with concepts of the kind of development appropriate to the terrain, the transportation and the wishes of the people already there. Now, however, almost all communities on the fringe or urbanization are zoned with the intention of keeping school taxes in check."⁵

Reduced Property Values. Calculations made by the Division of Local Finance compare the tax burden on income-producing property of the present property tax with that of a tax of 15% of gross rents. This latter is allowed under the New Jersey Housing Finance Agency Law (N.J.S. 55:14J-30(b)) on Housing Finance Agency developments and certain other kinds of housing. The results are shown in Table 2-10. Miss Aileen Cavanagh, Chief of the Bureau of Research and Administration of the Division, concluded:

"Note that in the comparative table, the building which is the same building, has the same costs and profit level (except the cost of taxes), and yields the same gross rents. Thus a \$45,000 ratable in Tavistock is only worth \$32,000 in Newark *simply because of the differences in the tax rates of the two communities.*"⁶

⁵ Statement of Regional Plan Association to the New Jersey Tax Policy Committee, (December 1970), pp. 1, 3.

⁶ N.J. Div. of Local Finance, Bur. of Research and Analysis, "A Comparison of the Dollar Yield From Property Taxation of Income Producing Properties . . . with The Dollar Yield from in Lieu of Tax Payments at the 15% Gross Rent Rate Allowed . . ." (Sept. 1970)

TABLE 2-10

COMPARATIVE TAX YIELDS
GROSS RENTS: \$8,640 PER YEAR
ASSESSED VALUATION BY BUILDING RESIDUAL TECHNIQUE
TAX RATES 1969

If Structure in	Tax Rate is	Assessed Valuation is	Tax Yield is: Assessed V X Tax Rate	In Lieu Yield 15% Gross Rents	Higher Yield From
	\$ Per \$100				
Typical Low Rate	2.00	\$43,564	\$ 871.28	\$1296.00	Exempt/In Lieu
Newark	7.08	31,965	2263.15	1296.00	Taxation
Trenton	6.63	32,737	2170.50	1296.00	Taxation
Camden	6.02	33,845	2037.51	1296.00	Taxation
Jersey City	5.94	33,997	2019.40	1296.00	Taxation
Atlantic City	5.05	35,771	1806.45	1296.00	Taxation
Elizabeth	3.70	38,847	1437.34	1296.00	Taxation*
New Brunswick	3.43	39,527	1355.77	1296.00	Taxation*
Westfield	3.17	40,204	1274.48	1296.00	Exempt/In Lieu
Hillside	3.08	40,444	1245.68	1296.00	Exempt/In Lieu
Cranford	3.04	40,552	1232.78	1296.00	Exempt/In Lieu
Clark	2.97	40,741	1210.02	1296.00	Exempt/In Lieu
Woodbridge	2.79	41,237	1150.52	1296.00	Exempt/In Lieu
Union	2.38	42,413	1009.43	1296.00	Exempt/In Lieu
Tavistock	1.44	45,379	653.46	1296.00	Exempt/In Lieu
Equalized Yield .....	.03237				

The differentials in assessed valuations were obtained from the following formula which varied inversely to the property tax rate:

$$\text{Assessed Valuation} = \frac{\text{Rent (in dollars)}}{[\text{Cost of Capital} + \text{Depreciation} + \text{Property Tax}] \text{ (in rates)}}$$

* Elizabeth and New Brunswick are the only municipalities in this group whose decision to approve tax exemption with an in lieu contract would be affected by the use of a 20% of gross rent figure.

It should be borne in mind that the study considers the economic effect of only one variable, i.e., property taxes. In actuality, many factors influence market value. The structure in Newark, because of its more favorable location in terms of access to a population center, might actually have a higher value than the Tavistock building. Nonetheless, these findings indicate that the Newark structure would be worth more than its Tavistock counterpart by an even greater margin were it not for the depressing effect of higher property taxes.

Housing and Urban Development. The National Commission on Urban problems has sponsored studies of "local tax policies with respect to their effect on land and property cost and on incentives to build housing and make improvements in existing structures." (Housing and Urban Development Act of 1965, Section 301.) In one of these studies, Dr. Dick Netzer found that the property tax as now constituted is a deterrent to new housing and the maintenance of existing housing, and that it places a particular burden on low-income renters. He reports that the property tax,

on balance, has the following kinds of significant effects on urban housing and development:

1. The tax amounts to a very high consumption tax on housing expenditure and thus tends to reduce consumer demand for housing. This in turn tends to limit growth in the stock of urban housing and to limit improvement in the quality of the existing housing stock.

2. These effects are not likely to be very evident in suburban communities, especially the better-off ones, for two reasons. First, the connection between property tax payments and local public services provided homeowners is a clear one in most suburbs. Second, the Federal income tax advantages of homeownership for relatively well-off taxpayers offset the property tax in large measure.

3. However, the deterrent effects of high taxes on consumption of, and investment in, housing in large central cities are serious. This is likely to be more true for tenants than for homeowners, and more so for lower income groups. For upper income groups, the outcome may be a marginal encouragement to the observed trends toward suburban resi-

dential locations; for the poor, the outcome will be less and poorer housing.

4. In many places, the property tax helped to make central city locations relatively unattractive for some types of business activity, although the evidence on this is by no means unequivocal.

5. Outside the central cities, in metropolitan areas which operate with large numbers of local taxing units (most SMSA's outside the Southern States), there are very large differentials in property tax bases. One consequence is an unacceptably wide variation in the scope and quality of the public

services essential for urban living and for the achievement of a good urban environment.

6. Another consequence is wide variation in effective property tax rates. This can promote a less-than-optimal pattern of the location of business establishments. Equally important, it often leads to emphasis on fiscal criteria in land use planning—efforts to maximize the fiscal position of each of the large number of taxing units—rather than concern with the broader social, economic, and esthetic considerations which should be the basis for planning decisions in urban areas.”

Chapter V

What Role for the Property Tax in State-Local Finance in New Jersey?

Despite the difficulties with the property tax, the Committee believes that it must be retained as a significant source of local general revenues in New Jersey. The reasons for this recommendation are both fiscal and governmental in nature.

The independence and vitality of local governments, a political goal of first importance in this State, rests on the existence of a means by which these governments can finance their own activities. The property tax is the only revenue source which can be tapped in any meaningful way by localities. The reason for this dependence is discussed in Maxwell, *Financing State and Local Governments* (Revised Ed, The Brookings Institute, Washington, D. C. 1969) at p. 128:

“The extreme dependence of local governments on the property tax rests upon one ineluctable fact—lack of option. No other tax is available for productive use. Local taxation of income, sales, or business would induce shrinkage in the tax base and, therefore, bring serious injury to the locality. But real property is quite immobile; differential taxes of some severity will not induce migration out of a local geographic area. Workers must reside close to their work, retail outlets must locate close to consumers; manufacturing establishments, once committed, tend to stay put, since even severe property taxes are a modest part of their total costs. In short, real property offers a base on which local governments can safely levy taxes.”

Even without the perhaps decisive concern for the independence of local governments, there would still be good reason for retaining the property tax in the State's fiscal system. *First*, the tax did produce \$2.2 billion in 1971 in New Jersey; throwing this entire burden onto sales or income taxes, for example, would produce rates for those taxes that most Jerseyans would find quite unacceptable. *Second*, the property tax has proved to be a relatively elastic revenue source since the second world war, growing precipitately in terms of revenue per capita but only modestly in terms of revenue as a percent of income. Chart 2-1 discussed above, reveals that property taxes per capita increased almost 400% between 1940 and 1969 while as a por-

tion of income they increased only about 50%. *Third*, one of the criticized aspects of the property tax, its lack of relationship to current ability to pay, makes it a desirable component in a State tax structure. Some governmental outlays—highway maintenance, education, debt service, employees salaries—cannot be easily reduced in a year or two and require a stable source of income for their support. During a recession, income and consumption taxes, which are sensitive to business conditions, may fail to provide sufficient revenue to cover these fixed expenses while the property tax, with its more stable base in land values, may more adequately meet governmental needs.

An additional reason, grounded in economic theory, for retention of a tax on residences at a somewhat scaled down level is suggested by Dick Netzer in *Economics of the Property Tax* (Brookings Institute, Washington, D. C. 1967) at p. 218:

“In the American tax system, consumer expenditures for housing are treated very lightly under the major non-property taxes and very harshly under the property tax. State and local sales taxes reach only a very minor fraction of total housing outlays—expenditures for fuel and utility services and goods used for housing maintenance and repair. Owner-occupied housing is also notoriously favored by the federal income tax. Thus, in the absence of a property tax on housing, the tax system in the aggregate would be markedly unneutral, in favor of housing vis-a-vis all other forms of consumption. There is, therefore, an argument for continuing the property tax as a form of excise on housing expenditures, although perhaps only at rates analogous to those which generally apply to other taxed items of consumer expenditures—say, 5% instead of 15% or more.”

It should be pointed out that all these arguments support the continued use of the property tax as a general revenue source. The Committee considered a limitation of its use solely to finance services to property, e.g., fire and police protection, but found that such a system would produce very uncertain results.

The Committee favors the goal of reduction of the total property tax collected by one-half, in 1971 terms. This would mean that, as compared with fiscal 1970 when New Jersey looked to the property tax for 54.1% of total tax revenues of its State and local governments, there would be a sharp decline in the percentage to 34% or less. In that year, the United States average was 39.2% and the lowest comparable industrial state (Pennsylvania) was 29.5%. See Table 2-11.

In 1971 terms, to cut the property tax by one-half would require a shift of the burden of \$1.1 billion to

non-property tax bases. Illustrative equivalents of such a shift are:

- (a) The yield of a 10% additional sales tax;
- (b) More than the full yield of a New York State-type income tax;
- (c) A 4% tax on value added by business activity; or
- (d) Possible combinations of the above; i.e., a 5% sales tax in lieu of the property taxes on housing and a 2% value added tax in lieu of property taxes on property used in business.

TABLE 2-11
UNITED STATES
PROPERTY TAXES AS % OF STATE AND LOCAL TAXES
FISCAL YEAR 1970

(1) State	(2) Total State & Local Taxes	(3) Property Taxes	(4) % Property Taxes	(5) Rank		(6) Per Capita Property Tax
				(4)	(6)	
All States	\$86,795.3	\$34,054.5	39.24			\$167.59
Alabama	891.1	135.5	15.21	50	51	39.35
Alaska	126.0	30.7	24.37	41	36	101.68
Arizona	753.9	293.4	38.92	23	24	165.55
Arkansas	484.0	124.7	25.76	39	49	64.84
California	11,160.4	5,230.9	46.87	13	1	262.16
Colorado	924.1	394.4	42.68	17	17	178.68
Connecticut	1,470.0	723.1	49.19	8	4	238.48
Delaware	246.6	45.8	18.57	48	41	83.58
District of Columbia	390.9	127.8	32.69	32	22	168.95
Florida	2,455.7	801.1	34.01	31	35	117.99
Georgia	1,431.0	437.0	30.54	34	39	95.20
Hawaii	440.6	75.7	17.18	49	37	98.37
Idaho	247.6	90.2	36.43	25	33	126.56
Illinois	5,410.1	2,229.3	41.21	18	14	200.58
Indiana	1,854.6	871.2	46.98	12	23	167.74
Iowa	1,232.7	602.2	48.85	9	9	213.15
Kansas	887.5	454.1	51.17	6	13	201.93
Kentucky	962.7	220.8	22.94	44	47	68.59
Louisiana	1,205.9	238.3	19.76	47	48	65.42
Maine	377.7	172.6	45.70	15	20	173.72
Maryland	1,890.6	613.3	32.44	33	28	156.35
Massachusetts	2,828.3	1,422.7	50.30	7	2	250.08
Michigan	4,043.0	1,630.3	40.32	21	16	183.69
Minnesota	1,681.7	650.2	38.66	24	21	170.89
Mississippi	655.7	157.8	24.07	42	45	71.16
Missouri	1,603.3	642.8	40.09	22	30	137.43
Montana	276.3	149.9	54.25	3	8	215.91
Nebraska	588.3	309.6	52.63	5	10	208.68
Nevada	252.4	86.8	34.39	30	18	177.54
New Hampshire	245.6	153.0	62.30	1	11	207.44

TABLE 2-11 (Continued)
UNITED STATES
PROPERTY TAXES AS % OF STATE AND LOCAL TAXES
FISCAL YEAR 1970

(1) State	(2) Total State & Local Taxes	(3) Property Taxes	(4) % Property Taxes	(5) Rank		(6) Per Capita Property Taxes
				(4)	(6)	
NEW JERSEY.....	\$3,206.0	\$1,733.9	54.08	4	3	\$241.89
New Mexico	365.1	82.5	22.60	45	42	82.18
New York	11,899.1	4,327.9	36.37	26	5	237.26
North Carolina	1,580.1	399.6	25.29	40	43	78.63
North Dakota	232.1	108.1	46.57	14	19	174.94
Ohio	3,656.3	1,726.7	47.23	11	27	162.10
Oklahoma	782.7	238.4	30.46	35	40	93.16
Oregon	836.1	394.9	47.23	11	15	188.82
Pennsylvania	4,734.1	1,398.9	29.55	36	34	118.61
Rhode Island	387.6	157.0	40.51	20	25	165.27
South Carolina	710.4	159.0	22.38	46	50	61.38
South Dakota	265.2	145.8	54.98	2	7	218.78
Tennessee	1,096.2	301.7	27.52	38	44	76.89
Texas	3,540.7	1,435.1	40.53	19	32	128.17
Utah	396.9	142.9	36.00	27	31	134.92
Vermont	209.3	73.0	34.88	29	26	164.11
Virginia	1,581.5	446.8	28.25	37	38	96.10
Washington	1,510.1	529.9	35.09	28	29	155.44
West Virginia	525.2	122.5	23.32	43	46	70.25
Wisconsin	2,246.6	974.2	43.36	16	6	220.50
Wyoming	144.1	68.4	47.47	10	12	205.91

These are not noted as possible recommendations, but only to indicate comparative magnitude of change the Committee proposes. Faced with the need to retain the property tax, yet cognizant of its defects,

The Committee recommends:

Massive reduction in the burden of the property tax, as a basic policy, accompanied by every possible improvement in the structure of the tax and its administration. Such a reduction will in itself cause property values to increase and thus further insure reduced property tax rates throughout the State.

The specific level of property tax reduction to be achieved may be determined in various ways—

1. The tax rate could be limited by State statute to some pre-determined level, accompanied by local non-property taxing power;

2. The State could seek to achieve an arbitrary fraction reduction across-the-board, such as one-half, recognizing that this would affect different municipalities differently depending upon the present tax burden;

3. The State could seek to achieve an average reduction to the average level of all states, or to some other relationship with the practice of other states.

4. The State could accept whatever reduction can be achieved by transfer to the State of selected costs of government now borne by the property tax.

The first alternative above is separately considered in the pages which follow. The second alternative, an arbitrary fractional across-the-board reduction is less meaningful than the indications of the comparison suggested by the third alternative.

The third alternative—the experience of other states—suggests a policy of 1/3 of total State and local taxes derived from the property tax. As shown in Table 2-11, the average percent of property tax in the State and local tax systems of the United States was 39.24% in 1970. The 33rd state—the point of low third of all the states (Maryland) had a property tax percentage of 32.44%. (The neighboring states of New York and Pennsylvania had percentages of 36.37% and 29.55% respectively.)

The fourth alternative, a transfer of existing costs to the State, was chosen by the New Jersey Taxpayers

Association, and resulted in a proposed property tax reduction of \$855 million from a levy of \$1.9 billion in 1970.⁷ This would leave \$1.1 billion or 34% of the State and local total to be raised from property taxation. It is an interesting coincidence that the fourth alternative produced approximately the same remaining local tax levy \$1,115 million as the third alternative ($\frac{1}{3}$ of \$3,206 million) or \$1,069 million. These approaches are more rational than an arbitrary selection of a fraction to be cut from the present property tax total.

The Committee recommends:

The State should implement a policy of depend-

⁷ See N.J. Taxpayers Association, Financing New Jersey State and Local Government: The Major Problem (Sept. 1971), p. 55.

ing upon the property tax for approximately $\frac{1}{3}$ of total State and local taxes in any future year.

This will achieve a massive reduction in property taxation, and will serve as the keystone of the balanced tax structure proposed in Part V of this Report.

Any such massive shift in tax burden would have varying effects among the municipalities. It would also require replacement taxes at the State level and the invention of appropriate ways of returning the revenue to 567 local governments—if the delivery of municipal services is to remain a local responsibility. Part III of the Report dealing with service levels contains proposals to provide for such distribution of State collected revenue and to assure local control of local services.

Chapter VI

Adjustments in the Base

At a substantially reduced level of reliance on the property tax, the impact of its deficiencies is reduced to substantially tolerable proportions. But even at the level proposed by the Committee, any improvements in the structure of the property tax would obviously still be desirable.

The Committee was concerned with what Prof. Dick Netzer of New York University declared to be "two types of un-neutrality in the present system: the general deterrent to investment in the form of buildings that occurs whenever improvements are taxed at all, and the specific deterrent to investment in and construction of housing that occurs when taxes on consumer expenditures for housing are much higher than taxes on other types of consumer expenditure."

Classification

One alternative adjustment in the tax base which has been earnestly presented to the Committee is classification of real estate for tax purposes according to its use.⁸ In one form or another, this type of proposal would provide for the assessment and taxation of single family dwellings at a lesser percentage of their value than is used for the taxation of other real estate. This is accomplished in six states by use of what is known as the Homestead exemption. In these states the Homestead exemption reduces the tax base as follows:

Florida	18%
Georgia	18.8%
Hawaii	9.4%
Louisiana	20.8%
Mississippi	23.9%
Oklahoma	15.5%

Property classification is used in other states to deal with the special problems of taxing public utilities and railroads (such as in New Jersey) and to provide special tax inducements to industry or to provide special tax advantages to agriculture (as in New Jersey). A kind of informal classification exists illegally in New Jersey and in other states in the practice of assessors of valuing the property of commercial and industrial owners differently

⁸ Hudson County Mayors, *Tax Relief for the Homeowner: A Proposal*.

from residential owners, sometimes to the advantage of one and sometimes to the advantage of the other class.

These uses of classification of real estate represent the exception rather than the general rule. In fact, the whole classification movement started and developed as part of a general recognition toward the end of the 19th century that it was impracticable to tax real estate and personal property, especially intangible personal property such as stock and bonds, on the same basis. Many states, including New Jersey, therefore eliminated personal property from the general property tax base or provided for its taxation and assessment at special low rates adaptable to the characteristics of such property. With respect to real estate, however, both tax theory and experience have persuaded many states to incorporate in their constitutions provisions requiring uniform taxation of all real estate. The state constitutional provisions may be classified as follows:⁹

General Constitutional Provisions Governing the Uniformity of Property Taxes

Group 1. No limitations on the power to tax property (7 states)

Alaska	Hawaii	New York
Connecticut	Iowa	Rhode Island
		Vermont

Group 2. General authority to classify property for tax purposes (3 states)

Georgia	Maryland	Wisconsin
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Group 3. Taxes to be uniform on same class of property (6 states)

Minnesota	New Mexico	Oklahoma
Nebraska	North Carolina	South Dakota

Group 4. Taxes to be uniform on same class of property within the territorial limits of the levy-ing authority (13 states)

Arizona	Louisiana	Oregon
Colorado	Missouri	Pennsylvania
Delaware	Montana	Virginia
Idaho	North Dakota	Washington
Kentucky		

[continued]

⁹ Massachusetts Taxpayers Foundation, Incorporated, *The Proposed Property Tax Classification Amendment* (August 1970).

Group 5. Taxes to be uniform and equal throughout the state (13 states)

Arkansas	Michigan	Tennessee
Florida	Nevada	Utah
Indiana	New Jersey	West Virginia
Kansas	Ohio	Wyoming
South Carolina		

Group 6. Taxes to be uniform and equal throughout the state and proportional to value of property (2 states)

Mississippi Texas

Group 7. Taxes to be proportional to value of property (4 states)

Alabama Illinois California
Maine

Group 8. Legislature empowered "to impose and levy proportional and reasonable assessments, rates and taxes." (2 states)

Massachusetts New Hampshire

It is significant that at least 29 of the states are permitted by their constitutions to adopt general classifications of real estate for taxation, but none except Minnesota has chosen to do so.

There are two apparent motivations for the proposals to classify which have been made to the Committee. The first is a desire to compel non-residential property to bear a larger share of the local property tax burden. The second is to express the view that income producing property can more readily pay property taxes than non-income producing property. Both of these arguments were urged strongly at the Constitutional Convention of 1947 and decisively rejected by the delegates. The two principal states which have tried classification of real property for taxation have experienced widespread dissatisfaction with its results.

A special study commission in West Virginia concluded as follows:

The Commission would report as a fact what it believes to be a matter of common knowledge that a balanced tax structure for West Virginia requires—

- (1) That general property tax be placed in a position to bear a larger proportionate share of service costs at the local level; and
- (2) That its base (assessed valuation) be equalized as among the taxpayers and tax jurisdictions.

The Commissioner of Taxation of Minnesota, Rolland F. Hatfield, after making the point that there was no

economic justification for classification, summarize the practical problem posed by any such system, as follows:¹⁰

"Another observation that I think you can make about the classification of property is that there is no logical stopping point once you start a classification of property. *We started with four classes and we now have some twenty different classes.* I think the fact that we have only twenty classes of property is a tribute to the legislature, because had they yielded to all the pressures involved we could easily have had over two hundred . . .

The point is that under the classification system, once it is started, our experience has been that there is no way to stop it effectively. Therefore, as you change the various classes in the classification system you bounce the little white ball of taxes around so that it shifts constantly every time you make a change . . .

Another observation about classified property taxes is that in the years that I have been with the Department of Taxation I do not recall that anyone has proposed and gotten passed a higher percentage than was then existing on a certain class. In other words, all of the proposals are for a lower percentage. The result is that the tax base becomes constantly eroded and the tax rates skyrocket."

In a highly urbanized state such as New Jersey, Homestead exemption for preferential tax treatment would pose two addition problems: First it would restore the pressure on local officials to zone out people, which the Committee's program is designed to avoid; and second, it would shift a substantial portion of the tax burden from homeowners to home renters and to apartment dwellers, the latter getting no benefit from the Homestead exemption. Experience in Florida indicates that Homestead exemption also tends to raise the tax rate on all local property and to create the need for additional taxes in the form of local non-property taxes. In an industrial state such as New Jersey, which depends upon a healthy economic environment for industrial development perhaps more than other states, any attempt to shift the tax burden from residential to commercial and industrial property by a legally sanctioned classification system would create a very damaging reputation for the state and seriously affect its future economy, employment and payrolls.

Finally, the use by New Jersey of corporate and individual income taxes, which were not a factor in previous considerations of the classification issue in this state, responds to the argument that income producing property is better able to pay property taxes. Aside from the obvious fact that such property may often be operated at a loss, the combination of property taxation and income taxation represents a reasonable balance in the

¹⁰ R. H. Hatfield, "Minnesota's Experience with Classification," in *The Property Tax: Problems and Potentials* (Tax Institute of America, 1967), p. 242.

tax structure. This was recognized in a classical work strongly devoted to urging classification as a means of eliminating intangible personal property from the general property tax base, but commenting broadly on the economic issue involved, as follows:¹¹

"Most writers on public finance have preferred income to property as a measure of faculty in taxation, yet taken singly either is defective. Income is judged by its amount, but the amount considered along ignores risk and certain other factors which affect taxable capacity. Property value as a standard of faculty affords some index of risk, yet property alone ignores income. By combining the two the best possible measure of taxable capacity is found. The income tax reaches personal service and property incomes, and, if progressive, it tends to offset the regression found in other parts of the tax system. The property tax, when employed in conjunction with the income tax, causes the heavier taxation of funded or "unearned" income, reaches non-income producing property and also makes possible the taxation of property on the benefit principle. When property and income taxes are combined, is classification necessary?"

The Committee recommends:

That no program should be considered which would classify real property for local taxation, or further reduce the property tax base or distort its use to distribute the local tax burden. The massive reduction in overall property tax burden proposed by the Committee is intended to provide basic correction of the causes of pressure for further exemptions or subsidies for housing investment, and the income taxes recommended by the Committee will deal equitably with owners of income-producing property.¹²

Site Value Taxation

A more fundamental type of classification is implied in various forms of shifting to site value taxation. This approach is in essence the Henry George idea of taxing land only, but modern versions would tax buildings and other improvements at some fraction of their value, at least during a long transition period. To evaluate this approach, the Committee sought the counsel of Dean Dick Netzer who has worked and written extensively on property taxation. He describes the study as follows:

"This is a report on a study of the probable effects of hypothetical plans for property tax reform in

¹¹ Leland, S. E., *The Classified Property Tax in the United States* (1928), p. 408.

¹² The question of a possible "windfall" to owners of commercial and industrial property as a result of the massive property tax reduction recommended by the Committee is discussed in Part V of the Report, Section B.

selected New Jersey municipalities. The study focuses on plans involving differential treatment of residential and non-residential buildings, with emphasis on site value taxation. Any number of 'classified property tax' plans can be devised, but New Jersey, of course, already implements a number of types of classification: farmland can be assessed on a preferential basis; special advantages can be conferred on new apartment buildings constructed in urban renewal areas; personal property is subject to special treatment, as is railroad and public utility property.

"This study investigates forms of classification that do not now exist: differentially heavy taxation of land in general and differentially favorable taxation of housing in general. We examine the consequences of a number of alternative tax reform plans in three communities, as of 1970: that is, we attempt to assess the effects of the plans had they been in effect for the 1970 property tax year. The communities selected include an older central city—Paterson; a rapidly growing suburban-type community—Middletown Township in Monmouth County; and a still largely rural community which is in the path of urban development and thus likely to experience urbanization in the not-too-distant future, like so much of rural New Jersey—Eastampton Township in Burlington County. . . .

"With this lengthy introduction [here omitted], we can now consider the impact of the tax reform plans discussed in this report on a number of social goals. We consider four such goals in particular; three of them have to do with land use. They are: the need to encourage new private investment in the older cities; the more general desire to expand the supply of housing; the goal of preserving open space; and the goal of easing the economic position of older citizens with low or modest incomes."

"CONCLUSION

"On balance, Plans I [exempting all improvements] and II [exempting 50% of value of improvements] appears to offer significant advantages over the existing property tax system, and few disadvantages, relative to the social goals we have examined in this report. Nonetheless, a cautionary note is in order.

"In this report, the potential effects of alternative tax reform plans are expressed as averages for classes of property—all residential property, all commercial property, and the like, or all land versus all improvements. But there are substantial variations in effects among individual properties within each of the classes. Two types of variation are especially relevant here. The first is variation in the ratio of land-to-improvements value (both assessed and market value). The second is variation in the ratio of assessed-to-market value, for both land and total parcel value. . . . Any individual property that deviates significantly from the mean for its class in any of these respects will be affected by the tax reforms quite differently from what is suggested by the tables presented in this report. . . .

"All this suggests that, first, the more extreme tax reform alternatives could not be implemented except by stages over some years. Some very extreme individual windfall gains and losses would be generated by rapid implementation of changes in the tax system. Second, no reform plan, however mild, should be adopted without close examination of the effects on individual properties within specific municipalities. This suggests, in turn, that some local option in adopting and implementing reforms is desirable."

The Committee is most impressed with the possibility of encouraging new private investment in older cities, as described by Dean Netzer. While this would be persuasive in favor of at least offering an option to the "Big 6" to use one of the plans of site value taxation, it also must be considered in light of other proposals of the Committee. In particular, the proposals relating to tax exempt property, State aid for schools, a "block grant" program of State aid for municipal services, and shifting of welfare costs to the State, as well as growing national policies to aid urban centers, will provide real estate tax relief in urban centers which should help lessen the tax deterrent to investment there.

The site value taxation would hinder rather than advance the goal of preserving open space. State policy now offers favorable tax treatment for land in agricultural use, and a shift to redistribute more of the burden to the land would represent a reversal of policy. There are both advantages and disadvantages in a State policy which will assist an owner to hold land off the market for a longer period of time. Yet this is one of the goals of open space policy. At least a shift to land value taxation would entail major losses to some land owners which could not be justified in light of any anticipated gains to society.

Recent reports on the limited use of site value taxation elsewhere have not been encouraging.¹³ In view of this kind of record, site value taxation can be considered only as an additional approach to the problems of urban centers.

The Committee recommends:

That a shift to site value taxation is not acceptable at this time for purposes of general application. How-

¹³ See Mable Walker, *Some Observations on Land Value Taxation*, Tax Policy, June-July 1971.

ever, the economic problems of major urban core municipalities are so urgent, stubborn and difficult that the local governments of those municipalities should be provided with every available fiscal tool to deal with their problems, including site value taxation.

Accordingly, the Committee further recommends:

A. An option to the principal urbanized cities only to change the property tax base to a system of site value taxation, under which land is assessed at full value and improvements at ½ full value.

B. A principal urbanized city shall be defined as a municipality of 100,000 population or more or a central city (of at least 50,000 population) of a standard metropolitan statistical area (as defined by the U.S. Bureau of the Census).

C. The new system may be adopted only after approval at a municipal referendum by a majority of those voting on the question.

D. Provision shall be made for installation of the new system over a transitional period of five years.

E. Once adopted, the new system may not be abandoned except upon another referendum and with a transitional period of five years to return to the regular tax base.

F. For purpose of county and state tax apportionment the regular tax base shall be used.

Taxation of Land Value Increases

One of the goals of site value taxation—to recapture for society the land values which are created by social forces—might be achieved by a tax on the increase in land value since its acquisition imposed at the time the property is transferred, by sale, gift or bequest. Such a tax has been tried in several countries, and has much support from economists.

The Committee recommends:

That the possibilities of a land value increment tax be further considered by the Legislature after the effects of the Committee's proposals have been established and property values have achieved a stable level.

Chapter VII

Tax Exempt Property

The distribution of the property tax burden is affected in a major way by constitutional and statutory provisions which exempt \$11.9 billion of true value of property from local taxation in 1971.

A Nationwide Problem

The problems associated with the exemption of real estate from the local property tax are not limited to New Jersey. To a greater or lesser extent these problems are present in all States. Although the provisions granting tax exemption vary among the States, the general scope of the provisions are similar with governmental property and private charitable, religious, and educational property being afforded exempt status.

In a report of the Advisory Commission on Intergovernmental Relations, *The Role of the States in Strengthening the Property Tax*, 1963, it was recommended that certain limits be placed on "property tax philanthropy." As to institutional exemptions the ACIR report was critical of the present system stating:

"There is little opposition to government aid for private, nonprofit institutions clearly affected with a public interest, but there has long been a strong feeling that institutional tax exemption has been carried beyond its basic purpose and has been abused, and also some feeling that tax exemption is an undesirable method of providing such aid. The method may be questioned for three reasons. The exemptions must be absorbed not by a Statewide tax base but by individual local tax bases. The impact tends to be very unequal and in some instances a community must bear the exemption for an institution that serves a much wider area. Second, the State legislature may feel unduly benevolent when it can make a generous contribution to some worthy private cause without any obvious cost to the State. The legislators might be more discriminating if the gift had to appear in the budget. Third, the legislature actually is imposing forced contributions on the taxpayers of the State's communities without their consent and outside local budgetary processes. As a joint committee of the New York State Legislature expressed it some years ago:

"Tax exemption does give a subsidy, but the trouble is that it is a blind subsidy, controlled by accident. And it is, moreover, a compulsory subsidy which cannot be reviewed and fixed by those who pay it as sound finance demands."

"Without rejecting the solution of entirely removing such exemptions, it proposed that the objectives could be achieved through a "direct and visible subsidy" to qualifying organizations rather than through the exemption process:

'Outright government grants, as an alternative to waivers of property taxes, have often been urged for institutions whose services clearly are of a public nature, together with abolition of exemptions for organizations for which grants could not be justified. This policy would avoid the inequity imposed on some local communities by the present system and would replace hidden subsidies by accountable public appropriations. . . .

'Although the use of grants may be undesirable in some instances, there is no good reason why the validity of each type of institutional exemption should not be subject to the test of whether it would justify a continuing grant—in other words, would it be a wise permanent expenditure.'

The *Report of the Commission to Study the Impact of State Sovereignty Upon Financing of Local Governmental Services and Functions*, North Carolina General Assembly (1963) recognized the problems associated with the exemption of State-owned property and proposed the following approach:

"Cities, and the counties in which they are located, should receive annually acreage payments for State-owned acreage, except for highway rights of way, within municipal boundaries. The rate of payment for acreage within municipal boundaries should vary according to the population of the city as reported in the most recent Census, and as indicated in the following schedule:

Population Class	Payment per Acre
Under \$5,000	\$2.00
5,000 to 10,000	3.00
10,000 to 20,000	4.00
20,000 to 40,000	5.00
40,000 to 80,000	6.00
Over 80,000	7.00

Each city and county should receive annually payments of \$.10 for each \$100.00 of value of State-owned buildings and contents within its boundaries, the value to be that determined by the State Property Fire Insurance Fund for insurance purposes."

A recent comprehensive review of the subject by Alfred Balk, *The Free List*, Russell Sage Foundation (1971) discusses the general nature of the problem and gives pertinent local examples. It concludes that a nationwide reform of property tax exemption procedures is essential and suggests as a minimum of reform:

1. Requirements for more comprehensive and accurate exemption data, regularly reviewed and published. (Note: New Jersey now does this.)
2. Clarification of State exemption provisions. (Note: The Apy Commission also recommended this.)
3. Intergovernmental payments in lieu of taxes.
4. Exempt organizations should be required to pay direct charges for specific community services.
5. State reimbursement for mandated "partial exemptions" such as veterans and senior citizens.

The activity in other States in studying the nature and scope of the problem of exempt property suggests that there is no one answer. Placing the problem in context, however, reveals that the exemption from the local property tax is only one of the tax concessions available. Substantial relief is also provided to exempt organizations under the Federal Income Tax Law. The standards embodied in the Federal provisions for qualification for exempt status are not necessarily the same as those for exemption from the local property tax. While there appears to be no reason that the two should be consistent, it would seem that the Federal approach could be followed at least to the extent of requiring annual informational returns from organizations exempt from the property tax.

While there appears to be no consensus as to how the problem should be solved, there appears to be general agreement that a necessary first step is a full compilation and dissemination of the statistical data. This is especially important in this area where the amounts involved are not subject to budgetary scrutiny and where the costs are shifted automatically.

There are a number of criteria which should be applied when evaluating any property tax exemption. The following are some of the more important.

1. The property tax loss should be clearly identified and be considered a cost of government.
2. Exemptions should have a clearly defined objective and benefit to the community.
3. No exemption should be granted if it benefits one group at the expense of another equally disadvantaged group.
4. No exemption should be granted if it costs more to administer than the cost of an alternative public program.

5. No exemption should be granted if the objective could be achieved more efficiently and equitably through a direct subsidy.

New Jersey Experience

Under existing New Jersey law most governmentally owned property is fully exempt from local property tax. Exemption has also been granted to property owned or used by religious, charitable, educational, fraternal, veterans and other designated organizations. As of 1971 approximately 15% of the area and 20% of the land and improvement values in New Jersey are exempt from taxation. (See Table 2-12) In addition, deductions from the property tax (veterans and senior citizens) and preferential assessments (farmland and housing projects) constitute partial exemptions which further aggravate the situation. Without criticizing the legislative wisdom of particular grants of tax exempt status, it can be seen that the situation has reached such proportions that serious reevaluation of the whole subject is warranted.

Prior to 1969 there was no comprehensive data available on the total amount of exempt property in New Jersey. In that year the Division of Taxation undertook a major program to obtain Exempt Property Lists from the assessors in all municipalities. As a result of this program, the Division has been able to obtain data on all exempt parcels in the State. This data is coded by ownership and use and is available on a municipal, county and State basis. Acreage figures and assessed values of land and improvements are available for each parcel.

The final printout for 1971 became available on November 1. The materials which follow are intended to show the general magnitude of the situation which prevails. This is the input which is necessary to understand the nature of the problem as it exists in individual municipalities and to evaluate the impact which alternatives to the present system could produce.

As shown in Table 2-12 in 1971 there was a total of \$11.9 billion exempt out of a total of \$49 billion of taxable property assessed. The greatest single category of ownership was municipal, amounting to 7% of the total of taxable and exempt properties. The Federal government was second, followed by religious organizations and the State.

Among the 21 counties the percentages of exempt property by ownership vary substantially. (See Appendix Table A-4). These variations are summarized in Table 2-13. The percent of exempt values varies from 43.95% in Burlington (due to large federal ownership) to 9.72% in Cape May. The percentages of private and publicly owned property in the exempt list of each

TABLE 2-12

**STATE OF NEW JERSEY
STATE SUMMARY OF 1971 EXEMPT PROPERTY**

Owner	Total Acreage	Land 100% Value	Improvement 100% Value	Total 100% Value
Federal Government	118,768	\$ 1,163,971,825	\$ 631,100,505	\$ 1,795,072,330
State Government	370,964	515,820,235	683,851,024	1,199,671,259
County Government	46,773	482,889,835	387,274,486	870,164,321
Municipal Government	135,226	1,085,110,878	3,205,362,337	4,290,473,215
State and Interstate Authorities	12,302	452,963,304	193,752,940	646,716,244
Char. & Non-Profit Organizations	16,494	122,879,413	735,364,546	858,243,959
Fraternal Organizations	936	5,980,429	20,551,769	26,352,198
Veterans Organizations	498	8,627,824	15,559,937	24,187,761
Religious Organizations	24,467	295,437,965	1,402,278,075	1,697,716,040
Other	12,204	116,026,264	387,579,003	503,605,267
Total Exempt—All Owners	738,632	\$ 4,249,707,972	\$ 7,662,674,622	\$11,912,382,594
Total Taxable	4,067,435	\$15,013,712,032	\$34,330,766,179	\$49,344,478,211
Total Taxable and Exempt	4,806,067	\$19,263,420,004	\$41,993,440,801	\$61,256,860,805
Exempt as % of Total (by Owner):				
Federal Government	2.47%	6.04%	1.50%	2.93%
State Government	7.72	2.67	1.63	1.96
County Government .....	.97	2.51	.92	1.42
Municipal Government	2.81	5.63	7.63	7.00
State and Interstate Authorities .....	.26	2.35	.46	1.06
Char. & Non-Profit Organizations .....	.34	.64	1.75	1.40
Fraternal Organizations .....	.02	.03	.05	.04
Veterans Organizations .....	.01	.05	.04	.04
Religious Organizations .....	.51	1.53	3.34	2.77
Other .....	.25	.60	.92	.82
Total	15.37%	22.06%	18.25%	19.45%

TABLE 2-13

**STATE OF NEW JERSEY
EXEMPT PROPERTY (ALL OWNERS) AS A PERCENT
OF TOTAL TAXABLE AND EXEMPT PROPERTY
BY COUNTIES**

County	As a % of Acreage	As a % of Land and Improvements Assessed at 100% Value
Atlantic	15.35	18.82
Bergen	16.25	13.42
Burlington	25.63	43.95
Camden	21.67	21.25
Cape May	25.21	9.72
Cumberland	14.72	22.44
Essex	21.96	21.69
Gloucester	6.54	12.83
Hudson	25.73	26.29
Hunterdon	4.45	20.22
Mercer	12.08	29.83
Middlesex	12.85	17.28
Monmouth	12.53	16.40
Morris	12.81	16.47
Ocean	23.66	12.32
Passaic	15.20	15.54
Salem	7.48	17.68
Somerset	6.85	14.76
Sussex	16.60	12.19
Union	23.31	22.42
Warren	6.43	15.70

county also vary substantially, as shown by the Appendix Tables A-4.

The problem is even more pronounced when the data are related to municipalities. As shown in Appendix Table A-5, there were 125 municipalities in 1971 where State-owned property exceeded 1% of the total assessed valuations (taxable plus exempt), but a substantial number of these had State exempt percentages of above 15% with several above 30%.

The uses and purposes of tax exempt property also vary widely. A surprising category is 71,805 acres of vacant land with a value of \$233,175,200 held by municipalities, primarily as foreclosed property. (See Appendix Table A-6.)

Redistribution of Burdens

Granted that the purpose of tax exemption is to support some public benefit, the question remains: how is the cost of obtaining the benefit distributed. There are two different categories of exempt property from this point of view: a) the property of counties, municipalities and school districts; and b) the property of the State and private owners.

a) The cost of the benefit to county, municipal and school district property is presently self-adjusting within the property tax system. That is, if any such property were to be made taxable, there would be an automatic redistribution of the tax assessed among the taxpayers of the local unit owning the property. There is thus no point in taxing municipal property for municipal purposes; a school district property for school purposes, or county property for county purposes.

b) In the case of State-owned exempt property and privately owned exempt property the money to pay a property tax must come from non-property tax revenues, and this results in a shift of the costs outside the property tax system.

It should be apparent that taxing State property will involve the same overall costs as now appear as "shifted costs" within the taxing districts. For the State system as a whole the taxation of these properties would merely be a redistribution.

If property owned by private exempt organizations became taxable, they would need to finance their taxes in the same manner as they raise their other costs of operations. In other words, the shifted taxes now distributed within the taxing district would be shifted to those affiliated with these organizations, and their benefactors and contributors.

Like the situation with State-owned property, these added costs would be financed outside the context of the present local property tax system. Likewise, the total to be raised would be the same as the apparent

shifted costs. To the extent, however, that these organizations could not operate without their exemption from the property tax, some of the cost might be reflected in the increase of governmental costs necessary to provide comparable public services.

The point to be made is that the present system of exemption involves costs. Likewise, the removal of the exemption would involve the same costs—the difference being the manner in which the costs are financed. The question posed is whether the present indirect subsidization technique is so inequitable in its method of distributing the costs as to require change.

It should be noted that as to certain of these exempt properties, a change in their status would require an amendment to the State Constitution which now provides:

"Exemption from taxation may be granted only by general laws. Until otherwise provided by law all exemptions from taxation validly granted and now in existence shall be continued. Exemptions from taxation may be altered or repealed, except those exempting real and personal property used exclusively for religious, educational, charitable or cemetery purposes, as defined by law, and owned by any corporation or association organized and conducted exclusively for one or more of such purposes and not operating for profit." Art. VIII, Sec. 1, Para. 2.

Existing Relief Programs

Over the years various expedients have been developed to cope with special situations of public property. The principal provisions are as follows:

(a) State property

(1) **State-owned forests and park reserves**—if there is located in a municipality more than ten acres of land held for such purposes by the State, the municipality receives a payment of ten cents per acre. N.J.S.A. § 13:1-22.

(2) **The nine percent formula**—if the aggregate area of the State's land holdings in a municipality constitutes nine percent or more of the total area of the municipality, the State makes payments in lieu of taxation in an amount equal to the current tax rate for municipal and local school purposes times the assessed value of the land at the time it was acquired by the State. In computing the nine percent, there is deducted from both the State's ownership and the total area of the municipality: riparian lands, State parks and forests, lands held by State Board of Proprietors, lands held for highway, bridge or tunnel purposes, and land of certain State institutions in counties of the first class. N.J.S.A. § 54:4-2.1 and 2.2.

(3) **Land acquired for Water Supply Systems**—in the legislation authorizing the development of certain water reservoir projects a formula is provided whereby the State continues to make payments to the municipalities on the land in an amount equal to the taxes on the land for the year prior to acquisition and on the improvements a declining amount over a period of thirteen years after which no payments are made on the improvements. N.J.S.A. §§ 58:20-5; 58:21-6; 58:21A-4; and 58:21B-6.

(4) **Hackensack Meadowlands Development Commission**—directed to enter into agreements with county or municipalities in which land has been acquired to pay fair and reasonable sums to compensate them for loss of ratables which payments shall not be less than amount of taxes on property when last assessed prior to acquisition by the Commission. N.J.S.A. § 13:17-38.

(5) **South Jersey Port Corporation**—same as (4) above. N.J.S.A. § 12:11A-20.

(b) County property

(1) **County park commission land**—if lands owned by a county park commission in municipalities in certain type counties exceed 35% of the total area of the municipality, the county shall pay to the municipality (on the amount in excess of 35%) annually an amount equal to the assessed value of the lands and improvements in excess of the 35% as of the time they were acquired times the local purpose tax rate. N.J.S.A. §§ 40:37-101.4 and 101.6.

(2) **County or State institutions**—if a State or county institution, other than a county park commission, located in a municipality in a certain size county (Essex) occupies more than 200 acres, a portion of the municipality's share of the county's taxes otherwise due on its remaining taxable ratables is rebated—50% if institution has less than 400 acres, 75% if more than 400 acres. N.J.S.A. § 54:4-5.

(c) Interstate Commission property

(1) **Palisades Interstate Park Commission**—if land held by the Commission exceeds ten per cent of the total area of the municipality, the municipality may file with the State through the county board of taxation a certificate of the estimated amount of tax revenue lost by reason of Commission ownership computed on the current assessed value of the land and the local purpose tax rate. N.J.S.A. §§ 54:4A-4 and 5.

(2) **Delaware River Basin Commission**—the Commission as to specified projects shall make annual payments to local taxing districts for period of 10 years; annual payments shall equal taxes assessed for the year prior to acquisition. N.J.S.A. § 32:11D-89.

(d) Municipal property

Lands held for protection of public water supply—land held by municipality are subject to taxation by taxing district in which they are situated; improvements thereon are not taxable. N.J.S.A. § 54:4-3.3.

(e) Redevelopment properties

There are a number of statutes which as an inducement to development confer tax exempt status for a defined period on property in exchange for payments in lieu of taxes. Some of these statutes exempt the improvements and the land while others continue to tax the land. Most of them provide a formula for purposes of computing the "payments in lieu of tax" which is stated as some portion of shelter rents or of annual gross rents. One provision allows an option of having the assessed valuation of the land and improvements frozen as of the year in which the project was approved for a period of up to 25 years. See p. 41 *infra*.

(f) **Intermunicipal Tax Sharing.** Many of the problems which relate to the loss of ratables via tax exemption are similar to those involved where, as a result of governmental action, substantial development and economic growth are fostered. This is particularly true where the area being developed encompasses a region which is broader than a taxing district. A recent unique example is contained in the legislation creating the Hackensack Meadowlands Development Commission. This provides a special plan of intermunicipal tax sharing not applicable generally.

As shown in Table 2-14 in fiscal year 1970 the State distributed a total of \$155,777.50 to municipalities under various of these programs.

Alternatives to the Present System

Municipal and school property:

For the most part, the exemption granted to municipal and school district property is logically based on the fact that if these properties were taxable it would merely increase the amount to be raised locally for the payment of taxes and should have no effect on the general purpose tax rate.¹⁴ It would thus appear that the present exemption should be continued.

County-owned property:

If county-owned property were taxable, the district tax costs could be apportioned among the constituent municipalities in the county in the same way as other county costs are now apportioned. Accordingly, one alternative would be to tax county-owned property at the local municipal purpose tax rate.

¹⁴ The exemption of this property, however, may have an effect on the apportionment of county taxes and the apportionment of costs in regional and consolidated school districts.

TABLE 2-14
PAYMENTS IN LIEU OF TAXES TO MUNICIPALITIES
FISCAL YEAR ENDING JUNE 30, 1970
NEW JERSEY STATE SUMMARY BY COUNTIES

Counties	Ten Cents Per Acre	9% State-Owned Land	Palisades Inter-State Park	Water Reservoirs
New Jersey Total	\$22,464.40	\$31,135.77	\$61,000.00	\$41,177.33
Atlantic	1,196.47	182.54	—	—
Bergen	83.82	—	61,000.00	—
Burlington	10,381.03	—	—	—
Camden	1,426.34	—	—	—
Cape May	1,189.18	—	—	—
Cumberland	160.21	2,931.71	—	—
Essex	11.28	—	—	—
Gloucester	165.83	687.05	—	—
Hudson	28.06	—	—	—
Hunterdon	48.93	—	—	41,177.33
Mercer	107.58	24,132.10	—	—
Middlesex	122.00	—	—	—
Monmouth	356.15	—	—	—
Morris	289.81	—	—	—
Ocean	1,478.71	—	—	—
Passaic	922.07	—	—	—
Salem	122.87	1,202.37	—	—
Somerset	150.80	—	—	—
Sussex	3,534.10	2,000.00	—	—
Union	—	—	—	—
Warren	689.16	—	—	—

Source: Unpublished documents, various agencies, State of New Jersey.

State-owned property:

The problem arises mainly because the taxing jurisdiction under the present property tax system is the local district and the mechanism operates only to shift costs within this artificially defined district. One approach would be to tax either all or a portion of the value of State-owned property at full or partial local tax rates. Another approach would be to utilize an expanded system of "payments in lieu of taxation." Either of these approaches would result in a State-wide redistribution of the local burden now associated with this exemption and would shift the cost to non-property taxes.

Privately owned exempt property:

The problem of privately owned exempt property arises primarily when the local benefit or service area is greater than the municipality in which the property is located. Moreover, not only may the service area be greater in general, but the service area is different for the particular types of uses. This problem was recognized by the Apy Commission as follows:

"... Ideally, the burden of exempt property servicing a wider area than the municipality wherein it is located should be distributed over the actual service area. The service area, however, will be different for each such exempt property, and will not necessarily reflect either municipal or county lines. Short of taxing the exempt property and forcing the organization to distribute the taxes among its beneficiaries and supporters, there would be no recognized base over which the burden of the exempt property could be spread. The commission believes that spreading the burden of (privately held) exempt property county wide would be fairer than the present system."

Another approach to the problem short of full taxation would be to require "payments in lieu of taxation" in recognition of the fact that there are basic governmental costs which should be paid directly by these organizations in the same manner that they are required to pay for insurance and electricity. Although there is no way of computing the true service charge attributable to these properties, it would seem that some of the approaches now used under the existing "in lieu of tax payments" may provide a suitable charge. These approaches include: (1) charges computed by applying

the full or a portion of the current general purpose tax rate to the full or a portion of current assessed value, e.g., current municipal purpose rate times the current assessed value of the land; (2) charges computed on the basis of assessed value at time of acquisition; (3) fixed charges based on the tax at the time of acquisition; (4) fixed charges per acre of land. The above alternatives are stated with reference to the owners of the property involved and are not necessarily tied to any local preconditions.

A different approach would be to first identify the local taxing districts in which the present system of exemptions results in a disproportionate burden. This could be defined in terms of certain criteria, the elements of which could take into account the percentage of exempt area or of exempt values, and the equalized general purpose tax rate. Assuming that no adjustment is necessary for municipal and school district properties, and also assuming that county owned properties are either taxed or are treated on a countywide basis, the approach could be limited to State owned property and private exempt property.

Summary: Within the extremes of continuing all present exemptions and removing all exemptions, there are a number of intermediate approaches. The choice of an approach should be based on a conclusion that the selected approach effects a fairer distribution of the tax burden. This can be done without questioning the validity of the original grant of exempt status.

The issues raised by the present system of exempting certain property from the local property tax do not appear to be based on theoretical justification, or lack of it. Rather, the issues relate primarily to the dollar costs, how these costs are redistributed, and the magnitudes involved.

The Committee recommends:

1. Municipal property owned by and located within the taxing district should be exempt from taxation unless the property is used for commercial purposes, in which case the property shall be taxable to the user.

2. County owned property—other than park lands, roads and bridges and lands held for those purposes—should be taxable by the municipality in which it is situated, for municipal purposes only, and should not be used in county tax apportionment. This will redistribute the cost of serving such property from the municipal tax base to the countywide tax base.

3. Public school property should continue to be exempt from taxation by the school district and also by the municipality, where it is owned by and located within a school district which is co-terminous with a

single municipality; public school property of a regional school district should be taxable by the municipality in which it is situated, for municipal purposes only, and should not be used in county tax apportionment.

4. State-owned property other than roads, bridges, park and recreation lands, riparian rights, watersheds, reservoirs, wilderness areas and open space, should be subject to State payments in lieu of taxes for county and municipal purposes only at the various local tax rates. This will redistribute the cost of serving such property from the municipal and county tax base to Statewide non-property taxes. It is estimated that \$13.5 million will thus be shifted to the State annually.

5. Property owned by a state, county, or municipal authority should be exempt or taxable to the authority to the same extent as if the authority were the State, county, or municipality, respectively; and the property of a regional authority or agency should be taxable by the municipality in which it is situated, for municipal purposes only, and should not be used in county tax apportionment, in each case subject to the provisions of any interstate compact or covenant with bondholders.

6. Exemptions for religious, charitable, educational and cemetery uses, as protected by the Constitution, should be retained. All other property tax exemptions should be submitted by the Legislature to a statewide referendum to determine whether they should be continued.

7. All exempt property should be properly valued and listed as exempt on the tax rolls.

8. Existing provisions for payments in lieu of taxes by the State and counties, except those with built-in taper off provisions, should be repealed.

Veterans' Exemptions

Under the Constitution of 1947, Article VIII, Section I, Paragraph 3, as amended, a qualified veteran is entitled to deduct from the amount of his tax bill for property taxes the sum of \$50.00 annually. In 1971, \$22.3 million was deducted by veterans from their property taxes. Since the offsetting of that deduction absorbed 1.7% of the gross tax levied against real estate, the deduction had an appreciable effect on municipal effective tax rates. According to the State Abstract of Ratables, the amounts deducted varied from 3.1% of gross residential property taxes in Salem County to 1% in Essex. This three-fold variance in inter-county impact was probably greatly exceeded by the variations among municipalities.

The original purpose of the veterans' exemption was to recognize the service of veterans to the Nation and State, and to make their readjustment easier. However,

the exemption results in a shift in tax burden from those who claim the exemption to those who do not—the latter often other veterans and the parents and children of the veterans. As the Advisory Commission on Intergovernmental Relations concluded:¹⁵

“Property tax exemption is the wrong way to finance veterans’ continuing bonus and disability payments. This method, to be sure, is merely an expansion of traditional procedure and, politically, is a rather painless way of making big annual expenditures since it can be done without budgeting and without accounting; but these doubtfully favorable features are offset by some clearly unfavorable features.

If these benefits to veterans are socially desirable they should not be contingent on property ownership. Under the present dispensation the propertyless veteran gets nothing and the veteran whose sole taxable possession is an old automobile worth \$300 does not fare nearly as well as his more affluent comrade.”

“All of the foregoing defects could be eliminated by replacing the granting of benefits to veterans through tax exemption with a State administered benefit program based on merit and need instead of property ownership, and financed by general State revenues or by the levy of a State property tax. Use of the latter financing method would give official recognition to the present de facto use of property taxes for this purpose and divest it of its gross inequities.”

The present veterans deduction benefits approximately 440,000 veterans. This represents only 40% of the 1,060,000 living veterans in New Jersey in 1970. Thus there are more veterans who receive no benefit from the program than there are who do. Moreover, veterans who receive no benefits are paying directly or indirectly the added property tax rates to finance the \$50 deduction.

To a considerable extent veterans who receive the benefit are also paying for it. For example, in a municipality which has a large number of veterans, the veteran himself will be financing a substantial portion of his \$50 benefit. At a time when veterans as well as others will generally receive large property tax reductions, it is appropriate to remove the inequity of the present deduction system.

The Committee recommends:

The present veterans property tax deduction of \$50 should be repealed (by constitutional amendment) thereby adding \$22.3 million to the recommended property tax relief for taxpayers generally.

¹⁵ *The Role of the States in Strengthening the Property Tax*, Vol. 1, pp. 82-83 (1963).

Farmland Assessment

The “Farmland Assessment Act of 1964” provides for preferential assessment of “land . . . actively devoted to agricultural or horticultural use,” at its value for such use rather than at its market value. Aside from its procedural requirements the Act has two further key provisions:

1) Qualification is limited to land of “not less than 5 acres in a single ownership, from which the gross sales of products produced or payments received under a government program must have averaged \$500 per year for the 2 years immediately preceding the tax year or there must be clear evidence that it will do so within a reasonable time; and

2) When the use changes to non-agricultural and non-horticultural use, there is a rollback of tax due amounting to the difference between tax paid and what would have been paid under normal assessing for the year of change and the 2 years preceding.

For the year 1971, as shown in Table 2-15, the “qualified” and “unqualified” farm lands assessed indicates that all farms are not receiving preferential assessment.

The primary purpose of the act was to assist in preserving agriculture in a rapidly urbanizing State; a secondary benefit was that this would help to preserve open space.

There have been no studies which demonstrate whether, if at all, the act has had either of these two effects. Between 1964 and 1969, the number of acres in farms has shrunk by 10% and the number of farms has declined by 20%. A study at the Department of Agricultural Economics and Marketing of Rutgers—The State University¹⁶ was performed in 1967 and evaluated the first 3 years of activity under the Act. Among the many interesting findings of the study were these:

“Sales of Land

Similar to land purchases, the percentage of owners selling land was small both before and after implementation of the Act. The average annual percentage of participants selling land rose slightly in the two periods from 3 percent to 4 percent. There was no change in the average annual percentage of non-participants selling land (4 percent). In total, 53 participants and 30 non-participants sold land from 1964-1967.

“As related to the reasons for selling land, a greater percentage of the participants, 27 percent, contrasted to 10 percent of the nonparticipants, sold

¹⁶ Experiment Station Bulletin 830 by Koch, Morrill and Hausamann.

TABLE 2-15

**NEW JERSEY FARM REAL ESTATE TAXES IN 1971
BY CLASS OF PROPERTY AND BY COUNTY**

County and Group	Amount of Tax in Thousands			Percent of Net Property Tax		
	Regular Farm	Qualified* Farm	Total Farm	Regular Farm	Qualified Farm	Total Farm
7 LARGEST						
Bergen	\$ 418	\$ 62	\$ 480	.14%	.02%	.16%
Essex	103	13	116	.03	—	.03
Hudson	—	—	—	—	—	—
Middlesex	913	496	1,409	.53	.29	.81
Monmouth	2,840	1,028	3,869	1.95	.70	2.65
Morris	1,149	304	1,453	.83	.22	1.05
Union	36	40	76	.02	.02	.04
Total	\$ 5,459	\$ 1,944	\$ 7,403	.38%	.14%	.52%
7 MIDDLE						
Atlantic	\$ 898	\$ 106	\$ 1,004	1.77%	.21%	1.98%
Burlington	1,640	1,125	2,765	2.34	1.61	3.95
Camden	549	149	698	.50	.13	.63
Mercer	1,246	455	1,701	1.50	.54	2.04
Ocean	674	35	708	.96	.05	1.01
Passaic	94	21	115	.07	.02	.09
Somerset	2,106	422	2,528	3.16	.63	3.79
Total	\$ 7,207	\$ 2,313	\$ 9,520	1.24%	.40%	1.64%
7 SMALLEST						
Cape May	\$ 122	\$ —	\$ 122	.49%	—%	.49%
Cumberland	1,960	295	2,255	7.47	1.12	8.59
Gloucester	1,695	595	2,290	4.51	1.59	6.10
Hunterdon	2,889	815	3,704	12.56	3.54	16.10
Salem	1,014	339	1,353	8.43	2.82	11.25
Sussex	1,459	625	2,084	4.62	1.98	6.59
Warren	1,362	475	1,837	7.11	2.48	9.60
Total	\$10,500	\$3,144	\$13,644	6.02%	1.80%	7.82%
State Total	\$23,165	\$7,402	\$30,567	1.06%	.34%	1.40%

Difference in totals due to rounding.

* Farms qualified for farm land assessment, (P.L. 1964, C. 48).

Source: New Jersey Division of Taxation.

land because of stated unfavorable economic circumstances on the farm (Table 2-15A).

“Eighty-one percent of the 311 participants and 74 percent of the 138 nonparticipants had no plans to sell land in the near future. This means that 19 percent of the participants and 26 percent of the nonparticipants had plans to sell or transfer their land in the near future. There was no significant difference between the number of participants and nonparticipants who had plans to sell land. The fact that a smaller percentage of participants were planning to sell land in the near future appears due to chance alone.

“Pressures to Sell Land

Participants and nonparticipants appeared economically rational in their decisions to sell or not sell land. Seventy-seven participants and 26 nonparticipants had received offers to buy their land (Table 2-15B). Forty-three percent of these participants and 54 percent of these nonparticipants would have sold if the price had been higher. The remaining 57 percent of these participants and 46 percent of

these nonparticipants would not sell because they wanted to continue to farm. It appears that a minority of the participants receiving offers to buy their land would have sold with or without the Farmland Assessment Act if the price had been “right.”

“In addition, the 311 participants were asked if the Farmland Assessment Act had influenced their decisions to sell land. Sixty percent said that the Act did not influence them, while 40 percent stated that the Act had been a positive force enabling them to continue to farm. A majority of participants were not influenced by the Farmland Assessment Act to sell land and would most likely sell if the monetary returns met their expectations.”

“When asked if participation in the Farmland Assessment Act had influenced decisions concerning the use of their lands, 60 percent of the participants said “no.” When asked if the Act would influence future land use decisions, an even greater percentage (78 percent) said no. The minority who felt the Act had influenced the use of their land said it had done so indirectly by enabling them to stay in farming, rather than selling out because of high taxes.

TABLE 2-15A

Reasons for Selling Land, Participants and Nonparticipants, Farmland Assessment Act, New Jersey, 1967

Reasons for Selling	Participants		Nonparticipants	
	No.	%	No.	%
To obtain capital gain	23	43	19	63
Farming not profitable	14	27	3	10
External causes	16	30	8	27
Total	53	100	30	100

Chi-square test was not significant
 Observed $x^2 = 2.6$
 Table $x^2 .95 = 5.99$

TABLE 2-15B

Reasons for Not Selling After Receiving Offers to Buy Their Land, Participants and Nonparticipants, Farmland Assessment Act, New Jersey, 1967

Reasons for Not Selling	Participants		Nonparticipants	
	No.	%	No.	%
Would sell, but price too low	33	43	14	54
Want to farm	44	57	12	46
Totals	77	100	26	100

Chi-square test was not significant
 Observed $x^2 = 2.2$
 Table $x^2 .95 = 3.84$

"It does not appear that passage of the Farmland Assessment Act changed land use patterns of existing farm operations. Some additional land was planted in crops by nonparticipants in order to meet the acreage requirement but generally land use patterns were not changing."

It is clear that for the most part the Act has been used by those for whom it was intended—farmers. On the other hand, the Committee has heard complaints that others are succeeding in obtaining the benefits of the Act. For example, Russell T. Wilson, Chairman of the Tax Study Committee of the New Jersey State League of Municipalities, told the Committee of frustrations on the part of many assessors of rural municipalities where they find that many corporations

"own vast acres of farmlands perhaps adjacent to a commercial development along a highway. Then they raise a hay crop on the property and produce five hundred dollars of revenue a year, and this can be (on) anywhere from five acres to five thousand acres, the five hundred dollars is all that is required (to qualify for preferential farmland assessment)."

It is questionable whether any public policy would justify shifting the tax burden from land speculators,

casual farmers, or even gentlemen farmers to others in the community.

The Committee concludes that it is necessary and desirable to tighten up the elements of the Act in light of 7 years experience. To this end,

The Committee recommends:

1) **Eligibility.** To qualify for farmland assessment, the owner should receive at least 25% of his gross income from farm operations, and the farm should yield annually at least \$500 plus an average of \$25. per acre for each acre over 5 acres.

2) **Roll-back.** The roll-back should be extended (by Constitutional Amendment) to the year of change of use plus 4 preceding years, by adding one additional year each year for the first two years after the amendment. For this purpose, assessors should be required to carry qualified farmland on the tax rolls at both full value and qualified farm value.

3) **Implementation.** The new Regulations of the Director of Taxation should be promptly implemented and firmly enforced. For purposes of determining the owner's income qualification, the gross

income of the owner and spouse living together, and the consolidated income of corporate owners and of holders of a majority of the voting stock of the corporation, where 80% of the voting stock is held by 10 or fewer stockholders, should be used.

Housing Abatements

Three types of laws provide for property tax abatement in an effort to encourage housing for low and moderate-income families. They may be summarized as follows:

1. **Tax abatement for public housing.** Public housing authorities (LHAs) pay 10% of the rent roll of the public housing development of the municipality in which the development is located in lieu of taxes. The commitment to accept this payment can be seen as the "local share" accepted by the municipality for a federally funded public housing project.

2. **Tax abatement for middle income developments.** Tax abatement for middle income developments, traditionally 221(d)3 or 202 funded, can be provided under two forms of enabling legislation. (a) Limited Dividend Corporation, under which the development may pay 15% of rent to the city in lieu of taxes, and (b) Urban Renewal Corporation (Fox-Lance) also to 15% of rent, but for a shorter term. The former is regulated by the state, in the Bureau of Housing (DCA).

3. **Tax abatement for New Jersey Housing Finance Agency developments.** HFA developments are eligible for abatement under the programs mentioned in section 2, or under the HFA law proper, which provides for abatement to 20% of gross revenue on the project. In practice, it is expected that most HFA developments will receive abatement to 15% of project revenue.

These programs are intended to coordinate tax policy with housing policy. To the extent that they permit a benefited project to pay less than a normal property tax, however, they have the same effect as a tax exemption. They cause a shifting of tax burden from the project to other property owners in the municipality. The extent of this shift is indicated in Table 2-16.

The consultant reports:

"In studying the figures presented throughout, it should be noted that the majority of efficiency and one bedroom units yielded revenue in excess of costs to the municipal and educational functions combined, but that two, three, and four bedroom units, where both the number of residents and the number of students increases, create costs in excess of revenues which will need to be passed on to other taxpayers of the municipality. It should also be remembered, that the efficiency units referred to above, occur only in the Doddtown project in East Orange, and are housing for the elderly. An additional fact to be taken into consideration is that the excess costs of these housing projects which will pass to other taxpayers of the taxing unit, will not be stable, but will increase yearly. Municipal and educational costs rise steadily

due to the need for additional services and facilities, and inflationary pressures. While these costs continually rise, the rents for these projects remain fixed; therefore, payments to both municipal and educational functions remain fixed, causing the cost-revenue gap to widen. In other words, those projects showing excess revenue for efficiency and one bedroom units at the present, could possibly create excess costs in the years ahead, and those units showing excess costs at the present, will experience additional excess costs in the future. Another noteworthy observation is that the different in lieu payments applied to the apartment projects showed no correlation to the end result of these projects incurring excess costs for the municipality. The in lieu payments ranged from a low of 15 percent, to a high of 20 percent, and excess costs were experienced regardless of the in lieu payment."

A study of official data for tax abated projects of N. J. Housing Finance Agency shows tax payments as a percentage of total occupancy costs in apartment projects were as follows:

APARTMENT	% OF OCCUPANCY COSTS	
	TAXES	PRINCIPAL + i
Amity Village	14.0 percent	54.78 percent
University Court	19.95 percent	50.4 percent
Zion Towers	11.1 percent	60.0 percent
Doddtown (East Orange)	13.4 percent	44.7 percent
Overlook Terrace (West New York) ..	13.4 percent	53.3 percent
Wade East (Millville)	16.5 percent	29.0 percent
Waterview Village (Ventnor)	11.7 percent	53.3 percent

It is self-evident that a tax abatement program which can hold property taxes to the moderate levels experienced by the N. J. HFA has done all that a State can do to adjust taxing policy to housing policy. Two questions remain:

A. Is it appropriate for the cost of the tax abatement to be shifted to municipal taxpayers—or would it be appropriate for the State to reimburse the municipality for the net costs incurred?

B. Will the massive general property tax reductions proposed by the Committee, together with the incentives of such federal tax shelters as are found in financing under Section 236 of the Housing and Urban Development Act of 1968 (Public Law 90-448, 82 Stat. 476) cause the existing tax abatement programs to become outmoded?

The Committee recommends:

Questions of tax abatement to implement housing policy should be determined by reference to the report of the Governor's Task Force on Housing, but any proposal which would further impair the property tax base should be considered in light of the findings and recommendations of this Report.

TABLE 2-16
STATE OF NEW JERSEY
SHIFTING OF TAX BURDEN BY SELECTED TAX ABATED HOUSING PROJECTS
(amounts in dollars per unit)

UNIT DATA				MUNICIPAL FUNCTIONS					EDUCATIONAL FUNCTIONS							
No. Bedrooms	Number of Residents	Number of Students	Additional Costs	ADDITIONAL REVENUES				Net Gain to City	Additional Costs	ADDITIONAL REVENUES				Net Gain to School	Combined City Gain	
				R. E. Tax Payment	State Aid	Federal Aid	Total			In Lieu	State Aid	Federal Aid	Total			
University Court (20% in Lieu) Newark	1	2.0	0	402.46	122.42	24.80	0.72	147.94	-254.52	0	117.16	0	0	117.16	+117.16	-137.36
	2	3.5	1.0	704.31	149.30	43.40	1.26	193.96	-510.35	766.97	142.88	246.72	106.54	496.14	-270.83	-781.18
	3	5.0	2.0	1006.15	174.17	62.00	1.80	237.97	-768.18	1533.94	166.70	493.44	213.08	873.22	-660.72	-1428.90
Essex County (20% in Lieu)	1	2.0	0	402.46	186.26	24.80	0.72	211.78	-190.68	0	178.26	0	0	178.26	+178.26	-12.42
	2	3.5	1.0	704.31	248.14	43.40	1.26	292.80	-411.51	766.97	237.49	246.72	106.54	540.75	-176.22	-587.73
	3	5.0	2.0	1006.15	263.93	62.00	1.80	327.73	-678.42	1533.94	252.60	493.44	213.08	959.12	-574.82	-1253.24
Zion Towers (15% in Lieu) Newark	1	2.0	0	402.46	130.89	24.80	0.72	156.41	-246.05	0	125.27	0	0	125.27	+125.27	-120.78
	2	3.5	1.0	704.31	150.49	43.40	1.26	195.15	-509.16	766.97	144.03	246.72	106.54	497.29	-269.88	-778.84
	3	5.0	2.0	1006.15	167.73	62.00	1.80	231.53	-774.62	1533.94	160.53	493.44	213.08	867.05	-666.89	-1441.51
Doddtown (Eff.) (17.25%) East Orange	0	1.0	0	147.63	96.89	10.28	.49	107.66	-39.97	0	89.22	0	0	89.22	+89.22	+49.25
	1	2.0	0	295.26	123.08	20.56	.98	144.62	-150.64	0	113.33	0	0	113.33	+113.33	-37.31
Overlook Terrace (17.25%) West New York	1	2.0	0	246.80	147.37	18.54	0	165.91	-80.89	0	191.29	0	0	191.29	+191.29	+110.40
	2	3.5		469.00	182.42	32.45	0	214.87	-254.13	208.05	236.79	58.87	5.52	301.18	+93.13	-161.00
	3	5.0	0.52	670.00	226.78	46.35	0	273.13	-396.87	348.98	294.37	98.75	9.26	402.38	+53.40	-343.47
Wade East (20%) Millville	1	2.0	0	121.08	47.77	26.28	0	74.05	-47.03	0	142.70	0	0	142.70	+142.70	+95.67
	2	3.5	0.75	211.89	57.20	45.99	0	103.19	-108.70	430.33	170.86	156.31	17.93	345.10	-85.23	-193.93
	3	5.0	1.0	302.70	64.11	65.70	0	129.81	-172.89	573.77	191.52	208.41	23.91	423.84	-149.93	-322.82
	4	6.0	3.0	363.24	66.63	78.84	0	145.47	-217.77	1721.31	199.03	625.23	71.73	895.99	-825.32	-1043.09
Waterview Village (20%) Ventnor	1	2.0	0	313.66	199.37	96.56	0	295.93	-17.73	0	160.35	0	0	160.35	+160.35	+142.62
	2	3.5	0.75	548.90	262.02	168.98	0	431.00	-117.90	669.75	210.75	98.42	14.04	323.21	-346.54	-464.44
	3	5.0	1.0	784.15	294.30	241.40	0	535.70	-248.45	893.00	236.71	131.23	18.72	386.66	-506.34	-754.79
	4	6.0	3.0	940.98	313.29	289.68	0	602.97	-338.01	2679.00	251.98	393.69	56.16	701.83	-1977.17	-2315.18

Source of Data for: Municipal Cost, State and Federal Aid—32nd Annual Report of the Division of Local Finance, 1969
Educational Cost, State and Federal Aid—18th Annual Report of Commissioner of Education, 1968-'69 School Year
Tax Payment for Municipal and Educational Functions—Property Tax Rates, Assessment Ratios and Tax Levies—N.J. Taxing Districts, 1970

Chapter VIII

Senior Citizens

A general property tax level which might be acceptable as an average may yet produce hardship for some taxpayers. The situation of senior citizens may often present such a problem because of two special factors affecting their ownership of dwellings:

(1) They have usually experienced a drastic reduction in income after retirement, and even then are living on fixed income which does not respond to inflation; and

(2) In their case, the generally tolerable effective tax rate reflects a levy on unrealized capital gain, in that the appreciated market value of their homes bought over a lifetime cannot be used to pay taxes so long as they live in them.

As shown in Table 2-17, New Jersey's present program is very much out of line with those of other states which have sought equitable programs.

The Current New Jersey Provisions

Resident property owners over 65 years of age with incomes of \$5,000 or less are allowed to deduct from the property tax on their dwelling the lesser of \$160.00 per year or their actual taxes. For purposes of qualifying for the deduction the claimant must:

(a) be 65 years of age or older as of December 31 of the pre-tax year;

(b) be legally domiciled in New Jersey for the period of three years preceding October 1 of the pre-tax year;

(c) be the owner of a dwelling house in which he resides which is a constituent part of his real property; ownership must be by the claimant alone or as tenants by the entirety with his spouse; if title is held otherwise, claimant's deduction is limited to his proportionate share of the taxes;

(d) have income for the tax year not in excess of \$5,000 with income being defined as all income received from whatever source derived including, but not limited to, salaries, wages, interest, dividends, income from rents and royalties, realized capital gains and, in their entirety, pension, annuity and retirement benefits, exclusive of social security benefits

and certain other retirement income. Income also includes income of his spouse except where his spouse was living apart in a state of separation; and

(e) file a statement during the pre-tax year as to his reasonably anticipated income for the tax year and file a statement in the post-tax year as to his actual income for the tax year.

Of the deduction allowed, half is included in the general tax levy by the municipality and half is State funded. The claim may be filed only with respect to one property in the State and the claimant is not entitled to also claim any Veteran's or Veteran's Widow's deduction. He apparently may also enjoy a farmland assessment.

From a tax equity standpoint, there are several aspects of the current scheme which could be improved. The deduction does not vary with income below the cut-off point and the deduction is not related to whether the property is in a high tax area or a low tax area. Moreover, the current scheme provides no relief for renters of property.

Income Variation Adjustment

Under the present scheme in New Jersey, a claimant with \$5,000 of income is eligible for the same deduction as a claimant with \$1,000 of income. A claimant with \$5,001 is not entitled to any deduction. One approach to modify this scheme and to taper the arbitrariness of the cut-off point, as well as to introduce progressivity, is to provide a sliding scale for eligibility within a defined range of incomes. This, in effect, is a negative tax, and could operate the same as a positive tax with either graduated or flat tax rates. By using an income factor adjustment several things could be accomplished:

(a) the benefit of a given maximum deduction could be reallocated so that the lower income group received greater benefit; and

(b) the benefit could be spread among a greater range of incomes.

It should also be noted the latter can also be accomplished by broadening the definition of income. The present definition is broad but it excludes social security

TABLE 2-17

SENIOR CITIZEN TAX RELIEF SYSTEMS

TABULATION AND COMPARISON OF CREDITS AMONG THE STATES

(in dollars)

State	Income Ceiling	Maximum Credit (at \$0 Income)	Credit (assuming maximum property tax at income of:												
			500	1000	1500	2000	2500	3000	3500	4000	4500	5000	5500	6000	
Wisconsin and Kansas....	3700	247.50	247.50	232.50	171.00	144.00	108.00	63.00	18.00	0	0	0	0	0	
Minnesota	3500	450.00	420.00	300.00	240.00	180.00	120.00	60.00	0	0	0	0	0	0	
California	3500	Not Explicit (depends on tax rate)													
at rate of:															
4%			190.00	190.00	190.00	150.00	110.00	70.00	30.00	0	0	0	0	0	0
6%			285.00	285.00	285.00	225.00	165.00	105.00	45.00	0	0	0	0	0	0
8%			380.00	380.00	380.00	300.00	220.00	140.00	60.00	0	0	0	0	0	0
10%		475.00	475.00	475.00	375.00	275.00	175.00	75.00	0	0	0	0	0	0	
Vermont		Not Explicit (depends on quintile)													
Quintile:															
1st	2571.43		180.00	145.00	110.00	75.00	40.00	5.00	0	0	0	0	0	0	0
2nd	3428.57		240.00	205.00	170.00	135.00	100.00	65.00	30.00	0	0	0	0	0	0
3rd	4285.71		300.00	265.00	230.00	195.00	160.00	125.00	90.00	55.00	20.00	0	0	0	0
4th	5142.86		360.00	325.00	290.00	255.00	220.00	185.00	150.00	115.00	80.00	45.00	10.00	0	0
5th	6000.00	420.00	385.00	350.00	315.00	280.00	245.00	210.00	175.00	140.00	105.00	70.00	35.00	0	
New Jersey	5000.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00	160.00*	160.00**	

* If income includes social security benefits.

benefits and certain other retirement income. The effect of this is that a person with \$6,000 of income having no social security income is treated very differently from a person with \$4,500 of income and \$1,500 of social security payment.

If the basis for setting an income eligibility is to define tax paying capacity of the claimant, it would seem that the source of the income should be immaterial. By eliminating the excluded categories of income and including an income factor adjustment, the cut-off point could be increased and the benefits be more fairly distributed within the eligible class of claimants, with no increase in costs.

The Committee has considered various income adjustments and finds that a simple concept will accomplish all that is required: that is, that each taxpayer should be responsible for his own tax payments up to an amount equal to 7% of his income. The tax abatement will equal the remainder of his tax bill. For fiscal reasons, as well as the social detriment of a loose money policy, the abatement program should not extend to any tax in excess of \$500 annually.

The 7% income factor is derived empirically from common experience. It is known that families spend 20-25% of their income for housing and that 20-25% of housing costs (in rental units) are attributable to tax. Thus 25% of 25% approximates the percentage of income taken in tax (rounded to 7%). The data from FHA mortgage operations indicates that the average New Jersey mortgagor is paying approximately 5% of his income for property taxes on his home, and this might justify reduction of the 7 to 5%. Senior citizens, on the other hand, may be expected to be able to devote a larger percentage of income to property taxes since their family responsibilities are no longer pressing.

The \$500 ceiling on the abatement amount is related to the median value of dwellings in New Jersey in 1970, which was \$22,000. The Committee's tax reform program should reduce the median general tax rate to about \$2.00, and this rate applied to the median house would require a tax of \$440. Thus the \$500 allows ample flexibility in relation to median experience.

Rate Factor Adjustment

Since few senior citizens will live in taxing districts with median tax rates, the rate factor adjustment is proposed. It is apparent that two \$20,000. homes in different municipalities may be assessed for \$400 tax in one and \$700 tax in the other. In the first case, the \$500 limit will have no effect; in the second, it will require the senior citizen to pay \$200. of tax in addition to 7% of his income.

This unequal treatment of senior citizens living in different municipalities can be minimized by adjusting

the \$500 ceiling upward or downward in accordance with the level of effective tax rate in each municipality, as follows:

$$\text{Rate factor adjustment} = \frac{\text{Equalized Tax Rate of Municipality}}{\text{median E. T. R. of State}} \times \$500.$$

provided that $\frac{M}{S}$ shall not exceed 1.4 or be less than 0.6

Thus the ceiling could vary between \$700 and \$300, depending upon the level of effective tax rate in the municipality.

The combination of the income adjustment and the rate factor adjustment results in a redistribution of the deduction among the eligible claimants in accordance with their incomes and in accordance with the relative burden of the tax rate in their local municipality. Such a distribution is progressive both in relative terms, as well as in absolute terms, and eliminates the arbitrariness of an artificial cut-off point for eligibility.

Expanding Coverage to Include Renters

The present scheme of senior citizens' property tax relief in New Jersey provides no relief for renters of property. Like the Federal income tax law, it discriminates against those who choose, or by reason of circumstances, find it necessary to rent their dwelling unit rather than to own it. Although a large percentage of their rent actually goes toward meeting the owner's property taxes, the renter is not allowed to treat any portion of his rent as taxes.

The generally recognized figures are that 20 to 25% of rent payments are attributable to taxes. This being the case, it might be fair to treat this portion of rent as taxes for purposes of the senior citizens' property tax relief approach. Using the 25% figure, a senior citizen paying monthly rental of \$150.00 could treat \$450.00 per year as the amount of taxes paid. Relief could be provided to him on the basis of this figure as adjusted by the income and rate factor formulas. In all other respects eligibility would be the same as for owners of real estate.

How the Deduction is Financed

Under the present New Jersey scheme, the senior citizens' property tax relief program is funded half by the State, with the other half being borne by shifting the taxes at the municipal level. The latter shifting is accomplished by adding the amount of senior citizens' deductions allowed in the municipality to the amount of the total tax levy to arrive at a total on which the tax rate is to be computed. The effect of this is to

shift some of the taxes deducted back to senior citizens and the rest to other taxpayers in the municipality.

The application for the deduction is filed with the local assessor and, if approved, the claimant's deduction is shown on his tax bill. An alternative approach which has been utilized in those States which provide this type of relief and which also have a state income tax, is to allow the senior citizens' property tax relief as a credit against the income tax. This lessens the administrative burden at the municipal level and shifts the full cost of the relief to the State. If the tax credit for this relief exceeds the income tax otherwise due, the claimant receives a refund from the State. This also eliminates the step of filing a statement as to anticipated income and provides proof of income on the same tax return.

Cost Estimates

In 1970, the total amount of senior citizens' deductions at the maximum of \$80.00 per claimant was \$11.4 million. The effect of this item on a Statewide basis was to increase the overall tax rate in the State by about \$.055 per \$100 of valuation. Accordingly, this cost was passed on to all property owners in the State (including senior citizens) and, on the average, increased their tax bills by .055%. Thus, there was no direct State cost associated with the 1970 senior citizens' deduction.

Effective for 1971, the deduction was increased to a maximum of \$160.00 per year, with the additional \$80.00 being State funded. (Laws of 1971, Chapter 20.) As part of this change, the definition of income was also modified to exclude social security

benefits. This resulted in additional persons becoming eligible for property tax relief. The local share of senior citizens deductions claimed for 1971 was \$12.2 million and an equal amount was State funded.

The Committee staff estimates the total cost of the new program liberally at \$50.5 million—an increase of about \$26.1 million over the 1971 total of \$24.4 million.

The Committee recommends:

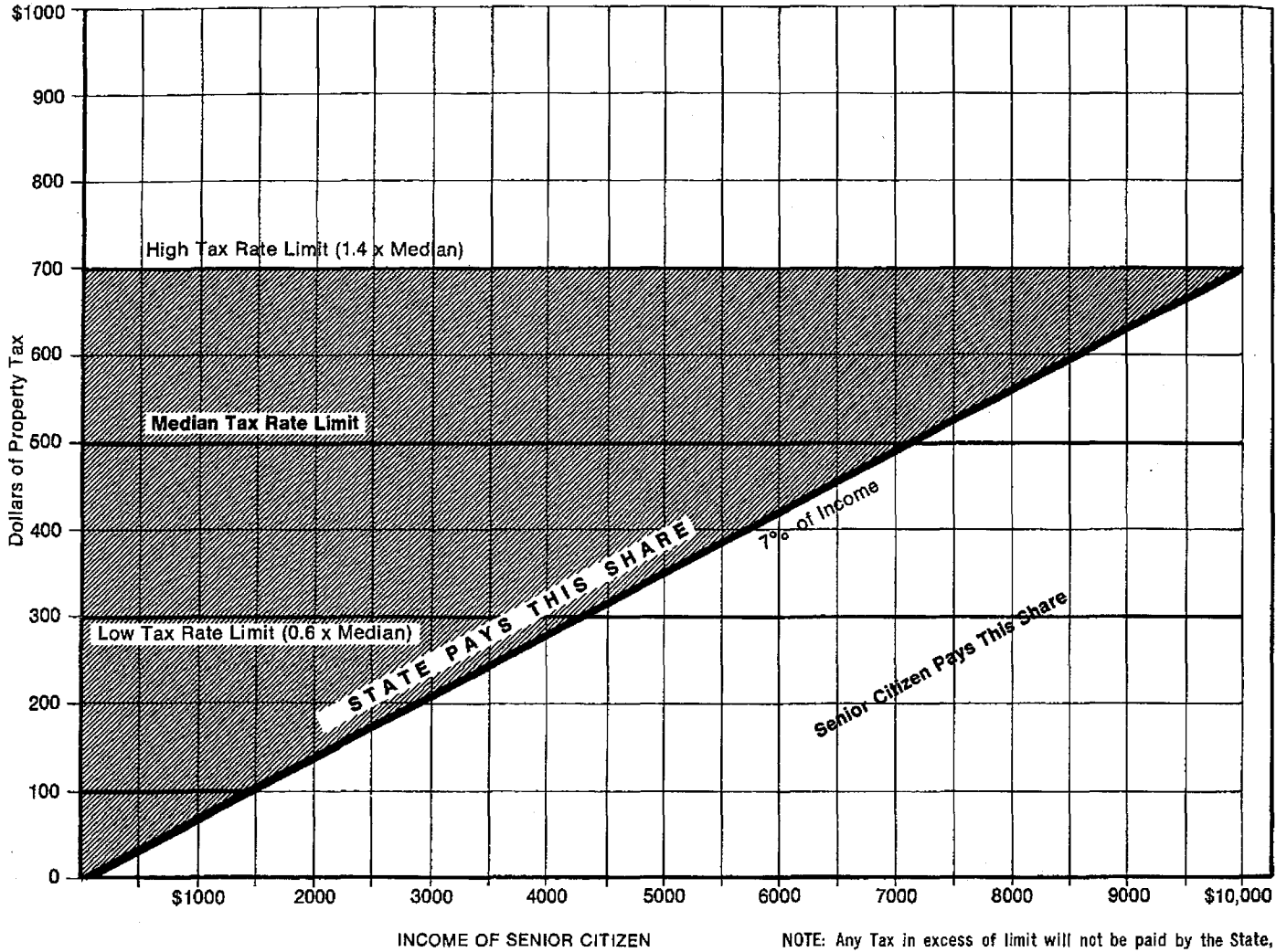
A senior citizens property tax relief program to replace the present program as follows (See Chart 2-5):

- 1. Delete the present \$5,000 eligibility requirement and replace it with a formula which will in effect allow basic benefits with income up to \$7,100, as in item (3) below;**
- 2. Restore income from whatever source derived to the definition of included income;**
- 3. Allow each senior citizen a property tax credit against his income tax or a rebate equal to the amount of property tax paid or \$500, whichever is less, minus 7% of the senior citizens' gross income, including income of the title holder's spouse living in the same dwelling;**
- 4. Adjust the \$500 upward or downward as the equalized tax rate of his municipality is greater or less than the median tax rate in the State, according to the formula prescribed above;**
- 5. Include renters in the tax abatement program by considering 25% of rent paid as property tax;**
- 6. The entire program shall be State financed and State administered.**

Chart 2-5

State of New Jersey

SENIOR CITIZEN TAX RELIEF IN RELATION TO INCOME AND LOCAL TAX RATE



NOTE: Any Tax in excess of limit will not be paid by the State, and will remain obligation of senior citizen.

$$\text{State Payment} = \left[\frac{\text{Local Equalized Tax Rate}}{\text{State Median Equalized Tax Rate}} \left[\begin{array}{l} \text{but not greater than 1.4} \\ \text{or less than 0.6} \end{array} \right] \times \$500 \right] \text{ OR } \left[\text{Tax Bill of Senior Citizen} \right] - 7\% \text{ Senior Citizen's Income}$$

[whichever is less]

Chapter IX

Property Tax Limits

A means of maintaining reduced property taxation, assuming that tax reform can achieve that goal initially, is an obvious key to successful implementation of a reform program. Property tax limits have been used in one form or another for about 100 years, and today 43 of the 50 states have some form of property tax limitations. The seven states without limits of any sort, including New Jersey, are all in the northeastern part of the country.

The movement for property tax limitation is marked by three separate and discernible waves. One came in the latter part of the nineteenth century, when the impetus was to *prevent excessive spending and borrowing* through the operation of the tax limit. The second wave was depression-borne, and was a response to the great property tax delinquencies of the 1930's and the effort of state government to *replace the property tax with sales and income taxes*. The third wave is represented by the current movement in various parts of the United States, and repeats the theme of the second wave—to shift from the taxation of property to non-property tax bases for the support of local government.

Types of Limits

The most common type of property tax limit is expressed in the form of a limitation of the rate which may be assessed in any one year. Four states, Arizona, Colorado, New Mexico and Oregon, limit the annual percentage increase in the property tax which is permissible (using percentages of 5% to 10%, among the states). One state, Minnesota, uses a per capita dollar limit on the property tax. Some of the limits appear in constitutional provisions; others in statutes. Most of the limits are stated separately for each overlapping unit of government, but nine states enforce a maximum overall limit on property taxes. The overall type limitation requires a procedure for allocating the total rate among the overlapping jurisdictions, which compete for property tax revenues under the limit. There are also various exceptions and adjustments under the different limitations, and it is most common to exempt debt service from the operation of the limit. Another fairly common provision is to permit the limit to be exceeded upon a favorable vote of the

property owners, which sometimes must be by greater than a 50% majority.

For purposes of analysis, it is useful to classify the 43 States using property tax limits of any sort into groups based upon the stringency of each State's tax limitation laws. A completely objective classification is difficult due to the wide variation in State property tax limitation provisions for tax rate maximums, annual percentage changes, assessment ratios, categories of local government included, debt service exclusions, and extra voted levies.

As shown in Table 2-18, the Advisory Commission on Intergovernmental Relations has developed a classification of states, which has been used for purposes of this study.

The Operating Effect of Limits

Opinion differs as to the effectiveness of property tax limitations. In part, this reflects disappointment that the property tax limit has not succeeded in holding down the total expenditures of state and local government from all sources. However, if the purposes of the limit is to reduce reliance upon property as a tax base and to compel the use of other tax bases, there is substantial evidence to demonstrate the success of property tax limitations.

There are two useful ways to look at the data: (1) to compare the increase in property tax collections over a period of years among the different groups of tax limitation states; and (2) to compare the percentage of total revenues of State and local government derived from property taxes at the beginning of the period and at the end, for each group of States. The periods reviewed are those for which national data are available for comparison.

Increases in property tax collections in the United States between the years 1957 and 1967 are shown in Table 2-19. The increase in total State and local property tax collections in this period in the nine states with overall limits was 98.1%, in the 13 states considered by the ACIR to have strong property tax limits it was 96.0%, in the 21 states with mild property tax limits it was 105.9%, and in the 7 states with no property tax limits it was 99.2%. A similar result

TABLE 2-18

CLASSIFICATION OF TAX LIMITATIONS BY THE
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS*
BY STATE, 1962

I States with no property tax limits [7]		
Connecticut	Massachusetts	New Jersey
Maine	New Hampshire	Vermont
Maryland		
II States with mild property tax limits [21]		
Alaska	Illinois	Oregon
Arizona	Kansas	Pennsylvania
California	Minnesota	South Carolina
Colorado	Montana	Tennessee
Delaware	New York	Utah
Florida	North Carolina	Virginia
Idaho	North Dakota	Wisconsin
III States with strong property tax limits [13]		
Alabama	Kentucky	Nebraska
Arkansas	Louisiana	South Dakota
Georgia	Mississippi	Texas
Hawaii	Missouri	Wyoming
Iowa		
IV States with overall property tax limits [9]		
Indiana	New Mexico	Rhode Island
Michigan	Ohio	Washington
Nevada	Oklahoma	West Virginia

* Advisory Commission on Intergovernmental Relations, *State Constitutional and Statutory Restrictions on Local Taxing Powers*, U.S.G.P.O. (Washington: October 1962), p. 54.

TABLE 2-19

INCREASES IN PROPERTY TAXATION 1957-1967
UNITED STATES
RELATIONSHIP TO STRINGENCY OF PROPERTY TAX LIMITS

Classification of States by Stringency of Property Tax Limits	Percentage Increases in Property Taxes 1957-1967					
	Total Property Tax Revenues		Property Taxes Per Capita		Property Taxes Related to Personal Income	
	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average
All Fifty States	107.9	102.2	80.2	75.6	21.5	18.4
No Property Tax Limits (7 States).....	101.2	99.2	69.5	67.9	19.1	17.8
Mild Property Tax Limits (21 States).....	108.6	105.9	76.9	71.5	20.9	15.8
Strong Property Tax Limits (13 States)....	108.4	96.0	90.4	88.5	20.9	19.9
Overall Property Tax Limits (9 States).....	110.6	98.1	81.4	79.6	25.8	24.2

Sources: 1967: U. S. Bureau of the Census, *Census of Governments, 1967*, Vol. 4, No. 5: *Compendium of Government Finances (1969)*, Tables 24, 27, 43.

1957: U. S. Bureau of the Census, *Census of Governments, 1957*, Vol. III, No. 5: *Compendium of Government Finances (1959)*, Tables 23, 26, 43.

TABLE 2-20

INCREASES IN STATE AND LOCAL GOVERNMENT REVENUE, TOTAL TAXES, AND PROPERTY TAXES,
UNITED STATES 1942-1957

RELATIONSHIP TO STRINGENCY OF PROPERTY TAX LIMITS

Classification of States by Stringency of Property Tax Limits	General Revenue	General Revenue Own Sources	Total Taxes	Property Taxes	Per Cent Increase 1942-1957, Dollars Amounts				
All Forty-Eight States	288.73	280.35	256.35	193.88					
No Property Tax Limits (7 states)	227.64	224.07	207.63	162.05					
Mild Property Tax Limits (20 states)	296.70	292.10	269.90	209.30					
Strong Property Tax Limits (12 states)	304.75	282.58	258.00	188.08					
Overall Property Tax Limits (9 states)	297.22	295.11	262.00	192.11					
					Per Cent Increase 1942-1957, Per Capita Amounts				
All Forty-Eight States	201.83	194.38	175.88	127.31					
No Property Tax Limits (7 states)	168.48	165.62	151.62	115.75					
Mild Property Tax Limits (20 states)	185.00	186.25	165.45	120.10					
Strong Property Tax Limits (12 states)	257.00	237.33	215.83	153.35					
Overall Property Tax Limits (9 states)	191.67	188.67	164.67	117.67					
					Per Cent Increase 1942-1957, Per \$1000 Personal Income				
All Forty-Eight States	37.31	34.38	26.17	4.10					
No Property Tax Limits (7 states)	28.72	27.44	20.72	2.86					
Mild Property Tax Limits (20 states)	33.55	31.90	24.70	3.65					
Strong Property Tax Limits (12 states)	48.50	40.50	31.75	6.50					
Overall Property Tax Limits (9 states)	37.44	37.11	26.22	2.00					

Source: U. S. Bureau of the Census, State and Local Government Finances in 1942 and 1957, State and Local Government Special Studies, Number 43 (Dec. 11, 1959), pp. 18, 19, 20.

is indicated in the property tax column of Table 2-20, relating to the period 1942-1957.

Unexplained, these data could lead to the anomalous conclusion that strong property tax limits result in more rather than less taxation of property. To the contrary the data probably reflect factors of greater influence than tax limitation, as follows:

A) The strong tax limit states (Group III) as a group included southern and middle western states which were going through years of rapid growth and major upgrading of public services during the period 1942-1967; whereas the no tax limit states include (Group I) all of the New England states, New Jersey and Maryland—states with already mature economic development and public expenditure programs in 1942 and thus having less need for an increased rate of expenditure over the period studied;

B) Most of the states in Group III have had a considerably greater rate of increase in public school expenditures per capita than the Group I states; and thus the impact of major expansions of educational expenditures within the limits has exerted proportionately greater pressure on the local property tax base of the Group III states than in the Group I states (where it also has been considerable).

C) The population density and higher wage rates of the Group I states, all along the Eastern seaboard, at the beginning of the period meant that the population explosion of the post-1945 period had less of an impact on them than it did in states of Group III which had both greater rates of population growth and rising wage rates at the same time.

D) It is probable that among the Group III states more of the increased property tax yield came from economic growth in the property tax base rather than from tax rate increases.

A comparison of the extent of reliance on the property tax among the groups of the states shows the effect of tax limitation. As shown in Table 2-21, states with property tax limits derive a substantially lesser proportion of their revenues from property taxes than do those without limits.

All of the measures in Table 2-21, indicate that states with no limits derived about a $\frac{1}{3}$ greater proportion of revenues from property taxes than did those with limits in 1967 and in 1969. States with strong limits clearly rely less on property taxes than do any of the other groups. In essence, property tax limits may not hold down expenditures, but they do divert the pressure for revenues to non-property tax sources.

TABLE 2-21
**COMPARATIVE USE OF PROPERTY TAXES
 UNITED STATES
 1967 AND 1969**

Classification of States by Stringency of Property Tax Limits	1967 Property Taxes				1969 Property Taxes			
	As a Percent of General Revenue		As a Percent of Total Tax Revenue		As a Percent of General Revenue		As a Percent of Total Tax Revenue	
	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average
All Fifty States	31.73	34.37	40.35	42.74	29.86	32.16	38.11	40.01
No Property Tax Limits (7 States)	42.60	43.87	50.57	51.66	41.40	42.29	49.16	49.78
Mild Property Tax Limits (21 States)....	30.84	34.56	39.55	42.39	29.16	32.06	37.52	39.30
Strong Property Tax Limits (13 States)....	28.78	28.46	37.73	37.24	26.11	26.34	34.54	34.79
Overall Property Tax Limits (9 States)	29.60	33.53	38.04	43.12	27.95	31.64	36.05	40.58

Sources: 1967: U. S. Bureau of the Census, Census of Governments, 1967, Vol. 4, No. 5: Compendium of Government Finances (1969), Table 20.

1969: U. S. Bureau of the Census, Governmental Finances in 1968-69, Series GF69—No. 5 (1970), Table 17.

The experience of New York City and other cities in New York State provides persuasive evidence that, given the policy of shifting from property to non-property tax services, a property tax limitation can assure the desired result. New York State's property tax limits are stated in percentages of full valuation of real estate within the boundaries of the affected local government—they vary from a low of 1¼% to a high of 2½% of the full valuation taxable. For this purpose, assessed values in each taxing district are converted to full value by applying an equalization determined by the State from an annual analysis of property sales.

Not every item of expenditure is included within the tax limit maximum in New York. The following expenditures are outside of the operating tax limit—all payments of interest or repayment of principal or debt, payments into a pension fund for government employees, within certain restrictions; capital outlay (except in New York City) as defined by the Legislature; and certain special exemptions for New York City.

The constitutional tax limit for cities is 2%, except in New York City where it is 2½%, of the five-year average of full valuation of real estate. In New York City, and the five next largest cities, Albany, Buffalo, Rochester, Syracuse, and Yonkers, which have fiscally dependent school systems, all expenditures, municipal and school, are required to be within the limit. In the other 56 cities of the State of New York, the 2% limit applies only to taxes for general operating purposes, and not to expenditures for education, which are handled by a fiscally inde-

pendent school district with its own educational tax limits.

New York City was taxing at its 2% maximum rate when the limit was changed in 1953 over a period of years to a new maximum of 2½% effective January 1, 1956. By 1956 New York City was taxing at 2.49% and the levy subject to limit varied between 2.44% and 2.49% from 1956 through 1968. A change in assessment practice dropped the levy to 2.31 in 1969, but it soon rose again to levels just below the limit. The levy was 2.48% in 1970 and 2.49% in 1971.

During this period when it was reaching its property tax ceiling, New York City's proportionate dependence on the property tax declined markedly.

A study of the trend of effective tax rates in the other cities of New York State over the period of 1950-1970 shows that these local governments have indeed been restrained by the tax limitations, as compared with the record in New Jersey. See Appendix Table A-7.

The appendix table indicates the operation of the tax rate limitation in New York in some 29 cities arranged alphabetically from Albany to Yonkers over the period from 1950 to 1969. The reported data show that the nominal tax rate rose substantially during the 20 year period in some cities such as Albany, Auburn, Binghamton and Buffalo, but remained relatively stable in Amsterdam, Elmira, Ithaca, Long Beach and others.

When the nominal tax rate is converted to an effective tax rate on full value, the table shows that

practically all the cities in New York State maintained a relatively stable tax rate on real estate throughout the 20 year period.

Some of the cities, such as Albany, Buffalo, New Rochelle (in recent years), Rochester and Yonkers have been operating just within the limit for many years. Other cities appear to have ample leeway under the existing limit and have not found it necessary to use their taxing power.

There is no question that the tax rate limitation on cities in New York State has held down the effective tax rate on individual property owners. This does not mean, of course, that large additional revenues from the property tax were not realized; they came from a growth of economic values to which the tax rates were applied. In addition, during the same 20 year period, New York State provided optional county and municipal sales taxes to supplement local revenues.

As officially reported, early in the period 1940-1961, the property tax provided as much as 90% of New York City's revenues. After the need for additional revenue led to adoption of the sales tax and the general business and finance tax, these two levies quickly assumed a substantial share of the burden between 20 and 25% in the case of the sales tax and as much as 12.5% in the case of the general business and finance tax. The result was that the property tax share of the total dropped to 67.5%.

This is solid evidence that property tax rate limitations should not be expected to reduce total expenditures; but they do cause a redistribution of the tax burden as between property and non-property tax sources. Such a redistribution is a key policy recommendation of the Committee.

Design of a Tax Limit for New Jersey

There are several preliminary, but important considerations of policy in the design of a tax limit for New Jersey. These are:

(1) Should the limit be conceived as a ceiling beyond which it is not economically wise to levy on capital values annually? For example, the President of the Assessors' Association suggested 4% as such a ceiling at one of the Committee's public hearings.

(2) Should the limit be an overall limit, with provision for administrative apportionment among overlapping units of government, or should it be a specific and separate limit for county, municipal and school purposes, respectively?

(3) To what extent will programs proposed by the Committee reduce the real estate tax burden, so as to permit a lower ceiling?

(4) Should the tax limit be reinforced by any form of expenditure limit?

(5) Should the ceiling be subject to being exceeded upon a vote of the electorate?

(6) Should the power to levy and collect local non-property taxes be made available to the "big 6" of New Jersey municipalities, to enable them to supplement property tax revenues which could be made available under the property tax limit?

"Economic limit" theory. This approach to property tax limit would require the selection of a maximum tax rate based upon economic criteria. Some economists hold to the view that an effective annual tax rate substantially in excess of 3% begins to show disincentive effects, and any rate below that has no significant effect on investment decision. The assessors of the State have indicated an opinion that 4% is the maximum tolerable rate. Neither of these approaches satisfies the practical necessity, however, of selecting a tax ceiling which will accommodate the needs of the highest cost municipalities, consistent with the policy to achieve massive property tax reduction.

Overall vs. Specific. While nine states have overall limits as compared with specific limits for each overlapping unit of government, the remainder of States use the latter plan. (Table 2-18) The overall limit requires a complicated system of allocating taxing power among the taxing districts, and this outweighs whatever merit it might have.

Rate Limitations. To be acceptable the tax rate limits should permit local governments to continue existing programs with some moderate leeway to accommodate future requirements. This can be determined by an examination of present actual effective tax rates, and giving effect to all programs proposed by the Committee. The principal items to be eliminated from the property tax by the recommendations (Parts II and III of the Report) may be summarized for this purpose as follows:

	1971 Estimate in millions
<i>Transfer of costs:</i>	
1) Welfare costs	\$ 75.0
2) Senior citizens relief	12.2
3) Veterans' deduction	22.3
4) County costs of judiciary (net) ¹	30.0
5) County tax board costs	1.5

¹ Estimate based upon 1970 Annual Report of the Administrative Director of the Courts, Fiscal Tables D and G plus salaries of prosecutors and assistant prosecutors.

	<u>1971 Estimate in millions</u>
<i>Additional Aid Programs:</i>	
State payments on tax exempt property	13.5
Municipal block grant (net)	75.0
State financing of basic school program and aid for local school leeway ex- penditures (Net increase over pres- ent aid)	607.9
Total reductions in property tax	837.4
Senior citizens additional re- lief	25.6
Net total relief	\$863.0

Table 2-22 shows that without any of the above (other than State welfare transfer) every county except Hudson could live with an effective tax rate limit of \$.75 per hundred. With the relief provided above, the county rate ceiling need not exceed \$.50 per hundred.

Table 2-24 shows that using only the welfare cost transfer, the "big 6" could have operated with a municipal purpose tax rate of no more than \$1.62 in

1969. With the proposed block grant and savings in senior citizens and veterans deductions, and receipts from payments on tax exempt property, any of the cities could operate under a tax rate limit of \$1.50 per hundred of full value for municipal purposes, including special district taxes.

An acceptable limit for local school taxes, after allowance for the proposed new state financing program (See Part III of the Report) could be stated in various ways, but the simplest would be no local tax levy unless it is voted by referendum, except to maintain expenditure programs budgeted for school year 1972-1973, including capital outlays, debt service and operating expenses.

Taxes needed to pay debt service are outside the limit in each case. This is needed to protect the credit of the local government and includes only a moderate additional levy. (See Table 2-23)

The Committee recommends:

In summary, the tax rate limits, in relation to equalized valuation taxable, as determined by a three year average, shall be stated as follows:

TABLE 2-22

**EFFECTIVE TAX RATES IN NEW JERSEY COUNTIES
TO DETERMINE FEASIBLE PROPERTY TAX LIMITATION RATE
CALENDAR YEAR 1970**

County	Classification (1970 Census)	County Tax Rate per \$100 of Net Valuation on Which County Taxes are Apportioned		
		1970 County Property Tax Levy	Property Tax Levy Less Debt Service	Property Tax Levy Less Debt Service and Welfare Appropriation
Atlantic	5th	\$.88	\$.83	\$.60
Bergen	1st	.41	.36	.31
Burlington	2nd	.59	.54	.45
Camden	2nd	.93	.85	.62
Cape May	6th	.55	.50	.44
Cumberland	3rd	1.16	.99	.67
Essex	1st	1.14	1.04	.75
Gloucester	3rd	.63	.63	.50
Hudson	1st	1.22	1.13	.91
Hunterdon	3rd	.48	.48	.43
Mercer	2nd	.91	.80	.61
Middlesex	2nd	.53	.48	.41
Monmouth	5th	.62	.57	.41
Morris	2nd	.39	.32	.29
Ocean	5th	.52	.52	.41
Passaic	2nd	.63	.58	.41
Salem	3rd	.99	.96	.69
Somerset	3rd	.46	.43	.36
Sussex	3rd	.80	.78	.69
Union	2nd	.44	.40	.32
Warren	3rd	.79	.72	.62

Source: N.J. Department of Community Affairs, Division of Local Finance, *Thirty-second Annual Report, 1970* (Trenton, N.J.: 1971), pp. 32-115.

For county purposes—\$.50 per hundred exclusive of debt service

For municipal purposes—\$1.50 per hundred exclusive of debt service and reserve for uncollected taxes

For school purposes—as voted only, except for debt service and the tax rate equivalent required to finance per pupil amounts budgeted for 1972-73 after allowance for State and Federal funds received.

Extra voted levies—In order to provide some flexibility, the stated limits for county and municipal purposes may be exceeded by vote of the people at a referendum, provided no annual increase may exceed 10% of the preceding year's effective tax rate.

Local non-property taxes

The delegation by the State of non-property taxing power is one way of protecting the integrity of property tax limits, but there are also serious disadvantages to such an alternative. Table 2-25 indicates the potential revenue yields of the more common types of such non-property taxes.

In a state which is the most urbanized in the nation, and where municipalities are therefore very competitive, and population is very mobile, the optional use of such taxing power is apt to cause more difficulty than it is worth. Accordingly—

The Committee does not recommend that the State delegate local non-property taxing power to counties or municipalities.

TABLE 2-23
STATE OF NEW JERSEY
RELATION OF DEBT SERVICE TO TOTAL EXPENDITURES,
NEW JERSEY MUNICIPALITIES AND COUNTIES
(Amounts in \$000)

	1960	1962	1964	1966	1968	1970
Municipalities (567)						
Total Expenditures	\$995,771	\$1,160,153	\$1,330,647	\$1,481,277	\$1,919,248	\$2,443,339
Less: Local School, County and Special District Taxes..	544,297	640,782	772,366	860,366	1,152,137	1,485,256
Net Municipal Expendi- tures	451,474	525,371	558,281	620,911	767,111	958,083
Debt Service	46,651	48,670	51,612	56,689	63,945	79,114
Debt Service Percentage	10.33	9.26	9.24	9.13	8.34	8.26
Counties (21)						
Total Expenditures	\$193,902	\$ 225,474	\$ 260,005	\$ 321,421	\$ 396,891	\$ 498,888
Debt Service	14,469	16,461	17,750	20,533	23,846	32,201
Debt Service Percentage	7.46	7.30	6.83	6.59	6.01	6.45

Source: New Jersey Department of Community Affairs, Division of Local Finance, *Thirty-third Annual Report, 1970*; (Trenton, N. J., 1971), pp. 26-27.

TABLE 2-24

STATE OF NEW JERSEY

MUNICIPAL TAX RATES TO DETERMINE POSSIBLE MUNICIPAL PROPERTY TAX LIMITATION RATES
(amounts in dollars; rates in per cents)

	State Eq. Value 1969 NVT ÷ St. Eq. Rate	Local Municipal Purpose Taxes (a)		Debt Service (b)		Reserve for Uncollected Taxes (c)		Welfare—Public (d) Assistance (Net Apprx.)		Muni. Rate Less Debt Service & Re- serve a— (b&c)	Muni. Rate Less Debt Service & Re- serve a— (b&c&d)
		Amount	St. Eq. Rate	Amount	St. Eq. Rate	Amount	St. Eq. Rate	Amount	St. Eq. Rate		
Newark (6)	\$ 1,595,817,351	\$ 43,940,607.94	2.75	\$ 9,770,216.84	.61	\$ 12,842,186.53	.80	\$ 1,991,641.99	.12	1.34	1.22
Jersey City (7)	885,285,800	20,791,662.71	2.35	4,469,142.00	.50	5,507,811.49	.62	665,273.00	.08	1.23	1.15
Paterson (27)	574,663,620	10,969,614.88	1.91	1,956,296.82	.17	1,677,931.63	.15	357,481.00	.03	1.59	1.56
Elizabeth (161)	605,894,759	8,884,700.75	1.47	2,413,834.40	.40	1,115,793.05	.18	214,303.00	.04	.89	.85
Trenton (8)	357,710,907	10,327,730.29	2.89	1,848,703.21	.52	2,327,972.79	.65	354,105.22	.10	1.72	1.62
Camden (14)	314,841,553	7,595,154.54	2.41	1,120,279.05	.36	1,608,477.50	.51	170,300.00	.05	1.54	1.49
Winfield Twp. (1)	1,420,375	60,036.04	4.23	16,700.00	1.18	—	—	1,675.00	.12	3.05	2.93
Audubon Park (2)	1,476,356	38,400.00	2.60	—	—	—	—	925.00	.06	2.60	2.54
Hoboken (3)	118,038,379	4,570,371.60	3.87	509,256.75	.43	1,216,271.48	1.03	446,518.00	.38	2.41	2.03
East Orange (4)	382,934,040	8,979,350.43	2.34	1,442,380.54	.38	1,071,816.06	.28	146,877.70	.04	1.68	1.64
Shrewsbury Twp. (5)	753,667	26,799.00	3.56	—	—	—	—	100.00	.01	3.56	3.55
Orange (9)	144,750,988	3,411,719.88	2.36	279,710.83	.19	429,552.48	.30	98,431.00	.07	1.87	1.80
West New York (10)	151,687,896	3,202,163.44	2.11	712,763.00	.47	802,646.79	.53	85,440.00	.06	1.11	1.05
Asbury Park (11)	98,503,953	1,764,641.33	1.79	976,312.27	.99	368,357.00	.37	33,200.00	.03	.43	.40
Union City (12)	177,830,860	4,613,866.33	2.59	609,279.50	.34	791,585.84	.45	237,473.00	.13	1.80	1.67
Glen Ridge (13)	70,593,441	884,596.18	1.25	6,610.00	.01	116,587.95	.17	3,387.00	.00	1.07	1.07
Sussex (15)	9,591,378	49,786.23	.52	—	—	58,000.00	.60	800.00	.01	.80	.09
Egg Harbor City (16)	14,628,936	167,204.03	1.14	225.00	.00	65,781.47	.45	2,210.00	.02	.69	.67
Chesilhurst (17)	2,818,303	20,723.19	.74	—	—	37,473.00	1.33	1,200.00	.04	.59	.63
Salem (18)	26,235,431	230,945.27	.88	40,180.00	.15	140,358.06	.53	3,700.00	.01	.20	.19
Pine Hill (19)	14,603,300	157,792.44	1.08	4,600.00	.03	99,730.83	.68	3,080.00	.02	.37	.35
Stanhope (20)	13,476,058	95,655.84	.71	3,325.00	.02	71,440.38	.53	1,270.00	.01	.16	.15
Loch Arbour (21)	3,342,638	65,500.00	1.96	15,342.50	.23	12,933.55	.19	—	—	1.54	1.54
Plainfield (22)	278,751,759	7,013,985.42	2.52	1,244,640.25	.45	827,752.55	.30	61,273.00	.02	1.77	1.75
Irvington (23)	322,756,079	4,850,697.49	1.50	666,293.00	.21	572,479.23	.18	56,490.00	.02	1.11	1.09
Bridgeton (24)	74,149,494	579,004.90	.78	68,956.76	.09	268,155.00	.36	20,765.00	.03	.33	.30
Lawrence Twp. (25)	7,918,728	33,294.49	.42	—	—	86,355.20	1.09	1,887.81	.02	— .67	— .69

TABLE 2-24 (Continued)

	State Eq. Value 1969 NVT + St. Eq. Rate	Local Municipal Purpose Taxes (a) Amount	St. Eq. Rate	Debt Service (b) Amount	St. Eq. Rate	Reserve for Uncollected Taxes (c) Amount	St. Eq. Rate	Welfare—Public (d) Assistance (Net Apprx.) Amount	St. Eq. Rate	Muni. Rate Less Debt Service & Re- serve a— (b&c)	Muni. Rate Less Debt Service & Welfare a— (b,c&d)
Hampton (26)	5,249,012	28,000.00	.53	—	—	20,200.00	.38	100.00	.00	.15	.15
Pleasantville (28)	51,688,935	1,131,419.24	2.19	30,284.25	.06	348,116.31	.67	19,000.00	.04	1.46	1.42
Penns Grove (29)	16,790,235	133,535.54	.80	100.00	.00	61,688.42	.37	4,800.00	.03	.43	.40
Victory Gardens (30)	3,260,056	11,186.99	.34	—	—	7,372.21	.23	425.00	.01	.11	.10
Lambertville (31)	15,572,253	109,942.75	.71	104.17	.00	110,617.47	.71	3,275.00	.02	.00	-.02
Woodbine (32)	4,568,116	24,740.69	.54	7,372.50	.16	28,829.07	.63	850.00	.02	-.25	-.27
Atlantic City (33)	310,669,719	7,429,166.18	2.39	772,980.00	.25	1,287,252.17	.41	163,867.39	.05	1.73	1.68
Commercial Twp. (34)	11,253,138	30,983.32	.28	—	—	84,362.80	.75	2,500.00	.02	-.47	-.49
Keansburg (35)	38,091,951	526,850.28	1.38	139,140.36	.37	194,623.02	.51	8,175.00	.02	.50	.48
South Orange (36)	162,224,586	2,063,734.83	1.27	93,051.75	.06	422,453.12	.26	6,405.00	.00	.95	.95
Caldwell (37)	63,894,232	594,992.35	.93	66,265.75	.10	84,442.79	.13	25,798.00	.04	.70	.66
Montclair (38)	326,117,206	4,308,044.11	1.32	758,989.50	.23	1,098,506.48	.34	179,120.00	.05	.75	.70
Maplewood Twp. (39)	212,692,203	2,692,475.05	1.27	107,122.15	.05	368,291.32	.17	1,666.60	.00	1.05	1.05
Hackettstown (40)	47,299,884	204,689.82	.43	25,570.00	.05	102,577.80	.22	4,775.00	.01	.16	.15
West Orange (41)	334,892,327	3,891,841.94	1.16	216,487.94	.06	993,157.85	.30	25,531.00	.01	.80	.79
North Caldwell (42)	53,084,580	79,717.49	.15	30,580.00	.06	93,334.24	.18	400.00	.00	-.09	-.09
Farmingdale (43)	5,881,055	22,745.91	.39	6,056.25	.10	12,594.24	.21	100.00	.00	.08	.08
Upper Penns Neck Twp. (44)	31,728,337	137,112.70	.43	12,650.00	.04	114,695.55	.36	5,450.00	.02	.03	.01
Clementon (45)	19,377,761	170,867.18	.88	—	—	82,380.00	.43	2,600.00	.01	.45	.44
Jackson Twp. (46)	96,617,338	924,129.87	.96	28,350.00	.03	524,087.00	.54	13,400.00	.01	.39	.38
Franklin (47)	19,256,587	74,201.12	.39	2,000.00	.10	55,248.95	.29	700.00	.00	.00	.00
Waterford Twp. (48)	18,871,840	84,456.57	.45	6,720.00	.04	112,873.45	.60	1,748.65	.01	-.19	-.20
Highlands (49)	17,523,140	226,174.47	1.29	48,070.25	.27	164,806.17	.94	1,878.21	.01	.08	.07
Hopatcong (50)	69,808,469	458,584.08	.66	25,750.00	.04	342,024.48	.49	1,775.00	.00	.13	.13
Total All 567 N.J. Municipalities....	\$48,573,641,074	\$384,595,821.21	.79	\$69,358,947.31	.14	\$121,621,456.14	.25	\$8,748,108.82	.02	.40	.38

TABLE 2-25

**TABULATION OF ESTIMATED YIELDS FROM LOCAL SALES TAXES AND LOCAL INCOME TAXES
BY COUNTY AND RELATIONSHIP TO PROPERTY TAX COLLECTIONS**

County	Property Tax Collections 1970 in \$	Property Tax in \$ per Capita	Estimated Total Income in \$000's	Households in 000's	Per Household Buying Income in \$	Revenue of 1% Flat Rate Income Levy in \$000's	% Flat Rate Tax on Income Needed to Yield Property Tax Dollar Collections	Total Retail Sales in \$000's	Sales per Capita in \$	1% Sales Tax Yield in \$000's	% Sales Tax Needed to Yield Property Tax Dollar Collections	Total Yield in \$000's of a 1% Sales Tax and a 1% Income Tax Levy	Total of 1% Sales Tax and 1% Income Tax as % of Property Tax
Atlantic	42,654,222	239	557,389	62.2	8,961	5,574	7.6	434,653	2,438	4,347	9.8	9,921	17.4
Bergen	264,377,360	292	4,148,557	281.0	14,764	41,486	6.4	1,940,540	2,145	19,405	13.6	60,891	20.0
Burlington	57,152,753	176	1,016,819	85.1	11,949	10,168	5.6	503,478	1,554	5,035	11.3	15,203	16.9
Camden	94,770,511	206	1,649,323	139.8	11,798	16,493	5.8	811,287	1,761	8,113	11.7	24,606	17.5
Cap May	20,989,877	349	174,037	21.5	8,095	1,740	12.1	170,973	2,845	1,710	12.3	3,450	24.4
Cumberland	21,679,605	177	334,192	37.5	8,912	3,342	6.5	226,247	1,842	2,262	9.6	5,604	16.1
Essex	280,134,188	296	4,333,548	307.6	14,088	43,335	6.5	1,613,688	1,707	16,137	17.4	59,472	23.9
Gloucester	31,629,720	181	527,475	50.7	10,404	5,275	6.0	218,436	1,247	2,184	14.5	7,459	20.5
Hudson	143,343,842	234	2,119,150	209.0	10,139	21,191	6.8	843,040	1,376	8,430	17.0	29,621	23.8
Hunterdon	20,928,917	298	239,458	21.3	11,242	2,395	8.7	117,786	1,675	1,178	17.7	3,573	26.4
Mercer	72,173,296	235	1,171,178	94.6	12,380	11,712	6.2	541,881	1,762	5,419	13.3	17,131	19.5
Middlesex	145,640,700	246	2,064,802	171.0	12,075	20,648	7.1	969,690	1,638	9,697	15.0	30,345	22.1
Monmouth	120,345,297	258	1,655,174	137.9	12,003	16,552	7.3	858,986	1,844	8,590	14.0	25,142	21.3
Morris	117,336,938	300	1,732,880	112.1	15,458	17,329	6.8	680,185	1,738	6,802	17.2	24,131	24.0
Ocean	56,519,342	264	634,814	70.3	9,030	6,348	8.9	430,280	2,011	4,303	13.1	10,651	22.0
Passaic	107,813,349	231	1,681,858	149.6	11,242	16,819	6.4	840,144	1,797	8,401	12.8	25,220	19.2
Salem	10,704,653	176	195,376	18.9	10,337	1,954	5.5	98,916	1,627	989	10.8	2,943	16.3
Somerset	56,524,796	283	780,353	57.9	13,478	7,804	7.2	356,887	1,784	3,569	15.9	11,373	23.1
Sussex	23,666,081	296	263,002	23.6	11,144	2,630	9.0	128,601	1,610	1,286	18.4	3,916	27.4
Union	152,875,344	279	2,642,187	174.6	15,133	26,422	5.8	1,120,726	2,048	11,207	13.6	37,629	19.4
Warren	15,358,468	208	219,423	23.4	9,377	2,194	7.0	124,884	1,688	1,249	12.3	3,443	19.3
State Totals	1,856,619,259	256	28,141,177	2,249.6	12,509	281,412	6.6	13,031,308	1,797	130,313	14.2	411,725	20.8

Chapter X

Administration

New Jersey has long been in the forefront of efforts to improve the administration of the property tax. At present high levels of property taxation, any administrative inequalities are exaggerated; at any reduced level, inequalities in assessments should be eliminated as far as feasible in the interest of simple equity in the distribution of the tax burden. Efforts to achieve equality were intensified with the publication of the *Sixth Report* of the Commission on State Tax Policy in 1953. They have been directed generally toward elimination of inequalities in assessments, through strengthening the office of the assessor and strengthening and improving the techniques of assessing.

The report was followed in 1954 by the enactment of a new system of arriving at the aggregate true market value of taxable property in each municipality. This was required as the basis for distribution of state aid for schools under the newly enacted state aid act of 1954.

The method prescribed was a continuous study of the ratio of sales prices to assessed valuations of every property transfer in the state. These sales ratio studies, which were careful to exclude from the sample any sales which were not arms length, result in the annual promulgation of a Table of Equalized Valuations in each municipality and an "assessment ratio" which is the average ratio of sales price to assessed valuation of the properties located in the municipality. Similar ratios are prepared and used by county boards of taxation to equalize the annual apportionment of county tax requirements to the municipalities of the county in proportion to the value of taxable projects in each municipality.

An extraordinarily valuable by-product of the "assessment ratio" studies has been the development of a rich source of data providing information to the assessors, supervisory agencies and taxpayers on the extent to which the assessor has succeeded in achieving equality of assessed valuations for properties of like market values. These data, stored on computer

magnetic tapes, have been made available to the Committee by the Division of Taxation.

It is standard procedure to consider equalization of tax burden in two different senses:

1. Inter-district equalization—this is the process of equalizing the assessment roll of 2 or more municipalities by dividing the total assessed valuation by the assessment ratio of each municipality. The "equalized valuation" determined in this way is used primarily in the apportionment of State aid for schools, the allocation of the county tax requirements among municipalities, and the measurement of local governmental debt limitations.

2. Intra-district equalization—this is the key to a fair distribution of the tax burden. It is the process of seeking to assure that neighbors and other property owners having like value properties will be assessed alike. There is no single way to achieve this equality, since it is due to the basic skill of the assessor and his continual attention to the factors which affect valuation. The data collected in assessment ratio studies help to inform the assessor of weaknesses in his results, and sometimes justify a complete revaluation in the interest of equality.

Committee studies have explored the results of the present administrative operation from three points of view:

- (a) Disparities in assessments of individual properties of the same class in the same municipality.
- (b) Disparities as between classes; and
- (c) Regressivity and progressivity of assessed valuations among properties of different value classes.

There is no substitute for a sound original assessment; and there is no better test of the success of the assessor than two further uses of the sales ratio data—

1. An analysis of the individual sales to determine the extent to which the assessment ratio for each of them differs from the average—the measure

of the difference being expressed as the "coefficient of variation."¹⁷ For example, a coefficient of 20 says, in effect, that the average individual assessment varies from the average assessment ratio by 20%. Thus with an average assessment ratio of 50% and a coefficient of variation of 20, one could expect to find assessment ratios within a band of 20% of 50% ± that is between 40% and 60%.

2. An analysis of the assessment ratio data to determine whether or not properties which sold at a higher price were assessed at a lesser percentage of sales price than lower value properties. The property tax is intended to be always proportional to the value at the same rate; any tendency for high value properties to be assessed at a lower ratio of the value is known as "regressivity."

In order to test the equality of results being achieved in New Jersey major computerized tests were run, using all the usable sales which occurred during the five years 1966-1970, a total of 73,050 sales.

One set of statistical analyses determined the coefficient of variation for each municipality for each of four classes of property (vacant land, residential, farm and commercial-industrial) for each year. A separate volume of these coefficients is available upon request.

Appendix Table A-8 shows the 1970 coefficients of variation for each municipality for each of the four classes of property in which four or more sales were made in the municipality during the years. Table 2-26 shows how the coefficients varied among municipalities of the same effective tax rate. A coefficient of less than 20 indicates a relatively good quality assessment, 10 is thought to be the best that qualified assessors can achieve consistently; a coefficient of 30 or more indicates some deficiency in the valuation process. As shown in Table 2-27, the statewide averages are not yet satisfactory.

During 1970 the coefficients ranged from a low of 0.028 to a high of 1.600. The 0.028 figure indicates that the average error in assessed value/sales ratio for that community property class was only 2.8

¹⁷ To measure assessment consistency and equality the standard error of each municipality's individual assessment ratios has been divided by the average municipal ratio. This computation, called the "coefficient of variation," represents the average percentage deviation of individual assessment ratios from the average ratio for the community as a whole. For example, a coefficient of variation of 0.30 means that, on the average, individual assessment/sales ratios vary from the average assessment ratio of the community by 30 percent. In other words, if the average municipal assessment ratio were 0.50 the "average" error in individual ratios would be plus or minus 0.15; if the municipal ratio were 0.80 the average error would be plus or minus 0.24. Naturally, an average error of 0.24 would be composed of errors both larger and smaller than this figure.

percent of the average assessment ratio; the 1.600 coefficient means that *the average error was 1.6 times the average assessment ratio for that municipal property class.*

The Committee concludes:

A strengthening of the assessment process is required to reduce the variations in individual assessments which are present in most municipalities.

Another tabulation compares the effective tax rate (official tax of the municipality multiplied by the assessment ratio) for residential property alone with the effective tax rate on each of the other classes. In Appendix, Table A-8, the tabulation showing the ratio of effective tax rates on Classes 100, 300 and 400 to the effective tax rate in Class 200 property, illustrates the extent to which there is discrimination either in favor of or against residential property (Class 200 being residential). The results here are much better than might be expected, except as to vacant land (Class 100), which is frequently underassessed in comparison with residential property. The sales of Class 300 property, farmland, are not sufficient for the making of accurate generalizations.

The Committee concludes:

The data appear to indicate a more than accidental pattern of discrimination against commercial and industrial property in assessing practice. This is another unhealthy side effect of the excessive burden of property taxation under present law.

Regressivity

Property taxes in the United States are said to be regressive because of two different conditions. First, since poorer families tend to spend a somewhat larger share of their incomes on housing, and this would give even a perfect property tax a regressive effect. Secondly, administrative weaknesses, particularly those which lead to the assessment of low valued properties at a higher percentage of true value than high valued properties, will tend to make the tax even more regressive.

By law, all real property in New Jersey, as in other states, should be assessed at the same percentage of true (market) value within each municipality. Nationwide, however, most tax studies show that low valued properties normally are assessed at a greater percentage of true value than high valued properties. Moreover, the best assessment practices are imprecise; some variability in assessment may be expected for properties having equal true values.

TABLE 2-26

STATE SUMMARY OF COEFFICIENTS OF VARIATIONS FOUND
AT SELECTED EFFECTIVE TAX RATE INTERVALS

COUNTY: ALL

YEAR: 1970

PROPERTY CLASS: 1 VACANT LAND

Effective Tax Rate	Coefficient of Variation										≥1.000	
	.000-.099	.100-.199	.200-.299	.300-.399	.400-.499	.500-.599	.600-.699	.700-.799	.800-.899	.900-.999		
≤1.50	1	2	3	4	2	1	2	2	1			
1.51-2.00	1	5	11	7	10	10	3	4				1
2.01-2.50	1	8	11	8	12	11	5	5	1			2
2.51-3.00	1	5	13	15	15	12	4	4	1	2		
3.01-3.50		3	11	17	15	9	5	1	2	1		
3.51-4.00		2	1	7	5	2	3	3	5	1	3	
4.01-4.50		1	2	5	5	6	1	2	1		1	
4.51-5.00		1	0	1	4		1	1				
5.01-6.00	1	0	1		1	2	6	3		1	1	
>6.00		0	0		1	3		1		3		
Total	4	27	53	64	70	56	30	26	11	8	8	357

PROPERTY CLASS: 2 RESIDENTIAL

Effective Tax Rate	Coefficient of Variation										≥1.000	
	.000-.099	.100-.199	.200-.299	.300-.399	.400-.499	.500-.599	.600-.699	.700-.799	.800-.899	.900-.999		
≤1.50		5	3			1						
1.51-2.00	1	9	12	5	2							
2.01-2.50	3	28	17	2								
2.51-3.00	6	73	36	19	2							
3.01-3.50		61	47	16	3	1	2					
3.51-4.00	2	20	33	18	8	3	2	1		1		
4.01-4.50	1	7	12	8	5	3		2	1			
4.51-5.00		4	3	2	7	1			2			
5.01-6.00		1	3	6	1				1			
>6.00			1	2	1	1		1	1	3		
Total	13	208	167	78	29	10	4	4	5	4		522

TABLE 2-26 (Continued)

STATE SUMMARY OF COEFFICIENTS OF VARIATIONS FOUND
AT SELECTED EFFECTIVE TAX RATE INTERVALS

COUNTY: ALL

YEAR: 1970

PROPERTY CLASS: 3 FARM

Effective Tax Rate	Coefficient of Variation										≥1.000
	.000- .099	.100- .199	.200- .299	.300- .399	.400- .499	.500- .599	.600- .699	.700- .799	.800- .899	.900- .999	
≤1.50											
1.51-2.00											
2.01-2.50					1		1				1
2.51-3.00				1							
3.01-3.50	1	1		1	1						
3.51-4.00			2								
4.01-4.50				1		1					
4.51-5.00						1	1				
5.01-6.00							1				
>6.00											
Total	1	1	2	3	2	2	3				1

PROPERTY CLASS: 4 COMMERCIAL
INDUSTRIAL
APARTMENTS

Effective Tax Rate	Coefficient of Variation										≥1.000
	.000- .099	.100- .199	.200- .299	.300- .399	.400- .499	.500- .599	.600- .699	.700- .799	.800- .899	.900- .999	
≤1.50											
1.51-2.00			2	1							
2.01-2.50		1	5	2	2						
2.51-3.00	1	3	13	6	2	1					
3.01-3.50	3	4	13	6		1					
3.51-4.00		6	11	6	1	2					
4.01-4.50		1	7	6	3	3					
4.51-5.00		1	3	5		1					
5.01-6.00	1	1	4	7	4	1		1			
>6.00			4	5	3	4	1	1	1		1
Total	5	17	62	44	15	13	1	2	1		1

TABLE 2-27

**AVERAGE STATEWIDE COEFFICIENTS
OF VARIATION
1967 THROUGH 1970**

Property Class	Average Coefficient of Variation			
	1967	1968	1969	1970
100	0.478	0.453	0.490	0.468
200	0.227	0.213	0.240	0.255
300	0.294	0.267	0.431	0.452
400	0.320	0.321	0.327	0.318

Source: Tables presented in the special report available upon request.

Assessment Proportionality. Taxes may be described as either "proportional," "progressive" or "regressive." A tax is said to be proportional if the tax rate remains constant as the tax base increases. In this strict sense a sales tax is said to be proportional; as the base (sales) increases the rate remains at a constant percentage. A progressive tax is one that is applied at an increasing rate as the base increases. The federal income tax is an example of a progressive tax. On the other hand, a tax rate that decreases as the tax base increases is regressive in its technical structure.¹⁸

Alternatively, taxes may be described as proportional, progressive or regressive by describing the behavior of the *average* tax rate as the tax base increases. A tax is proportioned, progressive, or regressive according to whether the *average* tax rate remains constant, increases or falls as the base rises. Moreover, the relationship between *marginal* and *average* tax rate may be used to describe the "degree of progression" of a tax.¹⁹ When average tax is rising marginal tax lies above average; when average is falling marginal lies below average; when average is constant marginal is equal to average. A ratio of marginal to average, then, is a measure of the "degree of progression" of a tax. If the "degree of progression" is greater than unity the tax is progressive. If it is unity the tax is proportional; if less than unity the tax is regressive. The "degree of progression" will also rank the progressivity of different taxes at a given value of the base. For example, an income tax with a "degree of progression" of 1.5 at an income of \$10,000 is more progressive than one with 1.2 at \$10,000.²⁰

¹⁸ Bernard P. Herber, *Modern Public Finance: The Study of Public Sector Economics*, (Homewood, Illinois: Richard D. Irwin, Inc.) Revised Edition, 1971, pp. 123-4.

¹⁹ See R. A. Musgrave and Tun Thin, "Income Tax Progression, 1929-48," *Journal of Political Economy*, Vol. 56, No. 6, pp. 498-514, December, 1948.

²⁰ These relations can be illustrated with "marginal" and "average" anything. If your bowling average is 160 and you bowl 190 your average score rises, and your marginal score (190) lies above your average. If your average is 160 and you bowl 105 your marginal score lies below your average score and your average falls. If your average is 160 and your marginal score is 160 your average remains constant.

This concept may be adapted to property tax assessment. Define the "coefficient of regressivity" (call it ρ , or rho) as the marginal assessment ratio divided by the average assessment ratio at any true property value. A coefficient less than unity would support the hypothesis that lower valued properties are usually assessed at a higher percentage of true value than higher valued properties, and assessment, for the true value chosen, may be said to be "regressive." On the other hand, if the coefficient is greater than one, assessment may be termed "progressive." A ρ value of unity would, of course, indicate marginal and average assessment are equal, hence termed "proportional."²¹

If assessed values are plotted on arithmetic graph paper against sales a scatter diagram of the type shown in Figure 1 results. Because assessment is naturally somewhat imprecise any number of different assessment ratios may be observed. But the diagram will show a definite pattern and a line may be drawn through the scatter points to "explain" their pattern.

This study has utilized a procedure called "least squares regression" to fit a line to the scatter for each municipality for each of the five years.²² The line is fitted to the data in such a way that it mathematically describes the observable pattern and "explains" as much of the variation as possible. Figure 2 depicts a scatter diagram fitted with a regression line.

Coefficients of regressivity are then computed by using the resulting equation for each municipality. Recall that the coefficient is the marginal assessment ratio divided by the average assessment ratio at any sales price. Both average and marginal ratios are easily computed from the equation for any price. Figure 3 depicts graphically proportionality, progressivity and regressivity of assessment.

Least squares regressions were then made for each property class in each municipality for which a sufficient number of observations were available. Computations were made for those municipal property classes which had six or more sales in any of the five years 1966 through 1970. Coefficients of regressivity are listed in a separate publication which will be made available upon request.

Computer scatter diagrams were made for the year 1970, and three regressivity coefficients were computed

²¹ These terms are merely borrowed from the tax terms. They should not connote any value judgment other than that of the law—proportional assessment is required by law. Progressive cannot be said to be "better" than regressive or vice versa.

²² In least squares regression a general mathematical equation or "model" is chosen and fitted to the data in a manner which minimizes the sum of the squares of the vertical distances from the fitted line to the data points.

Figure 1
SCATTER DIAGRAM—ASSESSED VALUE
Vs.
SALES PRICES

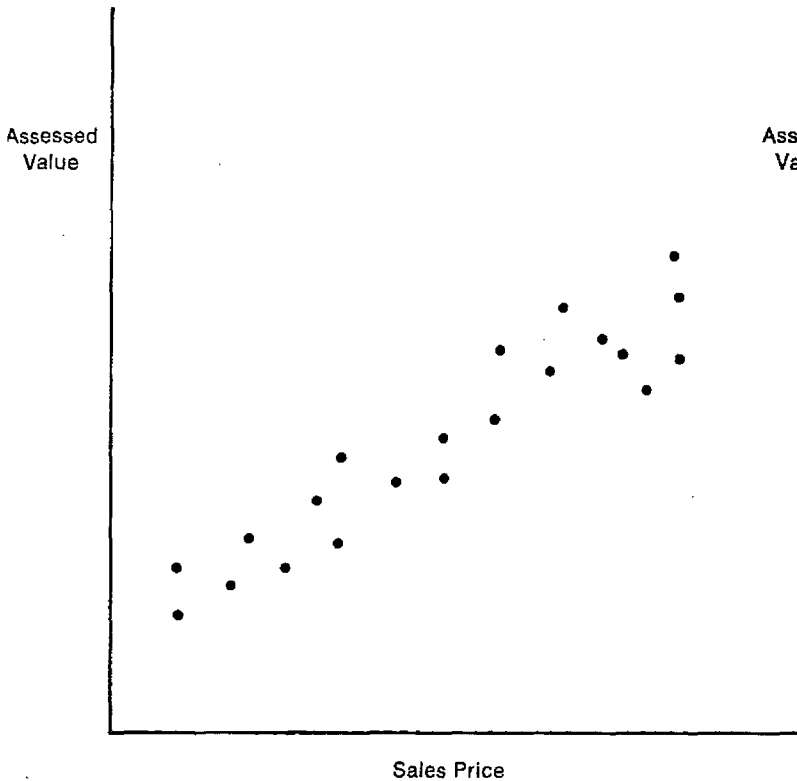
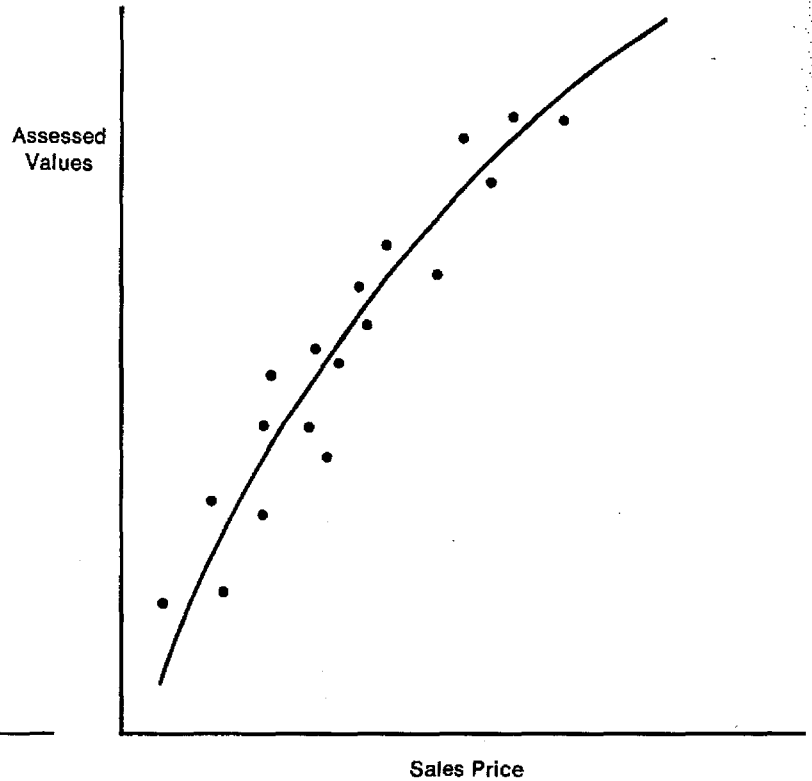


Figure 2
SCATTER DIAGRAM FITTED WITH REGRESSION LINE



for each municipality property class. The complete set of diagrams is also included in the special publication which will be furnished upon request.

Comparability of Coefficients

Clearly, coefficients of regressivity will vary from sale price to sale price. (For example Line C, the regressive assessment line in Figure 3, becomes more regressive the higher the sale price.) For comparability, then, computations were made at a sale price in that price range where sales were observed most frequently statewide for each property class. These are the "Rho Values." For 1970 coefficients of regressivity were also computed for sale prices lower and higher than the most typical values. These are designated "Rho Lo" and "Rho Hi" on the computer diagram printout. See Appendix Table A-9 and Graphs following.

Results

In general, assessment was found to be regressive

for the State. Table 2-28 presents a count of the 1970 ρ values that were statistically significant.

Any ρ value less than unity represents regressive assessment. However, a range around unity may be considered "approximately proportional." Table 2-28 therefore, arbitrarily divides coefficients into three groups: 1) less than 0.9 (regressive), 2) between 0.9 and 1.1 (approximately proportional), and 3) greater than 1.1 (progressive). Varying degrees of regressivity and progressivity may be seen in Appendix A-8. Regressive assessment coefficients range from nearly 0.9 to *negative* values. Progression ranges from ρ values slightly in excess of 1.1 to well over 2.0. A negative value indicates a high degree of regressivity while a value greater than 2.0 describes assessment that is very progressive.

The count shows that assessment is regressive in most communities; higher valued property is assessed

Figure 3
 GRAPHICAL DEPICTION OF PROPORTIONALITY,
 PROGRESSIVITY AND REGRESSIVITY OF ASSESSMENT

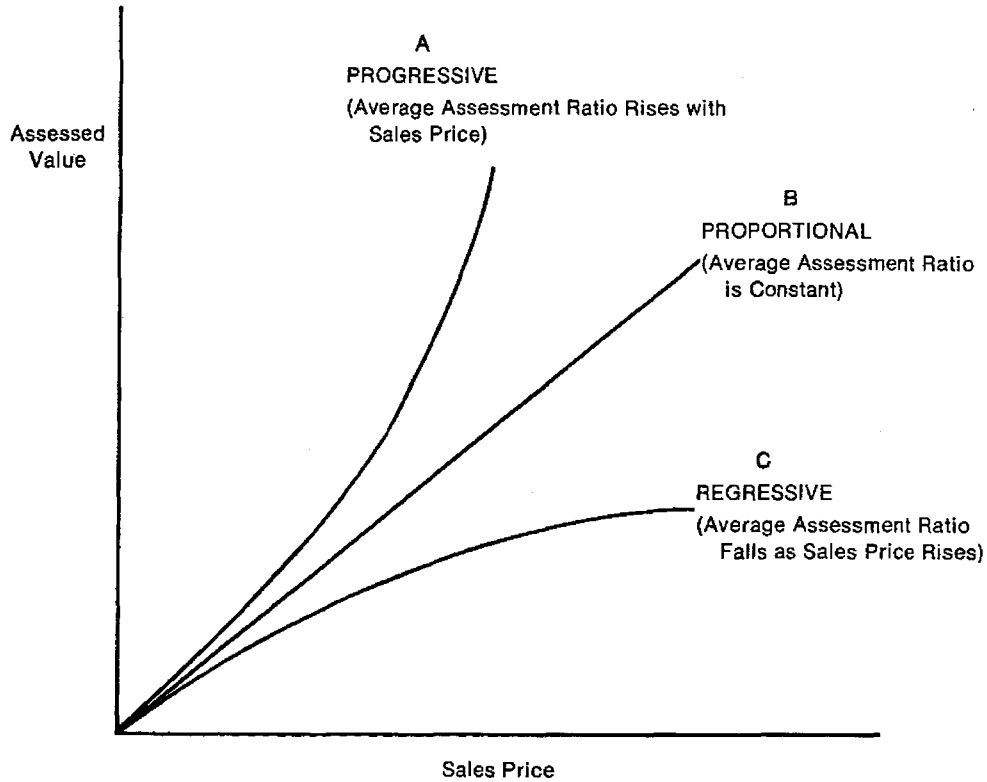


TABLE 2-28

**REGRESSIVITY COEFFICIENT COUNT
 (1970)**

Property Class*	Number of Municipalities Having ρ Values Less Than 0.9	Number of Municipalities Having ρ Values From 0.9 to 1.1	Number of Municipalities Having ρ Values Greater Than 1.1
100	140	16	31
200	319	102	45
300	3	2	0
400	60	22	17

* Property Class 100 is vacant land.
 Property Class 200 is residential property.
 Property Class 300 is farmland.
 Property Class 400 is combined commercial, industrial and apartment property.

at a lower percentage of true value than lower valued property. This is true for all classes of property, but particularly for property class 100 (vacant land). Three-fourths of the New Jersey municipalities displayed regressive assessment of vacant land (property class 100). Proportionality (or near

proportionality—allowing a ten percent divergence in either direction) is displayed for only about nine percent of the municipalities observed. Progressivity is seen for the remaining 17 percent.

Assessment by municipalities of the other property classes is also predominately regressive. Residential

property (200) assessment is classified 68 percent regressive, 22 percent proportional and 10 percent progressive.

Only five municipalities had enough farmland (300) sales for statistical significance. Of these, three are in the regressive category and two are approximately proportionate.

Property class 400 (industrial, commercial and apartments) assessment by municipalities is classified 61 percent regressive, 22 percent proportional and 17 percent progressive.

The Committee concludes:

That regressivity of assessments is so widespread in this State, and of such proportions, as to justify substantial strengthening of the assessment process in ways which should correct this source of an unfair distribution of the tax burden.

An Improvement Program

The present structure of assessment is basically disorganized in that it depends upon over 900 different assessors who are only loosely responsible to county boards of taxation. They are subject to the supervision of the Director of Taxation, but his authority is meant to be exercised only on the most pressing incidents.

The total amount spent on this structure by municipal and county governments—all financed out of the property tax—has been estimated at \$23.2 million.

A major improvement in professionalization of assessing has been going on during the past few years. It has resulted in better training and more security for assessors. The office is still open to considerable political pressure, however, and there are too many part-time assessors. Some are unable to cope with the complicated problems of assessing larger and high cost structures.

New Jersey is ready for the next phase in the strengthening of the assessment process. It should include basic structural, procedural and substantive improvements to insure greater uniformity and equity in the distribution of the tax burden.

The Committee recommends:

1. The Director of Taxation shall, after public hearing upon adequate notice, establish and prepare a map of assessment districts covering the State. Each district shall be of sufficient area, roll composition, and administrative requirements, to justify the employment of at least one full-time professionally qualified assessor. No district shall include property situated in more than one county, nor shall any district boundary divide any municipality.

2. Within 2 years after July first next following the enactment of appropriate legislation, all valua-

tions and assessment lists for property tax purposes shall be prepared by the assessor of the district.

3. Each district shall be headed by a single assessor who shall be professionally qualified prior to his appointment. He shall take and successfully pass a certification examination authorized by Chapter 44, Laws of 1967. He shall be entitled to protected tenure of office pursuant to law.

[In 1971, in a total of 867 assessors 496 were certified and 69 staff members were certified.]

4. The assessor of each assessing district shall be appointed by the Director of Taxation from a list of certified assessors under Chapter 44, Laws of 1967. Each office of district assessor should employ full-time, certified assistants as are required to perform the various assessing duties in the district. Positions should be classified and salaries uniformly prescribed.

[For purposes of transition, those assessors who now are certified and have tenure, should be placed on a preferred list if they are not appointed by the Director or if their job is superseded by the formation of a new district.]

5. The Director of the State Division of Taxation should be required to promulgate rules and regulations to:

- a. Mandate uniform guidelines for assessing administration, including granting of exemptions;
- b. Mandate use of a State Appraisal Manual;
- c. Establish a uniform base year for purposes of revaluation;
- d. Establish standards for revaluations and revaluation firms;
- e. Establish depreciation and compliance guidelines;
- f. Provide specific definitions of "maintenance" vs. "improvement" of real property and establish necessary guidelines for assessing improvements;
- g. Define various items of personal property to avoid duplicate assessment of such items as real property.

6. The Director of the State Division of Taxation should be required to provide technical assistance to assessors, when requested, for assessing specialized property classes.

7. New Jersey should enact a statute, similar to that in effect in New York State, making mobile homes taxable as real estate.

8. In establishing sales ratios, the Director should supplement sales data with appraisals of properties not selling where sales are sparse or unrepresentative.

9. Appeals

- a. Status of the county boards of taxation

should be changed from an administrative-appeals body to an appeals body solely, with the State paying all of the costs. Qualifications should be established for appointment of members to county boards of taxation.

b. The State should enact a statute establishing a simplified appeals procedure in which established assessment ratios may be used as conclusive evidence. A proven deviation of 10% or more from the county ratio should be substantial evidence of an incorrect assessment.

c. County tax board appeal petitions, rules and procedures should be standardized throughout the State.

d. Proceedings of the county tax boards should be recorded electronically and should be available to any party to such proceedings.

e. County tax boards should be required to set forth findings of fact and conclusions to support their determinations upon request of either party.

f. The Division of Tax Appeals in the Department of the Treasury should be replaced by a full-time tax court within the judicial branch of government, such court to continue the use of informal procedures.

g. Direct appeal to the tax court should be permitted, at the election of either party, where the value of property subject to the appeal exceeds \$100,000.

h. Decisions of the tax court (or of Division of Tax Appeals, if retained) should be published to assist in the achievement of uniformity and consistency.

Appendix

TABLE A-1

TREND OF TAX RATE INCREASES BY COUNTY AND
MUNICIPALITY RANKED ACCORDING TO EFFECTIVE TAX RATE, 1970
(1960-1970)

[Note: This Appendix Table is separately
available upon request to the Committee]

TABLE A-2

STATE OF NEW JERSEY

RANKING OF 567 MUNICIPALITIES ACCORDING TO PERCENTAGE
OF INDUSTRIAL AND COMMERCIAL ASSESSED VALUATIONS
(CLASSES 4a and 4b); AND COMPARISON WITH RESIDENTIAL
(CLASS 2) AND INDUSTRIAL (CLASS 4a) PROPERTY

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
1	Teterboro Bor.	Bergen	98.23	.38	97.99
2	Rockleigh Bor.	Bergen	83.75	12.93	79.30
3	Greenwich Twp.	Gloucester	82.76	16.15	81.50
4	Tavistock Bor.	Camden	82.14	17.86	—
5	South Hackensack Twp.	Bergen	77.64	19.79	67.00
6	Carlstadt Bor.	Bergen	69.05	24.90	50.85
7	Milford Bor.	Hunterdon	66.83	30.82	60.58
8	Harrison Town	Hudson	66.76	27.98	54.99
9	Moonachie Bor.	Bergen	66.61	19.62	61.68
10	Hoboken City	Hudson	65.90	20.16	33.49
11	Edgewater Bor.	Bergen	63.52	20.83	58.32
12	Atlantic City	Atlantic	63.51	22.77	.28
13	Wrightstown Bor.	Burlington	62.70	19.68	—
14	Linden City	Union	62.45	34.63	51.04
15	Perth Amboy City	Middlesex	58.94	35.73	41.45
16	East Newark Bor.	Hudson	58.44	37.96	45.67
17	Ogdensburg Bor.	Sussex	58.29	40.35	55.27
18	East Rutherford Bor.	Bergen	54.85	29.97	43.53
19	Newark City	Essex	54.63	30.16	18.03
20	Pennsville Twp.	Salem	53.03	40.86	47.10
21	Hanover Twp.	Morris	51.87	43.80	43.75
22	East Hanover Twp.	Morris	51.61	39.24	28.15
23	West Deptford Twp.	Gloucester	50.98	41.37	40.27
24	Plainsboro Twp.	Middlesex	50.95	22.92	45.96
25	Kearny Town	Hudson	50.78	43.59	36.01
26	Totowa Bor.	Passaic	47.09	48.27	18.59
27	New Brunswick City	Middlesex	46.94	39.12	16.36
28	Passaic City	Passaic	46.80	37.98	18.14
29	Fairfield Bor.	Essex	46.63	42.61	31.25
30	Holmdel Twp.	Monmouth	46.38	43.87	43.16
31	Paramus Bor.	Bergen	46.26	50.65	6.47

¹ excluding apartments (Class 4c)

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
32	Salem City	Salem	45.88	51.48	21.38
33	Bayonne City	Hudson	45.54	44.31	32.14
34	North Brunswick Twp.	Middlesex	44.78	44.73	35.21
35	Camden City	Camden	44.31	50.52	18.85
36	Branchville Bor.	Sussex	43.83	53.21	—
37	New Hanover Twp.	Burlington	43.48	25.04	—
38	Kenilworth Bor.	Union	42.95	55.35	31.95
39	Washington Twp.	Burlington	42.50	34.59	38.05
40	Englewood Cliffs Bor.	Bergen	42.45	49.82	.17
41	Trenton City	Mercer	42.06	53.19	10.69
42	Sea Bright Bor.	Monmouth	41.70	43.76	—
43	Florence Twp.	Burlington	41.36	50.14	25.88
44	Sayreville Bor.	Middlesex	40.61	51.37	34.89
45	Hackensack City	Bergen	40.51	35.80	12.27
46	Morris Plains Bor.	Morris	40.42	56.25	30.36
47	Union City	Hudson	40.39	36.37	6.65
48	Burlington City	Burlington	40.21	51.74	15.35
49	Swedesboro Bor.	Gloucester	40.17	56.34	14.63
50	Jersey City	Hudson	40.09	39.51	19.63
51	Cranbury Twp.	Middlesex	39.63	40.06	33.78
52	Pennsauken Twp.	Camden	39.60	54.36	10.68
53	Pahaquarry Twp.	Warren	39.59	31.18	—
54	Woolwich Twp.	Gloucester	39.56	19.19	6.29
55	Paulsboro Bor.	Gloucester	39.30	56.72	5.35
56	Wildwood Crest Bor.	Cape May	39.29	50.87	—
57	Carteret Bor.	Middlesex	38.88	58.11	29.30
58	West Windsor Twp.	Mercer	38.69	45.84	29.31
59	Eatontown Bor.	Monmouth	38.64	36.05	4.76
60	Bridgeton City	Cumberland	38.56	55.55	18.38
61	Lawnside Bor.	Camden	38.48	57.86	6.84
62	Flemington Bor.	Hunterdon	38.44	45.73	—
63	Belvidere Town	Warren	38.24	58.77	26.68
64	Hamburg Bor.	Sussex	37.43	58.17	27.62
65	Elizabeth City	Union	37.35	43.06	14.98
66	Hamilton Twp.	Atlantic	37.33	41.15	7.10
67	Helmetta Bor.	Middlesex	37.25	58.72	35.99
68	Phillipsburg Town	Warren	37.25	57.70	22.91
69	Oceanport Bor.	Monmouth	36.92	58.12	—
70	North Bergen Twp.	Hudson	36.82	43.11	23.95
71	Gloucester City	Camden	36.66	54.15	17.93
72	Fieldsboro Bor.	Burlington	36.55	60.95	32.17
73	Secaucus Town	Hudson	36.51	42.00	11.92
74	Wood-Ridge Bor.	Bergen	36.49	59.72	31.45
75	Englishtown Bor.	Monmouth	36.39	59.78	5.86
76	Mahwah Twp.	Bergen	35.67	49.07	28.32
77	West New York Town	Hudson	35.58	26.70	9.91
78	South Brunswick Twp.	Middlesex	35.42	48.49	27.18
79	Paterson City	Passaic	35.39	54.38	11.43
80	Hillside Twp.	Union	35.21	62.36	26.54
81	Morristown Town	Morris	35.14	45.34	3.24
82	Washington Bor.	Warren	35.04	60.19	15.50
83	Ridgefield Bor.	Bergen	34.91	54.82	27.75
84	Wildwood City	Cape May	34.53	30.78	.66
85	Raritan Bor.	Somerset	34.28	64.63	20.52
86	Asbury Park City	Monmouth	34.22	34.61	.58
87	Millville City	Cumberland	34.16	57.12	21.40
88	Clifton City	Passaic	33.55	59.98	19.72
89	Logan Twp.	Gloucester	33.24	21.26	25.67
90	Fairview Bor.	Bergen	33.23	59.51	12.87

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
91	Guttenberg Town	Hudson	33.17	45.38	15.92
92	Chester Bor.	Morris	33.13	62.90	—
93	Edison Twp.	Middlesex	32.88	58.03	21.69
94	Northvale Bor.	Bergen	32.64	59.91	25.22
95	East Paterson Bor.	Bergen	32.59	61.28	17.94
96	Dover Town	Morris	32.53	61.92	7.08
97	Lawrence Twp.	Mercer	32.50	58.71	11.52
98	Brooklawn Bor.	Camden	32.31	60.44	1.72
99	Red Bank Bor.	Monmouth	32.26	48.97	1.99
100	Rockaway Bor.	Morris	32.12	58.86	11.58
101	Seaside Heights Bor.	Ocean	32.09	52.78	.51
102	Wharton Bor.	Morris	31.91	61.66	26.15
103	Lumberton Bor.	Burlington	31.70	47.94	3.62
104	Weehawken Twp.	Hudson	31.49	48.07	25.08
105	Princeton Bor.	Mercer	31.44	60.09	—
106	Moorestown Twp.	Burlington	31.37	62.03	10.03
107	Garwood Bor.	Union	31.33	64.87	15.74
108	Franklin Bor.	Sussex	31.29	61.68	5.29
109	Monroe Twp.	Middlesex	31.26	45.10	7.75
110	Bridgewater Twp.	Somerset	31.01	65.11	22.38
111	Lodi Bor.	Bergen	30.62	57.95	16.64
112	Bordentown City	Burlington	30.53	59.71	10.62
113	Rahway City	Union	30.25	64.49	17.88
114	Watchung Bor.	Somerset	30.16	62.12	11.22
115	Berkeley Heights Twp.	Union	30.02	64.95	26.47
116	East Windsor Twp.	Mercer	29.90	45.57	21.17
117	Florham Park Bor.	Morris	29.76	65.35	20.23
118	White Twp.	Warren	29.71	48.79	14.83
119	Point Pleasant Beach	Ocean	29.71	61.24	—
120	Lebanon Bor.	Hunterdon	29.49	60.54	7.04
121	Newton Town	Sussex	29.42	62.81	4.80
122	Farmingdale Bor.	Monmouth	29.38	64.88	11.76
123	Springfield Twp.	Union	29.34	58.61	9.49
124	Riverdale Bor.	Morris	29.32	58.47	8.77
125	High Bridge Bor.	Hunterdon	29.29	65.04	23.74
126	Keyport Bor.	Monmouth	29.27	59.68	4.04
127	Garfield City	Bergen	29.19	66.53	18.16
128	Egg Harbor City	Atlantic	29.05	67.72	9.23
129	Bordentown Twp.	Burlington	29.05	55.08	6.94
130	Burlington Twp.	Burlington	28.87	48.98	20.55
131	Cape May City	Cape May	28.46	59.42	.06
132	South Plainfield Bor.	Middlesex	28.32	60.83	23.36
133	Union Twp.	Union	28.32	67.01	14.51
134	Somerville Bor.	Somerset	28.28	61.43	5.36
135	Freehold Bor.	Monmouth	28.24	63.92	6.24
136	Lambertville City	Hunterdon	28.11	65.62	4.33
137	Frenchtown Bor.	Hunterdon	27.87	71.21	—
138	Woodbridge Twp.	Middlesex	27.85	61.05	16.88
139	Orange City	Essex	27.65	47.28	7.83
140	Neptune City Bor.	Monmouth	27.62	53.49	4.01
141	Ewing Twp.	Mercer	27.46	63.69	9.65
142	Westampton Twp.	Burlington	27.45	51.49	10.86
143	Oldmans Twp.	Salem	27.44	42.79	—
144	Woodbury City	Gloucester	27.39	63.24	1.12
145	Lopatcong Twp.	Warren	27.38	65.58	8.95
146	Upper Penns Neck Twp.	Salem	27.26	64.37	19.22
147	Saddle Brook Twp.	Bergen	27.24	66.40	16.88
148	Holland Twp.	Hunterdon	27.18	59.37	25.58
149	Elmer Bor.	Salem	27.03	71.68	—

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
150	Winslow Twp.	Camden	26.97	47.60	15.21
151	Sussex Bor.	Sussex	26.94	65.68	.84
152	Raritan Twp.	Hunterdon	26.91	54.52	11.87
153	Englewood City	Bergen	26.90	61.79	13.01
154	Piscataway Twp.	Middlesex	26.83	55.81	23.72
155	Riverside Twp.	Burlington	26.40	67.93	12.77
156	Branchburg Twp.	Somerset	26.18	56.79	5.66
157	Delran Twp.	Burlington	26.06	58.82	.27
158	Allenhurst Bor.	Monmouth	25.86	71.63	5.67
159	Hackettstown Town	Warren	25.76	60.90	12.34
160	Oxford Twp.	Warren	25.69	59.81	17.78
161	Middlesex Bor.	Middlesex	25.59	65.55	17.94
162	Barrington Bor.	Camden	25.57	60.22	21.88
163	Little Ferry Bor.	Bergen	25.55	58.05	10.82
164	Vineland City	Cumberland	25.48	56.74	6.63
165	Cherry Hill Twp.	Camden	25.27	63.83	3.82
166	East Orange City	Essex	25.20	39.32	2.63
167	Bloomfield Town	Essex	24.99	64.40	8.84
168	Wayne Twp.	Passaic	24.90	63.51	9.23
169	Penns Grove Bor.	Salem	24.88	70.79	—
170	Boonton Town	Morris	24.82	70.05	11.57
171	Pleasantville City	Atlantic	24.82	67.15	1.21
172	Shrewsbury Bor.	Monmouth	24.78	71.40	—
173	Hammonton Town	Atlantic	24.78	56.63	6.86
174	Freehold Twp.	Monmouth	24.65	58.57	8.73
175	Neptune Twp.	Monmouth	24.58	68.34	1.54
176	Folsom Bor.	Atlantic	24.57	52.55	12.83
177	Belleville Town	Essex	24.54	65.95	13.00
178	Nutley Town	Essex	24.52	67.15	16.02
179	Montgomery Twp.	Somerset	24.46	59.01	2.33
180	Manville Bor.	Somerset	24.46	73.93	16.29
181	Netcong Bor.	Morris	24.31	71.40	6.94
182	Woodbine Bor.	Cape May	24.13	64.43	6.10
183	Peapack Gladstone Bor.	Somerset	24.06	62.03	4.98
184	North Hanover Twp.	Burlington	23.97	38.94	—
185	Delanco Twp.	Burlington	23.95	74.46	17.93
186	Newfield Bor.	Gloucester	23.83	67.08	17.14
187	Clinton Town	Hunterdon	23.71	67.50	—
188	Plainfield City	Union	23.62	65.27	3.39
189	Green Brook Twp.	Somerset	23.44	69.73	2.18
190	Rochelle Park Twp.	Bergen	23.41	71.24	3.88
191	Galloway Twp.	Atlantic	23.36	56.79	.08
192	Glassboro Bor.	Gloucester	23.34	61.73	5.38
193	Irvington Town	Essex	23.11	57.70	7.87
194	Andover Bor.	Sussex	23.00	65.69	2.12
195	Summit City	Union	22.84	69.48	9.06
196	Lyndhurst Twp.	Bergen	22.77	72.04	13.13
197	Voorhees Twp.	Camden	22.74	62.28	2.67
198	Palisades Park Bor.	Bergen	22.72	61.77	12.12
199	South Amboy City	Middlesex	22.65	74.03	12.43
200	Haledon Bor.	Passaic	22.65	71.08	11.00
201	West Paterson Bor.	Passaic	22.62	59.68	12.60
202	Morris Twp.	Morris	22.58	69.56	17.99
203	Pine Valley Bor.	Camden	22.50	45.88	—
204	Buena Bor.	Atlantic	22.43	58.94	6.26
205	Downe Twp.	Cumberland	22.39	53.59	—
206	Upper Deerfield Twp.	Cumberland	22.06	56.30	—
207	Dunellen Bor.	Middlesex	21.90	76.57	10.10
208	East Amwell Twp.	Hunterdon	21.86	41.94	.11

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
209	Clark Twp.	Union	21.82	70.89	14.05
210	Audubon Bor.	Camden	21.69	73.41	.31
211	Roxbury Twp.	Morris	21.62	70.66	6.50
212	Highlands Bor.	Monmouth	21.30	71.55	.23
213	Westville Bor.	Gloucester	21.25	70.07	6.87
214	Harmony Twp.	Warren	21.25	52.34	6.21
215	Alpha Bor.	Warren	21.16	68.48	10.48
216	Clementon Bor.	Camden	21.14	61.03	.69
217	Woodbury Heights Bor.	Gloucester	21.14	74.09	9.98
218	Hightstown Bor.	Mercer	21.03	66.33	4.59
219	Upper Twp.	Cape May	20.81	68.76	7.68
220	Magnolia Bor.	Camden	20.53	69.02	10.24
221	Butler Bor.	Morris	20.53	73.66	8.55
222	Cranford Twp.	Union	20.33	75.94	8.24
223	Mountainside Bor.	Union	20.04	78.09	13.02
224	Westwood Bor.	Bergen	19.89	72.15	2.72
225	Hawthorne Bor.	Passaic	19.79	75.84	11.84
226	New Shrewsbury Bor.	Monmouth	19.71	73.05	4.86
227	Wall Twp.	Monmouth	19.54	62.43	6.96
228	Washington Twp.	Mercer	19.54	51.76	2.16
229	Union Beach Bor.	Monmouth	19.51	59.88	15.45
230	Mannington Twp.	Salem	19.48	36.40	10.18
231	Woodstown Bor.	Salem	19.46	78.29	—
232	Berlin Bor.	Camden	19.45	71.74	5.33
233	Roseland Bor.	Essex	19.45	66.12	16.83
234	Fair Lawn Bor.	Bergen	19.45	75.09	12.64
235	Franklin Twp.	Warren	19.42	45.62	2.64
236	Montvale Bor.	Bergen	19.41	70.10	2.24
237	Ridgefield Park Twp.	Bergen	19.30	65.48	8.62
238	Mount Holly Twp.	Burlington	19.04	76.73	2.82
239	Millburn Twp.	Essex	18.94	76.09	4.00
240	Middle Twp.	Cape May	18.93	67.24	2.01
241	Belmar Bor.	Monmouth	18.85	70.15	.85
242	Little Falls Twp.	Passaic	18.79	69.74	10.27
243	Gibbsboro Bor.	Camden	18.72	74.48	12.74
244	Stockton Bor.	Hunterdon	18.68	77.90	1.26
245	Beverly City	Burlington	18.43	80.80	7.44
246	Hamilton Twp.	Mercer	18.35	73.07	8.50
247	Caldwell Bor.	Essex	18.35	63.52	—
248	Pohatcong Twp.	Warren	18.22	70.77	3.82
249	West Amwell Twp.	Hunterdon	18.22	54.12	13.30
250	Lakewood Twp.	Ocean	18.09	66.16	2.53
251	Linwood City	Atlantic	18.01	78.34	—
252	Hainesport Twp.	Burlington	17.99	69.16	7.17
253	Midland Park Bor.	Bergen	17.91	79.09	8.13
254	Ramsey Bor.	Bergen	17.89	72.70	3.82
255	Denville Twp.	Morris	17.84	71.80	7.49
256	Wallington Bor.	Bergen	17.73	68.22	9.38
257	Blairstown Twp.	Warren	17.58	48.22	4.12
258	Milltown Bor.	Middlesex	17.50	76.16	10.35
259	Maple Shade Twp.	Burlington	17.47	70.38	1.62
260	Union Twp.	Hunterdon	17.45	50.49	2.14
261	Egg Harbor Twp.	Atlantic	17.44	51.85	—
262	Ship Bottom Bor.	Ocean	17.32	72.67	—
263	Cinnaminson Twp.	Burlington	17.25	78.71	7.77
264	Mount Laurel Twp.	Burlington	17.24	67.76	5.83
265	Waterford Twp.	Camden	17.23	71.77	.42
266	West Caldwell Bor.	Essex	17.20	74.77	9.88
267	Quinton Twp.	Salem	17.18	62.13	—

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
268	Bloomsbury Bor.	Hunterdon	17.14	76.65	9.25
269	Metuchen Bor.	Middlesex	17.12	75.28	7.36
270	Andover Twp.	Sussex	17.10	61.75	1.66
271	Readington Twp.	Hunterdon	17.09	61.42	2.96
272	Palmyra Bor.	Burlington	16.89	77.56	3.65
273	Wantage Twp.	Sussex	16.74	39.52	.54
274	Bound Brook Bor.	Somerset	16.73	74.14	.27
275	Long Branch City	Monmouth	16.70	61.04	.82
276	Spotswood Bor.	Middlesex	16.70	77.63	12.39
277	Lakehurst Bor.	Ocean	16.70	78.26	—
278	East Brunswick Twp.	Middlesex	16.70	70.44	4.03
279	Pemberton Bor.	Burlington	16.69	69.18	—
280	Lafayette Twp.	Sussex	16.61	40.29	13.06
281	Hampton Twp.	Sussex	16.44	59.40	—
282	Beach Haven Bor.	Ocean	16.41	72.91	—
283	New Providence Bor.	Union	16.38	73.18	10.63
284	Hopewell Bor.	Mercer	16.32	81.40	4.73
285	West Long Branch Bor.	Monmouth	16.31	77.52	5.94
286	Roselle Bor.	Union	16.28	71.08	5.22
287	Mount Ephraim Bor.	Camden	16.27	78.54	.95
288	Pompton Lakes Bor.	Passaic	16.17	78.83	5.75
289	Glen Gardner Bor.	Hunterdon	16.13	69.59	—
290	Somers Point City	Atlantic	16.11	71.34	.27
291	Northfield City	Atlantic	16.07	77.58	.10
292	Edgewater Park Twp.	Burlington	16.05	59.31	4.41
293	Oaklyn Bor.	Camden	15.84	75.11	.57
294	Pitman Bor.	Gloucester	15.83	77.10	5.83
295	Hardyston Twp.	Sussex	15.76	70.32	2.73
296	Stratford Bor.	Camden	15.75	70.70	—
297	Greenwich Twp.	Warren	15.70	52.00	2.29
298	Clinton Twp.	Hunterdon	15.66	60.15	4.53
299	Rutherford Bor.	Bergen	15.65	72.38	6.64
300	Howell Twp.	Monmouth	15.56	61.81	.57
301	Bogota Bor.	Bergen	15.39	75.95	10.20
302	Bellmawr Bor.	Camden	15.34	70.21	9.13
303	West Orange Town	Essex	15.34	74.88	2.75
304	Spring Lake Heights	Monmouth	15.34	66.61	.09
305	Parsippany-Troy Hills Twp.	Morris	15.32	61.63	7.10
306	North Wildwood City	Cape May	15.32	60.85	.37
307	Cedar Grove Twp.	Essex	15.22	72.41	7.53
308	Prospect Park Bor.	Passaic	15.09	83.16	1.69
309	Chesterfield Twp.	Burlington	14.97	52.41	—
310	Maurice River Twp.	Cumberland	14.95	58.07	—
311	South Bound Brook Bor.	Somerset	14.91	78.49	9.88
312	Hillsborough Twp.	Somerset	14.83	58.99	3.82
313	Runnemede Bor.	Camden	14.81	71.36	1.87
314	Rockaway Twp.	Morris	14.80	69.04	9.69
315	Franklin Twp.	Somerset	14.71	65.55	6.85
316	Merchantville Bor.	Camden	14.68	76.21	—
317	Montville Twp.	Morris	14.68	73.18	6.33
318	Jamesburg Bor.	Middlesex	14.67	48.78	1.51
319	Stanhope Bor.	Sussex	14.57	80.05	4.02
320	Wanaque Bor.	Passaic	14.42	72.78	7.46
321	Hopewell Twp.	Mercer	14.40	59.54	11.37
322	Closter Bor.	Bergen	14.39	82.61	3.96
323	Hazlet Twp.	Monmouth	14.33	80.29	.18
324	Deptford Twp.	Gloucester	14.31	73.04	.91
325	Collingswood Bor.	Camden	14.31	62.69	—
326	Allamuchy Twp.	Warren	14.26	48.78	.66
327	Laurel Springs Bor.	Camden	14.24	76.62	—

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
328	South River Bor.	Middlesex	14.20	81.72	2.97
329	Dover Twp.	Ocean	14.09	72.92	3.01
330	Pittsgrove Twp.	Salem	13.89	45.54	—
331	Frelinghuysen Twp.	Warren	13.89	46.51	—
332	Tuckerton Bor.	Ocean	13.64	78.58	—
333	Bergenfield Bor.	Bergen	13.62	79.16	2.31
334	Keansburg Bor.	Monmouth	13.56	78.52	.54
335	Passaic Twp.	Morris	13.55	75.58	3.42
336	Haddonfield Bor.	Camden	13.55	84.84	.19
337	Clayton Bor.	Gloucester	13.43	79.41	1.27
338	Mansfield Twp.	Burlington	13.43	48.50	.78
339	Pequanock Twp.	Morris	13.37	82.04	.08
340	Lower Twp.	Cape May	13.29	79.24	.47
341	Chesilhurst Bor.	Camden	13.28	72.84	3.97
342	Eagleswood Twp.	Ocean	13.18	58.54	5.68
343	Maywood Bor.	Bergen	13.18	79.51	5.76
344	Springfield Twp.	Burlington	13.15	40.44	—
345	Stafford Twp.	Ocean	13.14	66.74	—
346	Oradell Bor.	Bergen	13.13	82.56	.37
347	Montclair Town	Essex	13.10	76.00	.14
348	Corbin City	Atlantic	13.10	71.28	2.61
349	Cresskill Bor.	Bergen	13.09	81.63	2.13
350	Randolph Twp.	Morris	13.06	64.68	6.91
351	Norwood Bor.	Bergen	13.02	78.74	9.01
352	Victory Gardens Bor.	Morris	13.01	84.64	1.68
353	North Arlington Bor.	Bergen	12.87	74.31	4.36
354	Absecon City	Atlantic	12.74	79.82	—
355	Califon Bor.	Hunterdon	12.70	80.52	.78
356	North Plainfield Bor.	Somerset	12.68	69.11	1.02
357	Ocean Twp.	Monmouth	12.65	71.88	.48
358	Sandyston Twp.	Sussex	12.60	70.29	1.11
359	Maplewood Twp.	Essex	12.57	84.27	1.77
360	Lincoln Park Bor.	Morris	12.53	69.47	3.13
361	Manasquan Bor.	Monmouth	12.47	83.35	.67
362	Fort Lee Bor.	Bergen	12.46	39.37	1.69
363	Chatham Bor.	Morris	12.44	79.66	1.28
364	Livingston Twp.	Essex	12.34	80.11	4.01
365	Delaware Twp.	Hunterdon	12.34	48.99	7.88
366	Roselle Park Bor.	Union	12.29	71.34	4.42
367	South Toms River Bor.	Ocean	12.26	84.14	.82
368	Haworth Bor.	Bergen	12.24	86.24	—
369	Somerdale Bor.	Camden	12.22	76.27	2.93
370	South Belmar Bor.	Monmouth	12.16	82.61	1.44
371	Union Twp.	Ocean	12.14	58.32	1.25
372	Brielle Bor.	Monmouth	12.12	81.11	—
373	Pennington Bor.	Mercer	12.10	85.68	1.55
374	Emerson Bor.	Bergen	12.07	86.26	.87
375	Woodlynne Bor.	Camden	12.00	85.41	—
376	Alpine Bor.	Bergen	11.91	71.59	—
377	Mantua Twp.	Gloucester	11.91	78.08	3.42
378	Eastampton Twp.	Burlington	11.90	56.98	1.08
379	Monroe Twp.	Gloucester	11.86	69.94	1.57
380	Bass River Twp.	Burlington	11.85	45.27	—
381	Highland Park Bor.	Middlesex	11.74	64.56	2.74
382	Commercial Twp.	Cumberland	11.74	70.30	6.87
383	Ocean City	Cape May	11.69	80.24	.01
384	Knowlton Twp.	Warren	11.62	55.37	—
385	Verona Bor.	Essex	11.61	72.35	.76
386	Sea Isle City	Cape May	11.59	76.97	—
387	Seaside Park Bor.	Ocean	11.55	81.95	—

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
388	Madison Bor.	Morris	11.52	81.76	.15
389	Stone Harbor Bor.	Cape May	11.49	85.57	—
390	Berkeley Twp.	Ocean	11.45	60.82	1.97
391	Haddon Twp.	Camden	11.45	74.93	1.21
392	Bradley Beach Bor.	Monmouth	11.36	72.42	.22
393	Buena Vista Twp.	Atlantic	11.35	48.21	3.34
394	Medford Twp.	Burlington	11.32	72.43	1.58
395	Atlantic Highlands	Monmouth	11.31	73.59	.27
396	Cliffside Park Bor.	Bergen	11.22	69.24	1.59
397	Teaneck Twp.	Bergen	10.98	81.96	1.82
398	Allentown Bor.	Monmouth	10.85	86.90	—
399	Washington Twp.	Warren	10.74	73.85	3.08
400	East Greenwich Twp.	Gloucester	10.73	61.42	.10
401	Haddon Heights Bor.	Camden	10.64	85.68	.32
402	Montague Twp.	Sussex	10.64	67.18	—
403	Matawan Bor.	Monmouth	10.53	68.28	1.26
404	Ridgewood Twp.	Bergen	10.50	85.16	—
405	Lower Alloways Creek	Salem	10.45	40.57	7.75
406	Bernardsville Bor.	Somerset	10.44	83.83	1.05
407	Deerfield Twp.	Cumberland	10.41	64.18	—
408	Bethlehem Twp.	Hunterdon	10.39	52.01	2.59
409	Matawan Twp.	Monmouth	10.36	82.75	4.83
410	Spring Lake Bor.	Monmouth	10.28	54.53	—
411	Bloomington Bor.	Passaic	10.25	82.19	.65
412	Warren Twp.	Somerset	10.17	78.09	4.10
413	Lawrence Twp.	Cumberland	10.16	40.58	2.31
414	South Orange Vill.	Essex	10.15	82.95	.60
415	Pilesgrove Twp.	Salem	10.05	51.61	2.63
416	River Edge Bor.	Bergen	9.99	78.98	.58
417	Boonton Twp.	Morris	9.99	82.18	7.60
418	Westfield Town	Union	9.87	86.19	.65
419	Avon By The Sea Bor.	Monmouth	9.86	82.70	.43
420	Rocky Hill Bor.	Somerset	9.78	86.96	4.78
421	Millstone Bor.	Somerset	9.75	83.93	—
422	Loch Arbour Vill.	Monmouth	9.67	84.41	—
423	Point Pleasant Bor.	Ocean	9.63	82.13	—
424	Independence Twp.	Warren	9.63	64.84	2.67
425	Madison Twp.	Middlesex	9.59	71.80	2.37
426	Brick Twp.	Ocean	9.59	75.55	.13
427	Washington Twp.	Morris	9.51	65.16	4.81
428	Barnegat Light Bor.	Ocean	9.45	77.30	—
429	Frankford Twp.	Sussex	9.41	57.50	—
430	Mendham Bor.	Morris	9.41	75.07	—
431	River Vale Twp.	Bergen	9.40	89.03	.40
432	Avalon Bor.	Cape May	9.35	74.22	—
433	Island Heights Bor.	Ocean	9.32	86.29	—
434	Washington Twp.	Gloucester	9.28	75.73	.09
435	Plumsted Twp.	Ocean	9.27	73.70	—
436	Southampton Twp.	Burlington	9.26	58.43	1.47
437	Upper Pittsgrove Twp.	Salem	9.18	34.78	—
438	Leonia Bor.	Bergen	9.16	77.43	3.50
439	Brigantine City	Atlantic	9.14	76.53	—
440	Far Hills Bor.	Somerset	9.13	79.10	—
441	Hampton Bor.	Hunterdon	9.10	80.31	2.11
442	Bedminster Twp.	Somerset	9.10	47.62	—
443	Scotch Plains Twp.	Union	9.07	85.98	.46
444	Gloucester Twp.	Camden	8.99	80.75	2.29
445	West Milford Twp.	Passaic	8.80	67.46	1.23
446	Oakland Bor.	Bergen	8.74	85.28	3.35
447	Franklin Twp.	Hunterdon	8.71	46.45	1.15

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
448	Middletown Twp.	Monmouth	8.65	87.30	.39
449	Sparta Twp.	Sussex	8.61	79.26	1.06
450	Winfield Twp.	Union	8.59	91.41	—
451	Jefferson Twp.	Morris	8.58	78.93	.26
452	Dennis Twp.	Cape May	8.56	62.80	—
453	Park Ridge Bor.	Bergen	8.53	87.53	2.26
454	Millstone Twp.	Monmouth	8.46	45.09	2.69
455	Shiloh Bor.	Cumberland	8.44	64.85	—
456	Tenafly Bor.	Bergen	8.39	86.16	1.06
457	Mount Arlington Bor.	Morris	8.36	78.83	1.05
458	Evesham Twp.	Burlington	8.36	65.82	.03
459	Willingboro Twp.	Burlington	8.30	89.97	.37
460	Waldwick Bor.	Bergen	8.30	89.40	2.20
461	Glen Rock Bor.	Bergen	8.25	90.49	3.00
462	Princeton Twp.	Mercer	8.15	76.63	.98
463	Manalapan Twp.	Monmouth	8.12	76.25	1.30
464	Shamong Twp.	Burlington	8.00	40.85	—
465	Mount Olive Twp.	Morris	7.95	74.98	1.44
466	Upper Saddle River	Bergen	7.89	88.48	.44
467	Berlin Twp.	Camden	7.88	81.86	.93
468	Kingwood Twp.	Hunterdon	7.79	38.16	1.99
469	Hi-Nella Bor.	Camden	7.77	30.31	1.77
470	Harrison Twp.	Gloucester	7.73	53.43	—
471	Allendale Bor.	Bergen	7.73	88.25	.84
472	Little Egg Harbor Twp.	Ocean	7.69	77.69	—
473	Marlboro Twp.	Monmouth	7.68	74.59	2.47
474	Wyckoff Twp.	Bergen	7.68	88.08	1.46
475	Fairfield Twp.	Cumberland	7.60	71.72	—
476	Colts Neck Twp.	Monmouth	7.56	67.79	1.06
477	Bay Head Bor.	Ocean	7.50	86.54	—
478	Fanwood Bor.	Union	7.43	91.49	2.45
479	Mullica Twp.	Atlantic	7.40	66.80	—
480	Hasbrouck Heights Bor.	Bergen	7.39	84.32	2.55
481	Lindenwold Bor.	Camden	7.34	67.68	.14
482	Riverton Bor.	Burlington	7.34	88.66	.67
483	Greenwich Twp.	Cumberland	7.29	43.23	—
484	Ventnor City	Atlantic	7.27	73.49	.39
485	Manchester Twp.	Ocean	7.27	28.48	4.08
486	Vernon Twp.	Sussex	7.25	69.60	.47
487	Fredon Twp.	Sussex	7.14	58.46	2.98
488	Margate City	Atlantic	7.14	83.50	—
489	Franklin Twp.	Gloucester	7.13	63.47	—
490	Mountain Lakes Bor.	Morris	7.06	90.02	.72
491	Liberty Twp.	Warren	7.02	75.05	—
492	Monmouth Beach Bor.	Monmouth	6.59	72.31	—
493	Little Silver Bor.	Monmouth	6.57	88.60	—
494	Ocean Twp.	Ocean	6.56	82.03	.29
495	Hillsdale Bor.	Bergen	6.41	91.10	.48
496	Surf City Bor.	Ocean	6.19	85.31	—
497	Lebanon Twp.	Hunterdon	6.16	72.18	—
498	Roosevelt Bor.	Monmouth	6.16	82.74	4.07
499	Green Twp.	Sussex	6.11	48.89	5.87
500	Lacey Twp.	Ocean	6.02	67.24	2.33
501	Tewksbury Twp.	Hunterdon	5.92	63.28	1.91
502	Mansfield Twp.	Warren	5.89	72.71	2.59
503	Lavallette Bor.	Ocean	5.88	86.20	—
504	Old Tappan Bor.	Bergen	5.87	72.28	—
505	Bernards Twp.	Somerset	5.86	87.43	.53
506	Hope Twp.	Warren	5.85	48.32	—
507	Jackson Twp.	Ocean	5.79	72.96	.11

TABLE A-2 (Continued)

General Rank No.	Municipality	County	Percentage of Assessed Valuation Taxable 1970		
			Industrial and Commercial (Classes 4a + 4b) ¹	Residential (Class 2)	Industrial (Class 4a)
508	Pine Hill Bor.	Camden	5.75	88.52	1.10
509	Hohokus Bor.	Bergen	5.73	91.40	1.02
510	Upper Freehold Twp.	Monmouth	5.67	32.89	—
511	Chatham Twp.	Morris	5.65	84.38	.11
512	Pemberton Twp.	Burlington	5.53	77.60	1.06
513	Tabernacle Twp.	Burlington	5.53	67.39	.83
514	Ringwood Bor.	Passaic	5.48	76.42	1.29
515	National Park Bor.	Gloucester	5.44	92.79	—
516	Franklin Lakes Bor.	Bergen	5.36	83.30	.89
517	Hopewell Twp.	Cumberland	5.34	57.36	3.10
518	Sea Girt Bor.	Monmouth	5.33	90.99	—
519	Kinnelon Bor.	Morris	5.33	86.57	—
520	Alexandria Twp.	Hunterdon	5.22	48.32	.65
521	Chester Twp.	Morris	5.19	77.35	2.78
522	West Cape May Bor.	Cape May	5.12	90.39	—
523	Weymouth Twp.	Atlantic	5.10	45.18	—
524	Long Beach Twp.	Ocean	5.05	83.45	—
525	Byram Twp.	Sussex	5.03	84.22	.27
526	Glen Ridge Bor.	Essex	5.03	91.89	.19
527	Woodcliff Lake Bor.	Bergen	4.72	90.49	—
528	North Haledon Bor.	Passaic	4.71	89.54	1.33
529	Woodland Twp.	Burlington	4.67	20.11	.80
530	Dumont Bor.	Bergen	4.60	89.41	.38
531	Longport Bor.	Atlantic	4.56	78.24	—
532	Walpack Twp.	Sussex	4.49	53.05	—
533	Fair Haven Bor.	Monmouth	4.34	93.13	—
534	Rumson Bor.	Monmouth	4.31	91.18	—
535	Mine Hill Twp.	Morris	4.27	83.62	—
536	New Milford Bor.	Bergen	4.16	80.62	.32
537	Beachwood Bor.	Ocean	4.07	85.20	—
538	Elsinboro Twp.	Salem	3.96	74.96	—
539	Demarest Bor.	Bergen	3.91	92.50	—
540	West Wildwood Bor.	Cape May	3.91	84.39	—
541	Deal Bor.	Monmouth	3.85	91.14	—
542	Harding Twp.	Morris	3.78	85.02	1.64
543	Hopatcong Bor.	Sussex	3.62	84.87	—
544	Stillwater Twp.	Sussex	3.48	77.82	—
545	Stow Creek Twp.	Cumberland	3.30	34.17	—
546	Washington Twp.	Bergen	3.25	94.14	—
547	Alloway Twp.	Salem	3.21	54.78	—
548	North Caldwell Bor.	Essex	3.13	93.64	.60
549	Harvey Cedars Bor.	Ocean	3.13	82.19	—
550	Hardwick Twp.	Warren	3.12	37.28	—
551	Essex Fells Bor.	Essex	2.85	94.66	—
552	Ocean Gate Bor.	Ocean	2.81	89.16	—
553	Pine Beach Bor.	Ocean	2.73	91.39	—
554	Port Republic City	Atlantic	2.68	79.61	.30
555	Harrington Park Bor.	Bergen	2.52	91.25	—
556	Elk Twp.	Gloucester	2.38	53.29	—
557	South Harrison Twp.	Gloucester	2.16	38.41	—
558	Wenonah Bor.	Gloucester	2.15	93.56	—
559	Saddle River Bor.	Bergen	1.90	84.66	—
560	Medford Lakes Bor.	Burlington	1.51	96.63	—
561	Mendham Twp.	Morris	1.48	78.92	—
562	Mantoloking Bor.	Ocean	1.08	93.28	—
563	Cape May Point Bor.	Cape May	.58	88.27	—
564	Audubon Park Bor.	Camden	—	100.00	—
565	Estell Manor City	Atlantic	—	83.84	—
566	Shrewsbury Twp.	Monmouth	—	—	—
567	Interlaken Bor.	Monmouth	—	98.09	—

TABLE A-3

STATE OF NEW JERSEY

COMPARISON OF RANKINGS OF 567 MUNICIPALITIES BY EFFECTIVE TAX RATES (1971) AND BY PERCENTAGE OF INDUSTRIAL AND COMMERCIAL ASSESSED VALUATIONS (1970)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
1	Winfield Twp.	Union	450	20.13	15.11	4.51	.51
2	Audubon Park Bor.	Camden	564	9.78	5.58	3.13	1.07
3	Hoboken City	Hudson	10	8.49	3.34	3.59	1.52
4	East Orange City	Essex	166	7.60	2.91	3.27	1.38
5	Shrewsbury Twp.	Monmouth	566	7.50	5.60	1.20	.71
6	Newark City	Essex	19	7.40	4.28	1.53	1.56
7	Jersey City	Hudson	50	7.35	3.24	2.63	1.41
8	Trenton City	Mercer	41	7.25	3.06	2.99	1.05
9	Orange City	Essex	139	7.06	2.88	2.66	1.47
10	West New York Town	Hudson	77	6.73	2.90	2.38	1.40
11	Asbury Park City	Monmouth	86	6.62	3.42	2.42	.73
12	Union City	Hudson	47	6.61	2.78	2.46	1.31
13	Glen Ridge Bor.	Essex	526	6.59	3.71	1.41	1.41
14	Camden City	Camden	35	6.42	2.86	2.29	1.13
15	Sussex Bor.	Sussex	151	6.16	4.47	.55	1.03
16	Egg Harbor City	Atlantic	128	6.08	4.01	1.00	.88
17	Chesilhurst	Camden	341	5.96	3.84	.92	1.09
18	Salem City	Salem	32	5.93	3.57	1.19	1.05
19	Pine Hill	Camden	508	5.78	3.54	.96	1.07
20	Stanhope Bor.	Sussex	319	5.76	3.31	1.33	1.03
21	Loch Arbour	Monmouth	422	5.75	2.90	2.11	.72
22	Plainfield City	Union	188	5.73	3.28	1.88	.52
23	Irvington Town	Essex	193	5.68	2.09	2.10	1.43
24	Bridgeton	Cumberland	60	5.62	2.97	1.22	1.31
25	Lawrence	Cumberland	413	5.62	3.38	.86	1.23
26	Hampton	Hunterdon	441	5.61	4.21	.79	.50
27	Paterson	Passaic	79	5.56	2.74	2.04	.72
28	Pleasantville City	Atlantic	171	5.55	2.12	2.43	.83
29	Penns Grove	Salem	169	5.52	3.13	1.26	.97
30	Victory Gardens	Morris	352	5.52	4.54	.44	.46
31	Lambertville City	Hunterdon	136	5.47	3.99	.82	.49
32	Woodbine	Cape May	182	5.41	3.94	.71	.59
33	Atlantic City	Atlantic	12	5.40	1.61	2.87	.85
34	Commercial	Cumberland	382	5.38	3.73	.21	1.26
35	Keansburg	Monmouth	334	5.35	2.53	1.99	.73
36	South Orange	Essex	414	5.33	2.38	1.56	1.40
37	Caldwell Bor.	Essex	247	5.30	2.59	1.25	1.41
38	Montclair Town	Essex	347	5.28	2.55	1.28	1.41
39	Maplewood Twp.	Essex	359	5.25	2.41	1.36	1.42
40	Hackettstown	Warren	159	5.25	3.61	.73	.86
41	West Orange Town	Essex	303	5.24	2.53	1.22	1.43
42	North Caldwell Bor.	Essex	548	5.13	3.08	.61	1.40
43	Farmingdale Bor.	Monmouth	122	5.10	3.85	.40	.75
44	Upper Penns Neck Twp.	Salem	146	5.09	3.32	.59	1.04
45	Clementon	Camden	216	5.08	2.90	.97	1.08
46	Jackson Twp.	Ocean	507	5.04	3.48	.97	.52
47	Franklin Bor.	Sussex	108	5.00	2.95	.88	1.03
48	Waterford Twp.	Camden	265	5.00	3.32	.50	1.03
49	Highlands Bor.	Monmouth	212	4.99	2.86	1.32	.71
50	Hopatcong Bor.	Sussex	543	4.99	3.25	.69	.99

¹ excluding apartments (Class 4c)

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
51	Gloucester Twp.	Camden	444	4.99	3.26	.54	1.08
52	Waldwick Bor.	Bergen	460	4.99	2.98	1.53	.41
53	East Newark Bor.	Hudson	16	4.98	1.81	1.57	1.55
54	Roosevelt Bor.	Monmouth	498	4.97	3.63	.51	.72
55	Mt. Holly Twp.	Burlington	238	4.91	3.17	.96	.68
56	Woodlynne Bor.	Camden	375	4.91	2.49	1.13	1.08
57	Allentown Bor.	Monmouth	398	4.90	3.28	.79	.72
58	New Shrewsbury Bor.	Monmouth	226	4.90	3.42	.68	.73
59	Ogdensburg Bor.	Sussex	17	4.89	3.60	.79	.40
60	Belleville Town	Essex	177	4.87	1.97	1.36	1.47
61	Berlin Twp.	Camden	467	4.85	3.30	.35	1.07
62	High Bridge Bor.	Hunterdon	125	4.84	3.63	.58	.53
63	Bayonne City	Hudson	33	4.83	1.72	1.67	1.39
64	Bordentown City	Burlington	112	4.82	3.12	.90	.68
65	Island Heights Bor.	Ocean	433	4.79	3.27	.87	.53
66	Perth Amboy City	Middlesex	15	4.78	2.09	2.00	.61
67	Matawan Twp.	Monmouth	409	4.77	3.12	.88	.70
68	Union Beach Bor.	Monmouth	229	4.76	2.77	1.11	.74
69	Keyport Bor.	Monmouth	126	4.75	2.60	1.37	.71
70	Freehold Twp.	Monmouth	174	4.74	3.51	.48	.71
71	Long Branch City	Monmouth	275	4.74	2.82	1.15	.70
72	Bloomfield Town	Essex	167	4.71	2.09	1.10	1.45
73	Hamburg Bor.	Sussex	64	4.71	3.49	.10	1.03
74	Millville City	Cumberland	87	4.71	2.57	.78	1.23
75	Newton Town	Sussex	121	4.71	3.13	.42	1.07
76	Verona Bor.	Essex	385	4.71	2.36	.88	1.42
77	Gibbsboro Bor.	Camden	243	4.69	3.07	.36	1.15
78	Englishtown Bor.	Monmouth	75	4.65	3.47	.36	.75
79	Pitman Bor.	Gloucester	294	4.63	3.01	.90	.61
80	Franklin Twp.	Gloucester	489	4.62	3.66	.23	.59
81	Hardyston Twp.	Sussex	295	4.61	2.49	1.06	1.01
82	National Park Bor.	Gloucester	515	4.61	3.55	.27	.59
83	Phillipsburg Town	Warren	68	4.60	2.45	1.07	.92
84	Somerdale Bor.	Camden	369	4.60	2.69	.71	1.09
85	Bradley Beach Bor.	Monmouth	392	4.60	2.18	1.65	.70
86	Monmouth Beach Bor.	Monmouth	492	4.59	2.60	1.21	.72
87	Sparta Twp.	Sussex	449	4.59	2.76	.81	.97
88	Frenchtown Bor.	Hunterdon	137	4.58	3.60	.34	.54
89	Glen Gardner Bor.	Hunterdon	289	4.58	3.23	.74	.51
90	Passaic City	Passaic	28	4.58	2.45	1.31	.77
91	Lindenwold Bor.	Camden	481	4.57	2.88	.51	1.06
92	Hazlet Twp.	Monmouth	323	4.53	3.15	.56	.73
93	West Caldwell Bor.	Essex	266	4.53	2.47	.60	1.41
94	Glassboro Bor.	Gloucester	192	4.50	2.93	.87	.61
95	Hightstown Bor.	Mercer	218	4.50	2.46	.94	1.04
96	Manalapan Twp.	Monmouth	463	4.50	3.64	.12	.70
97	Neptune Twp.	Monmouth	175	4.49	2.68	.99	.73
98	Vineland City	Cumberland	164	4.48	2.57	.61	1.23
99	Fair Haven Bor.	Monmouth	233	4.47	3.13	.57	.70
100	Galloway Twp.	Atlantic	191	4.44	3.03	.42	.89
101	Weehawken Twp.	Hudson	104	4.44	2.08	.73	1.60
102	West Cape May Bor.	Cape May	522	4.44	3.13	.59	.57
103	Cape May City	Cape May	131	4.43	1.77	2.02	.57
104	Downe Twp.	Cumberland	205	4.43	2.93	.06	1.26
105	Maurice River Twp.	Cumberland	310	4.40	2.98	—	1.26
106	Andover Bor.	Sussex	194	4.39	2.85	.45	1.01
107	Bloomington Bor.	Passaic	411	4.38	2.71	.90	.69
108	Collinswood Bor.	Camden	325	4.38	2.47	.75	1.05

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
109	Green Twp.	Sussex	499	4.38	1.56	1.76	1.01
110	Pompton Lakes Bor.	Passaic	288	4.38	2.86	.73	.72
111	Freehold Bor.	Monmouth	135	4.36	2.48	1.10	.71
112	Hainesport Twp.	Burlington	252	4.36	3.43	.13	.68
113	Magnolia Bor.	Camden	220	4.36	2.25	.93	1.08
114	Somerville Bor.	Somerset	134	4.36	2.68	1.14	.49
115	Lakewood Twp.	Ocean	250	4.35	2.61	1.15	.51
116	North Bergen Twp.	Hudson	70	4.35	1.59	1.42	1.29
117	Winslow Twp.	Camden	150	4.33	3.18	—	1.08
118	Mountain Lakes Bor.	Morris	490	4.32	3.18	.65	.45
119	Shiloh Bor.	Cumberland	455	4.32	2.80	.19	1.20
120	Audubon Bor.	Camden	210	4.31	2.42	.65	1.11
121	Madison Twp.	Middlesex	425	4.31	3.22	.48	.55
122	Byram Twp.	Sussex	525	4.30	2.66	.59	1.00
123	Lumberton Twp.	Burlington	103	4.29	2.94	.61	.68
124	Washington Twp.	Gloucester	434	4.29	3.18	.45	.58
125	Cherry Hill Twp.	Camden	165	4.28	2.81	.38	1.04
126	Matawan Bor.	Monmouth	403	4.28	2.46	1.07	.69
127	South Bound Brook Bor.	Somerset	311	4.28	2.99	.67	.54
128	Woodbury City	Gloucester	144	4.28	2.59	.98	.60
129	Haddon Heights Bor.	Camden	401	4.27	2.33	.72	1.04
130	Midland Park Bor.	Bergen	253	4.27	2.68	1.10	.42
131	Oakland Bor.	Bergen	446	4.27	3.11	.70	.41
132	Oxford Twp.	Warren	160	4.27	3.12	.08	.92
133	Cedar Grove Twp.	Essex	307	4.25	2.28	.70	1.22
134	Linwood City	Atlantic	251	4.25	2.45	.84	.87
135	Bellmawr Bor.	Camden	302	4.24	2.29	.76	1.08
136	Andover Twp.	Sussex	270	4.23	2.68	.49	1.00
137	Clayton Bor.	Gloucester	337	4.23	2.92	.57	.60
138	Roseland Bor.	Essex	233	4.23	2.22	.53	1.44
139	Ridgewood Twp.	Bergen	404	4.22	2.84	.92	.41
140	Stow Creek	Cumberland	545	4.22	2.86	—	1.25
141	Wall Twp.	Monmouth	227	4.22	2.84	.60	.72
142	Liberty Twp.	Warren	491	4.21	2.98	.31	.86
143	Livingston Twp.	Essex	364	4.21	2.37	.39	1.40
144	Alpha Bor.	Warren	215	4.20	3.05	.14	.86
145	Ocean Twp.	Monmouth	357	4.18	2.91	.48	.72
146	Beverly City	Burlington	245	4.17	2.58	.79	.68
147	Pennington Bor.	Mercer	373	4.17	2.55	.58	.98
148	Paulsboro Bor.	Gloucester	55	4.17	2.23	1.16	.62
149	Washington Bor.	Warren	82	4.17	2.51	.68	.87
150	Hopewell Bor.	Mercer	284	4.16	2.80	.31	.99
151	Gloucester City	Camden	71	4.15	1.95	.84	1.20
152	Riverdale Twp.	Bergen	431	4.15	3.16	.52	.41
153	Somers Point City	Atlantic	290	4.15	1.82	1.35	.88
154	Nutley Town	Essex	178	4.14	1.72	.93	1.44
155	Northfield City	Atlantic	291	4.13	2.12	1.01	.88
156	Willingboro Twp.	Burlington	459	4.13	2.89	.54	.63
157	Frankford Twp.	Sussex	429	4.12	2.33	.77	.97
158	Buena Vista Twp.	Atlantic	393	4.11	3.13	—	.87
159	Randolph Twp.	Morris	350	4.11	3.11	.51	.45
160	Jamesburg Bor.	Middlesex	318	4.09	2.59	.87	.55
161	Elizabeth City	Union	65	4.09	2.02	1.48	.54
162	Englewood City	Bergen	153	4.09	2.12	1.52	.42
163	Eastampton Twp.	Burlington	378	4.08	3.09	.28	.65
164	Fanwood Bor.	Union	478	4.08	2.80	.70	.51
165	Lafayette Twp.	Sussex	280	4.08	2.79	.20	1.04
166	Monroe Twp.	Gloucester	379	4.08	2.84	.53	.60

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
167	Haddon Twp.	Camden	391	4.07	2.48	.40	1.08
168	Green Brook Twp.	Somerset	189	4.06	2.89	.60	.52
169	Haddonfield Bor.	Camden	336	4.05	2.32	.62	1.03
170	Mullica Twp.	Atlantic	479	4.05	2.92	.12	.88
171	Ocean Gate Bor.	Ocean	552	4.05	2.40	1.00	.53
172	Stratford Bor.	Camden	296	4.05	2.51	.37	1.08
173	Atlantic Highlands Bor.	Monmouth	395	4.04	2.35	.90	.72
174	Belvidere Town	Warren	63	4.04	2.76	.29	.90
175	Elmer Bor.	Salem	149	4.04	2.04	.86	.96
176	Glen Rock Bor.	Bergen	461	4.03	2.99	.57	.41
177	Red Bank Bor.	Monmouth	99	4.03	2.33	.93	.71
178	Rockaway Twp.	Morris	314	4.02	2.90	.62	.46
179	Elsinboro Twp.	Salem	538	4.02	2.89	.03	.94
180	Guttenberg Town	Hudson	91	4.02	1.61	1.02	1.33
181	Hamilton Twp.	Atlantic	66	4.02	2.56	.48	.88
182	Laurel Springs Bor.	Camden	327	4.02	2.29	.55	1.06
183	Park Ridge Bor.	Bergen	453	4.02	2.80	.75	.41
184	Runnemede Bor.	Camden	313	4.02	2.28	.54	1.06
185	Shrewsbury Bor.	Monmouth	172	4.01	2.51	.71	.73
186	Hillsdale Bor.	Bergen	495	3.99	2.37	1.15	.41
187	Barrington Bor.	Camden	162	3.99	2.36	.33	1.19
188	Oaklyn Bor.	Camden	293	3.99	2.15	.62	1.08
189	Hammonton Town	Atlantic	173	3.98	2.59	.40	.89
190	Passaic Twp.	Morris	335	3.98	2.55	.96	.42
191	West Milford Twp.	Passaic	445	3.98	2.49	.77	.68
192	East Windsor Twp.	Mercer	116	3.97	2.45	.47	1.04
193	Marlboro Twp.	Monmouth	473	3.97	3.10	.12	.72
194	Ringwood Bor.	Passaic	514	3.97	2.50	.74	.63
195	Teaneck Twp.	Bergen	397	3.96	2.31	1.19	.41
196	Westville Bor.	Gloucester	213	3.96	2.30	.89	.60
197	Howell Twp.	Monmouth	300	3.96	3.17	—	.71
198	West Long Beach	Monmouth	285	3.96	2.63	.51	.74
199	Fairfield Twp.	Cumberland	475	3.95	2.55	.11	1.17
200	Jefferson Twp.	Morris	451	3.95	2.71	.73	.45
201	Rahway City	Union	113	3.95	2.04	1.29	.54
202	Greenwich Twp.	Cumberland	483	3.94	2.65	—	1.20
203	Clinton Town	Hunterdon	187	3.94	2.91	.45	.53
204	Swedesboro Bor.	Gloucester	49	3.93	2.74	.40	.68
205	Lawrence Twp.	Mercer	97	3.93	2.31	.52	1.05
206	Bernards Twp.	Somerset	505	3.93	2.71	.67	.51
207	Absecon City	Atlantic	354	3.92	1.98	.95	.85
208	Mt. Laurel Twp.	Burlington	264	3.92	2.75	.52	.61
209	Neptune City Bor.	Monmouth	140	3.92	2.31	.80	.72
210	Lincoln Park Bor.	Morris	360	3.92	2.21	1.23	.43
211	South Harrison Twp.	Gloucester	557	3.91	3.25	—	.60
212	Washington Twp.	Morris	427	3.91	2.77	.64	.46
213	Fredon Twp.	Sussex	487	3.91	2.57	.32	.98
214	Berlin Bor.	Camden	232	3.90	2.50	.22	1.09
215	North Plainfield Bor.	Somerset	356	3.90	2.42	.90	.51
216	Scotch Plains Twp.	Union	443	3.89	2.78	.54	.51
217	Westampton	Burlington	142	3.88	3.16	—	.64
218	Bergenfield	Bergen	333	3.87	2.50	.89	.41
219	Roselle Bor.	Union	286	3.87	2.08	1.20	.51
220	Bound Brook Bor.	Somerset	274	3.87	2.45	.86	.49
221	Dumont Bor.	Bergen	530	3.86	2.57	.79	.41
222	Mantua Twp.	Gloucester	377	3.86	3.09	.06	.59
223	Brielle Bor.	Monmouth	372	3.85	2.12	.97	.72
224	Folsom Bor.	Atlantic	176	3.82	2.78	.11	.86

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
225	Moorestown Twp.	Burlington	106	3.82	2.71	.41	.65
226	Lawnside Bor.	Camden	61	3.82	1.96	.75	1.03
227	Essex Fells Bor.	Essex	551	3.82	1.85	.54	1.40
228	Tuckerton Bor.	Ocean	332	3.82	2.69	.48	.53
229	Millstone Bor.	Somerset	421	3.82	3.08	.17	.51
230	Fieldsboro Bor.	Burlington	72	3.81	2.70	—	1.00
231	Roselle Park Bor.	Union	366	3.81	3.27	.85	.52
232	Ridgefield Park Twp.	Bergen	237	3.80	2.35	.96	.42
233	Mine Hill Twp.	Morris	535	3.80	2.69	.55	.47
234	Beachwood Bor.	Ocean	537	3.80	2.48	.66	.53
235	Medford Lakes Bor.	Burlington	560	3.79	2.69	.38	.66
236	Edgewater Park Twp.	Burlington	292	3.79	2.68	.41	.65
237	Merchantville Bor.	Camden	316	3.79	1.69	.97	1.06
238	South Brunswick Twp.	Middlesex	78	3.79	2.92	.25	.57
239	Riverton Bor.	Burlington	482	3.78	2.12	.90	.66
240	Wharton Bor.	Morris	102	3.78	2.47	.80	.44
241	Independence Twp.	Warren	424	3.77	2.54	.29	.87
242	Allendale Bor.	Bergen	471	3.76	2.62	.68	.41
243	Ramsey Bor.	Bergen	254	3.76	2.77	.52	.42
244	Cinnaminson Twp.	Burlington	263	3.76	2.76	.26	.67
245	Maple Shade Twp.	Burlington	259	3.76	2.51	.47	.67
246	Tabernacle Twp.	Burlington	513	3.76	2.66	.34	.66
247	Wenonah Bor.	Gloucester	558	3.76	2.47	.61	.59
248	Hillside Twp.	Union	80	3.76	1.88	1.24	.57
249	Ewing Twp.	Mercer	141	3.74	2.28	.24	1.14
250	Delanco Twp.	Burlington	185	3.74	2.67	.17	.78
251	Harrison Town	Hudson	8	3.73	1.62	.38	1.69
252	Weymouth Twp.	Atlantic	523	3.72	2.59	.13	.87
253	Dunellen Bor.	Middlesex	207	3.72	2.53	.52	.59
254	Woodcliff Lake Bor.	Bergen	527	3.71	2.69	.58	.40
255	Little Silver Bor.	Monmouth	493	3.70	2.34	.59	.72
256	Greenwich Twp.	Warren	297	3.70	2.76	—	.87
257	Wanaque Bor.	Passaic	320	3.69	2.25	.65	.71
258	Eagleswood Twp.	Ocean	342	3.68	2.93	.05	.53
259	Wantage Twp.	Sussex	273	3.67	2.08	.51	1.04
260	Middletown Twp.	Monmouth	448	3.67	2.47	.44	.69
261	Harrington Park Bor.	Bergen	555	3.67	2.49	.72	.41
262	Readington Twp.	Hunterdon	271	3.66	2.79	.31	.51
263	Emerson Bor.	Bergen	374	3.66	2.55	.63	.41
264	Madison Bor.	Morris	388	3.65	2.22	.96	.42
265	Mt. Ephraim Bor.	Camden	287	3.65	1.65	.77	1.08
266	Branchville Bor.	Sussex	36	3.64	2.51	—	1.06
267	Califon Bor.	Hunterdon	355	3.64	2.45	.59	.52
268	Newfield Bor.	Gloucester	186	3.64	2.18	.75	.61
269	Elk Twp.	Gloucester	556	3.64	2.94	—	.57
270	Dover Twp.	Ocean	329	3.63	2.55	.50	.52
271	Mendham Bor.	Morris	561	3.63	2.54	.60	.46
272	Hampton Twp.	Sussex	2.81	3.62	1.12	1.45	1.00
273	Delaware Twp.	Hunterdon	365	3.62	2.66	.39	.51
274	Deerfield Twp.	Cumberland	407	3.62	2.04	.27	1.21
275	New Milford Bor.	Bergen	536	3.62	2.41	.73	.41
276	Bogota Bor.	Bergen	301	3.62	2.59	.51	.44
277	Harrison Twp.	Gloucester	470	3.61	2.93	—	.59
278	Middle Twp.	Cape May	240	3.61	2.70	.21	.57
279	Manville Bor.	Somerset	180	3.61	2.52	.44	.57
280	Pemberton Bor.	Burlington	279	3.61	2.18	.65	.67
281	Fairfield Bor.	Essex	29	3.60	1.70	.41	1.47
282	Rockaway Bor.	Morris	100	3.60	2.60	.48	.44

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
283	Pittsgrove Twp.	Salem	330	3.59	2.55	—	.93
284	Mt. Olive Twp.	Morris	465	3.59	2.88	.22	.46
285	Hillsborough Twp.	Somerset	312	3.57	2.70	.33	.50
286	Piscataway Twp.	Middlesex	154	3.57	2.57	.39	.56
287	Highland Park Bor.	Middlesex	381	3.57	2.61	.36	.55
288	Buena Bor.	Atlantic	204	3.57	2.50	.06	.87
289	Eatontown Bor.	Monmouth	59	3.56	2.19	.59	.74
290	Palmyra Bor.	Burlington	272	3.56	2.16	.61	.67
291	Berkeley Twp.	Ocean	390	3.55	2.51	.43	.53
292	Bethlehem Twp.	Hunterdon	408	3.55	2.56	.43	.51
293	Leonia Bor.	Bergen	438	3.55	2.07	1.02	.41
294	Haworth Bor.	Bergen	368	3.55	2.48	.62	.41
295	South Belmar Bor.	Monmouth	370	3.54	1.60	1.09	.72
296	East Brunswick Twp.	Middlesex	278	3.54	2.42	.52	.55
297	Upper Saddle River Bor.	Bergen	466	3.54	2.59	.50	.41
298	Closter Bor.	Bergen	322	3.54	2.42	.65	.41
299	Lebanon Bor.	Hunterdon	120	3.53	2.54	.42	.49
300	Mansfield Twp.	Warren	502	3.53	2.55	.07	.86
301	Harmony Twp.	Warren	214	3.53	2.48	.08	.89
302	Woodstown Bor.	Salem	231	3.53	1.98	.50	.94
303	Deptford Twp.	Gloucester	324	3.53	2.80	—	.60
304	Morristown Town	Morris	81	3.52	2.03	1.04	.42
305	Sea Bright Bor.	Monmouth	42	3.52	1.39	1.36	.73
306	Metuchen Bor.	Middlesex	269	3.52	2.22	.67	.56
307	Allamuchy Twp.	Warren	326	3.51	2.64	.01	.84
308	New Providence Bor.	Union	283	3.51	2.34	.61	.51
309	South Toms River Bor.	Ocean	367	3.51	2.53	.34	.54
310	Upper Deerfield Twp.	Cumberland	206	3.51	2.11	.11	1.22
311	Riverside Twp.	Burlington	155	3.50	2.26	.39	.71
312	Pennsauken Twp.	Camden	52	3.50	2.06	.23	1.11
313	River Edge Bor.	Bergen	416	3.50	2.26	.76	.41
314	Millburn Twp.	Essex	239	3.49	1.45	.60	1.41
315	Hopewell Twp.	Cumberland	517	3.49	2.27	—	1.15
316	Franklin Twp.	Warren	235	3.48	2.51	—	.90
317	Spring Lake Heights Bor.	Monmouth	304	3.48	2.13	.56	.72
318	Westwood Bor.	Bergen	224	3.48	2.25	.75	.42
319	Ventnor City	Atlantic	484	3.47	1.18	1.36	.86
320	Rumson Bor.	Monmouth	534	3.47	1.97	.75	.72
321	Bloomsbury Bor.	Hunterdon	268	3.46	2.32	.47	.53
322	Maywood Bor.	Bergen	343	3.46	2.02	.95	.42
323	Kinnelon Bor.	Morris	519	3.46	2.42	.55	.45
324	Denville Twp.	Morris	255	3.46	2.36	.63	.43
325	Tenafly Bor.	Bergen	456	3.45	2.13	.86	.41
326	Demarest Bor.	Bergen	539	3.45	2.46	.53	.41
327	Cranford Twp.	Union	222	3.44	2.26	.59	.52
328	Hamilton Twp.	Mercer	246	3.44	2.24	.08	1.01
329	Clinton Twp.	Hunterdon	298	3.44	2.80	.08	.52
330	Old Tappan Bor.	Bergen	504	3.44	2.67	.31	.41
331	Raritan Bor.	Somerset	85	3.44	2.44	.36	.56
332	Upper Pittsgrove Twp.	Salem	437	3.44	2.39	—	.96
333	Brooklawn Bor.	Camden	98	3.43	1.98	.20	1.10
334	Warren Twp.	Somerset	412	3.43	2.45	.42	.52
335	Spotswood Bor.	Middlesex	276	3.42	2.52	.22	.60
336	Carteret Bor.	Middlesex	57	3.42	1.91	.83	.60
337	Chester Bor.	Morris	92	3.42	2.38	.56	.45
338	Franklin Twp.	Somerset	315	3.41	2.36	.51	.50
339	Oceanport Bor.	Monmouth	69	3.41	2.21	.42	.72
340	Deal Bor.	Monmouth	541	3.41	1.75	.92	.71

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
341	Northvale Bor.	Bergen	94	3.41	2.35	.59	.43
342	Holmdel Twp.	Monmouth	30	3.40	2.41	.21	.76
343	Springfield Twp.	Union	123	3.40	2.12	.71	.53
344	Quinton Twp.	Salem	267	3.40	2.28	.09	.93
345	Garwood Bor.	Union	107	3.39	2.05	.66	.59
346	Clark Twp.	Union	209	3.38	2.40	.38	.55
347	Vernon Twp.	Sussex	486	3.38	2.12	.22	1.00
348	Washington Twp.	Mercer	228	3.38	2.10	.19	1.04
349	Princeton Twp.	Mercer	462	3.38	1.91	.47	.99
350	Burlington Twp.	Burlington	130	3.38	2.27	.37	.69
351	Millestone Twp.	Monmouth	454	3.36	2.18	.42	.72
352	West Paterson Bor.	Passaic	201	3.35	2.03	.55	.71
353	Brick Twp.	Ocean	426	3.35	2.58	.17	.52
354	Belmar Bor.	Monmouth	241	3.35	1.41	1.15	.70
355	Washington Twp.	Bergen	546	3.35	2.33	.55	.41
356	Roxbury Twp.	Morris	211	3.34	2.52	.31	.46
357	Westfield Town	Union	418	3.33	2.20	.56	.51
358	Mt. Arlington Bor.	Morris	457	3.33	2.12	.75	.42
359	Pequannock Twp.	Morris	339	3.32	2.30	.54	.43
360	Shamong Twp.	Burlington	464	3.32	2.63	—	.65
361	Rocky Hill Bor.	Somerset	420	3.30	2.32	.39	.54
362	Little Falls Twp.	Passaic	242	3.30	1.71	.82	.72
363	Pine Beach Bor.	Ocean	553	3.30	2.48	.18	.53
364	Middlesex Bor.	Middlesex	161	3.30	2.28	.40	.56
365	Wildwood City	Cape May	84	3.30	.67	2.02	.60
366	Rutherford Bor.	Bergen	299	3.30	1.87	.95	.41
367	Hackensack City	Bergen	45	3.30	1.77	1.06	.44
368	Fairlawn Bor.	Bergen	234	3.30	2.16	.65	.42
369	South Plainfield Bor.	Middlesex	132	3.29	2.01	.67	.56
370	New Brunswick City	Middlesex	27	3.29	1.80	.89	.56
371	Lebanon Twp.	Hunterdon	497	3.29	2.63	.07	.53
372	Stillwater Twp.	Sussex	544	3.29	1.83	.40	1.00
373	Knowlton Twp.	Warren	384	3.28	2.36	—	.87
374	Manchester Twp.	Ocean	485	3.28	1.76	.95	.53
375	Montville Twp.	Morris	317	3.28	2.36	.42	.46
376	Raritan Twp.	Hunterdon	152	3.27	2.67	.02	.54
377	Wayne Twp.	Passaic	168	3.27	1.96	.59	.69
378	Plumstead Twp.	Ocean	435	3.27	2.63	—	.53
379	Medford Twp.	Burlington	394	3.26	2.15	.40	.66
380	Hopewell Twp.	Mercer	321	3.25	2.00	.18	1.02
381	Florence Twp.	Burlington	43	3.25	2.11	.26	.76
382	Netcong Bor.	Morris	181	3.25	2.19	.51	.47
383	Pohatcong Twp.	Warren	248	3.25	1.95	.32	.87
384	Pt. Pleasant Bor.	Ocean	423	3.24	2.07	.52	.53
385	Washington Twp.	Warren	399	3.23	2.20	.10	.86
386	Chesterfield Twp.	Burlington	309	3.23	2.32	.19	.67
387	South River Bor.	Middlesex	328	3.23	1.97	.61	.56
388	Dover Town	Morris	96	3.22	2.06	.67	.43
389	Boonton Town	Morris	170	3.22	2.08	.59	.49
390	Parsippany-Troy Hills	Morris	305	3.22	2.21	.51	.46
391	Union Twp.	Ocean	371	3.22	2.10	.47	.54
392	Wyckoff Twp.	Bergen	474	3.22	2.34	.43	.41
393	Hi-Nella Bor.	Camden	469	3.22	1.68	.43	1.06
394	Southampton Twp.	Burlington	436	3.21	2.43	.04	.66
395	Berkeley Heights Twp.	Union	115	3.21	2.22	.42	.54
396	Woodland Twp.	Burlington	529	3.20	1.54	1.00	.63
397	Corbin City	Atlantic	348	3.20	2.07	.08	.87
398	Chester Twp.	Morris	521	3.20	2.38	.56	.45

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
399	Manasquan Bor.	Monmouth	361	3.20	1.62	.80	.72
400	Kingwood Twp.	Hunterdon	468	3.19	2.28	.17	.51
401	Alexandria Twp.	Hunterdon	520	3.19	2.47	.15	.52
402	Mannington Twp.	Salem	230	3.18	2.02	.04	1.05
403	Prospect Park Bor.	Passaic	308	3.17	2.13	.21	.72
404	Milford Bor.	Hunterdon	7	3.17	2.44	.03	.63
405	Franklin Twp.	Hunterdon	447	3.17	2.37	.22	.53
406	Lower Twp.	Cape May	340	3.17	2.18	.27	.57
407	Palisades Park Bor.	Bergen	198	3.17	1.89	.81	.41
408	Norwood Bor.	Bergen	351	3.17	2.43	.28	.41
409	Chatham Bor.	Morris	363	3.16	2.13	.55	.43
410	Butler Bor.	Morris	221	3.16	2.32	.31	.48
411	Union Twp.	Hunterdon	260	3.16	2.59	—	.52
412	Lodi Bor.	Bergen	111	3.15	1.69	.97	.42
413	Summit City	Union	195	3.14	1.86	.73	.52
414	Lakehurst Bor.	Ocean	277	3.14	1.31	1.14	.53
415	Stafford Twp.	Ocean	345	3.13	1.58	.94	.55
416	Mendham Twp.	Morris	430	3.12	1.99	.66	.45
417	Stockton Bor.	Hunterdon	244	3.12	2.44	.05	.52
418	Delran Twp.	Burlington	157	3.11	2.11	.27	.68
419	Princeton Bor.	Mercer	105	3.10	1.38	.71	.99
420	Egg Harbor Twp.	Atlantic	261	3.10	2.20	—	.83
421	Hope Twp.	Warren	506	3.09	1.95	.24	.85
422	Evesham Twp.	Burlington	458	3.09	2.22	.18	.64
423	North Haledon Bor.	Passaic	528	3.08	1.88	.45	.69
424	Cresskill Bor.	Bergen	349	3.08	1.95	.66	.41
425	Watchung Bor.	Somerset	114	3.07	2.00	.50	.54
426	Montgomery Twp.	Somerset	179	3.04	2.43	.07	.52
427	Avon-By-The-Sea	Monmouth	419	3.03	1.19	1.10	.69
428	East Greenwich Twp.	Gloucester	400	3.03	2.37	—	.59
429	Montvale Bor.	Bergen	236	3.02	2.38	.18	.41
430	East Amwell Twp.	Hunterdon	208	3.02	2.28	.17	.52
431	Frelinghuysen Twp.	Warren	331	3.02	2.01	.13	.86
432	Branchburg Twp.	Somerset	156	3.01	2.42	.04	.50
433	Pilesgrove Twp.	Salem	415	3.01	1.99	—	.95
434	Woodbury Heights Bor.	Gloucester	217	3.01	2.09	.24	.60
435	Brigantine City	Atlantic	439	3.01	1.08	1.00	.87
436	Springfield Twp.	Burlington	344	3.00	2.00	.30	.65
437	Pt. Pleasant Beach Bor.	Ocean	119	2.99	1.76	.64	.54
438	Voorhees Twp.	Camden	197	2.99	1.66	.20	1.03
439	Chatham Twp.	Morris	511	2.98	1.91	.58	.45
440	Cranbury Twp.	Middlesex	51	2.98	1.88	.51	.57
441	Haledon Bor.	Passaic	200	2.97	1.80	.39	.70
442	Kearney Town	Hudson	25	2.97	1.41	.09	1.43
443	Oradell Bor.	Bergen	346	2.97	1.97	.54	.41
444	South Amboy City	Middlesex	199	2.97	1.42	.84	.60
445	Bordentown Twp.	Burlington	129	2.96	1.96	.26	.67
446	Tewksbury Twp.	Hunterdon	501	2.96	2.17	.24	.52
447	West Amwell Twp.	Hunterdon	249	2.96	2.08	.32	.51
448	Paramus Bor.	Bergen	31	2.94	2.00	.47	.43
449	Pennsville Twp.	Salem	20	2.93	1.49	—	1.37
450	Bernardsville Bor.	Somerset	406	2.91	1.76	.60	.51
451	Morris Twp.	Morris	202	2.91	1.77	.68	.43
452	Totowa Bor.	Passaic	26	2.91	1.69	.47	.70
453	Alloway Twp.	Salem	547	2.90	1.86	—	.95
454	Bridgewater Twp.	Somerset	110	2.90	2.28	—	.57
455	West Windsor Twp.	Mercer	58	2.90	1.79	.04	1.05
456	Mountainside Bor.	Union	223	2.89	2.15	.16	.53

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
457	West Wildwood Bor.	Cape May	540	2.89	.44	1.80	.57
458	Allenhurst Bor.	Monmouth	158	2.87	.62	1.51	.72
459	Riverdale Bor.	Morris	124	2.87	2.00	.36	.45
460	Cliffside Park Bor.	Bergen	396	2.86	1.62	.77	.41
461	Colts Neck Twp.	Monmouth	476	2.86	2.18	—	.65
462	Florham Park Bor.	Morris	117	2.86	1.89	.52	.43
463	Pemberton Twp.	Burlington	512	2.83	1.31	.74	.66
464	Margate City	Atlantic	488	2.82	1.13	.75	.88
465	Hasbrouck Heights Bor.	Bergen	480	2.81	1.70	.62	.41
466	Flemington Bor.	Hunterdon	62	2.80	1.07	1.19	.50
467	Helmetta Bor.	Middlesex	67	2.80	2.09	—	.66
468	Morris Plains Bor.	Morris	46	2.78	1.73	.54	.48
469	North Arlington Bor.	Bergen	353	2.78	1.47	.84	.40
470	Secaucus Town	Hudson	73	2.76	1.16	.29	1.28
471	Rochelle Park Twp.	Bergen	190	2.75	1.52	.77	.40
472	Woodbridge Twp.	Middlesex	138	2.75	1.74	.37	.58
473	Woolwich Twp.	Gloucester	54	2.75	2.07	—	.65
474	Hanover Twp.	Morris	21	2.74	1.86	.34	.50
475	Bass River Twp.	Burlington	380	2.73	1.96	—	.69
476	Upper Freehold Twp.	Monmouth	510	2.73	1.84	.11	.74
477	White Twp.	Warren	118	2.73	1.70	.10	.87
478	Franklin Lakes Bor.	Bergen	516	2.71	1.94	.34	.41
479	North Wildwood City	Cape May	306	2.71	.78	1.30	.58
480	Hawthorne Bor.	Passaic	225	2.70	1.60	.34	.70
481	Saddle Brook Twp.	Bergen	147	2.70	1.62	.59	.42
482	Clifton City	Passaic	88	2.69	1.40	.46	.77
483	Hardwick Twp.	Warren	550	2.69	1.29	.50	.86
484	Logan Twp.	Gloucester	89	2.69	2.02	—	.63
485	Monroe Twp.	Middlesex	109	2.67	1.84	.25	.55
486	Edison Twp.	Middlesex	93	2.67	1.18	.89	.56
487	Ocean City	Cape May	383	2.67	.73	1.35	.55
488	Hohokus Bor.	Bergen	509	2.65	1.66	.54	.41
489	Estell Manor City	Atlantic	565	2.65	1.78	—	.80
490	Sea Isle City	Cape May	386	2.65	.76	1.28	.56
491	Garfield City	Bergen	127	2.62	1.49	.61	.44
492	North Brunswick Twp.	Middlesex	34	2.61	1.79	.17	.62
493	East Paterson Bor.	Bergen	95	2.60	1.53	.59	.43
494	Little Ferry Bor.	Bergen	163	2.60	1.59	.55	.41
495	Boonton Twp.	Morris	417	2.58	1.76	.32	.47
496	Pine Valley Bor.	Camden	203	2.58	—	1.51	1.07
497	Dennis Twp.	Cape May	452	2.56	1.83	—	.57
498	Peapack-Gladstone Bor.	Somerset	183	2.55	1.35	.64	.52
499	Interlaken Bor.	Monmouth	567	2.54	.59	1.18	.71
500	Union Twp.	Union	133	2.54	1.39	.56	.54
501	Kenilworth Bor.	Union	38	2.53	1.66	.25	.57
502	Mahwah Twp.	Bergen	76	2.52	1.69	.39	.42
503	East Hanover Twp.	Morris	22	2.49	1.78	.27	.42
504	Milltown Bor.	Middlesex	258	2.49	1.69	.16	.57
505	Sandyston Twp.	Sussex	358	2.49	1.35	.07	1.00
506	Mansfield Twp.	Burlington	338	2.45	1.72	—	.66
507	Ship Bottom Bor.	Ocean	262	2.45	.88	1.00	.53
508	West Deptford Twp.	Gloucester	23	2.44	1.52	.27	.61
509	Lyndhurst Twp.	Bergen	196	2.41	1.29	.61	.43
510	Montague Twp.	Sussex	402	2.41	1.18	.18	1.00
511	Sayreville Bor.	Middlesex	44	2.38	1.61	.10	.62
512	Longport Bor.	Atlantic	531	2.37	.27	1.19	.87
513	Walpack Twp.	Sussex	532	2.37	1.33	—	.99
514	Beach Haven Bor.	Ocean	282	2.36	.95	.86	.51

TABLE A-3 (Continued)

Gen. ETR Rank No.	Municipality	County	Industrial and Commercial (Classes 4a + 4b) ¹ Rank No. in State	Effective Tax Rate			
				Gen.	School	Municipal	County
515	Fort Lee Bor.	Bergen	362	2.35	1.16	.76	.40
516	Port Republic City	Atlantic	554	2.35	1.38	—	.88
517	East Rutherford Bor.	Bergen	18	2.34	1.17	.69	.45
518	Linden City	Union	14	2.34	1.31	.41	.58
519	Lopatcong Twp.	Warren	145	2.33	1.32	.06	.88
520	Greenwich Twp.	Gloucester	3	2.31	1.19	.43	.65
521	Harvey Cedars Bor.	Ocean	549	2.30	.87	.89	.52
522	Wildwood Crest Bor.	Cape May	56	2.30	.62	1.06	.57
523	Burlington City	Burlington	48	2.27	1.46	—	.69
524	Washington Twp.	Burlington	39	2.26	1.53	.04	.65
525	Edgewater Bor.	Bergen	11	2.25	1.04	.62	.57
526	Fairview Bor.	Bergen	90	2.25	.63	1.12	.43
527	Wrightstown Bor.	Burlington	13	2.25	1.16	.35	.71
528	Ocean Twp.	Ocean	494	2.22	1.12	.46	.53
529	North Hanover Twp.	Burlington	184	2.21	1.51	—	.66
530	Oldsman Twp.	Salem	143	2.19	1.10	.06	.96
531	Wood-Ridge Bor.	Bergen	74	2.19	1.28	.39	.46
532	Wallington Bor.	Bergen	256	2.18	1.22	.45	.43
533	Long Beach Twp.	Ocean	524	2.16	.86	.75	.52
534	Surf City Bor.	Ocean	496	2.15	.88	.72	.53
535	Sea Girt Bor.	Monmouth	518	2.13	.84	.55	.72
536	Spring Lake Bor.	Monmouth	410	2.13	.73	.68	.69
537	Cape May Point Bor.	Cape May	563	2.12	.33	1.16	.56
538	Little Egg Harbor Twp.	Ocean	472	2.11	1.32	.20	.52
539	Avalon Bor.	Cape May	432	2.10	.32	1.20	.57
540	South Hackensack Twp.	Bergen	5	2.09	.85	.74	.48
541	Barnegat Light Bor.	Ocean	428	2.08	.87	.65	.53
542	Bay Head Bor.	Ocean	477	2.05	.90	.59	.54
543	Lacey Twp.	Ocean	500	2.05	1.45	—	.53
544	Far Hills Bor.	Somerset	440	2.02	1.06	.42	.52
545	Seaside Park Bor.	Ocean	387	2.02	.85	.60	.53
546	Alpine Bor.	Bergen	376	1.97	1.39	.16	.41
547	Englewood Cliffs Bor.	Bergen	40	1.93	1.26	.23	.43
548	Bedminster Twp.	Somerset	442	1.92	1.14	.25	.50
549	Seaside Heights Bor.	Ocean	101	1.89	.83	.47	.54
550	Plainsboro Twp.	Middlesex	24	1.89	1.31	—	.56
551	Saddle River Bor.	Bergen	559	1.85	.99	.44	.41
552	Tavistock Bor.	Camden	4	1.84	.31	.35	1.19
553	Harding Twp.	Morris	542	1.74	.96	.31	.45
554	Lavallette Bor.	Ocean	503	1.74	.68	.48	.53
555	Moonachie Bor.	Bergen	9	1.67	.91	.32	.43
556	Carlstadt Bor.	Bergen	6	1.56	.89	.21	.44
557	Mantoloking Bor.	Ocean	562	1.43	.36	.53	.53
558	Stone Harbor Bor.	Cape May	389	1.32	.17	.57	.57
559	Holland Twp.	Hunterdon	148	1.31	1.26	—	.54
560	Lower Alloways Creek	Salem	405	1.15	.08	—	.94
561	Ridge Field Bor.	Bergen	83	1.13	.63	—	.45
562	Blairstown Twp.	Warren	257	.97	—	—	.93
563	New Hanover Twp.	Burlington	37	.97	.38	—	.56
564	Pahaquarry Twp.	Warren	53	.84	—	—	.79
565	Upper Twp.	Cape May	219	.81	.16	—	.56
566	Teterboro Bor.	Bergen	1	.75	.00	.21	.54
567	Rockleigh Bor.	Bergen	2	.72	.12	.14	.46

TABLE A-4

STATE OF NEW JERSEY

EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER AND AS A PERCENTAGE OF
TOTAL TAXABLE AND EXEMPT PROPERTY BY COUNTIES, 1971

TABLE A-4

ATLANTIC COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	11,026	\$ 43,420,222
State Government	24,732	9,439,152
County Government	432	20,905,230
Municipal Government	16,599	100,894,656
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations	309	18,689,080
Fraternal Organizations	23	1,567,400
Veterans Organizations	31	573,380
Religious Organizations	758	35,933,178
Other	1,653	38,321,762
TOTAL EXEMPT—ALL OWNERS	<u>55,563</u>	<u>269,744,060</u>
TOTAL TAXABLE	—	1,163,218,000
TOTAL TAXABLE AND EXEMPT	<u>361,952</u>	<u>1,432,962,060</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	3.05%	3.03%
State Government	6.83	.66
County Government .....	.12	1.46
Municipal Government	4.58	7.04
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations .....	.08	1.30
Fraternal Organizations .....	.00 +	.11
Veterans Organizations .....	.00 +	.04
Religious Organizations .....	.21	2.50
Other .....	.45	2.67
TOTAL EXEMPT—ALL OWNERS	<u>15.35</u>	<u>18.82</u>

TABLE A-4 (Continued)

BERGEN COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	130	\$ 12,536,325
State Government	1,224	18,115,870
County Government	4,742	111,214,305
Municipal Government	8,931	580,476,796
State and Interstate Authorities	4,046	195,569,900
Char. & Non-Profit Organizations	1,338	62,249,180
Fraternal Organizations	40	4,551,480
Veterans Organizations	39	4,274,240
Religious Organizations	2,383	258,195,239
Other	1,584	64,713,540
TOTAL EXEMPT—ALL OWNERS	<u>24,457</u>	<u>1,311,896,874</u>
TOTAL TAXABLE	—	<u>8,460,613,089</u>
TOTAL TAXABLE AND EXEMPT	<u>150,451</u>	<u>9,772,509,963</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.09%	.13%
State Government .....	.81	.18
County Government	3.15	1.13
Municipal Government	5.94	5.94
State and Interstate Authorities	2.69	2.00
Char. & Non-Profit Organizations .....	.89	.64
Fraternal Organizations .....	.02	.05
Veterans Organizations .....	.02	.04
Religious Organizations	1.58	2.64
Other	1.05	.66
TOTAL EXEMPT—ALL OWNERS	<u>16.25</u>	<u>13.42</u>

TABLE A-4 (Continued)

BURLINGTON COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	18,948	\$ 1,025,257,975
State Government	104,837	54,593,131
County Government	957	15,232,650
Municipal Government	6,562	150,040,841
State and Interstate Authorities	327	2,766,420
Char. & Non-Profit Organizations	1,043	9,392,420
Fraternal Organizations	139	2,002,350
Veterans Organizations	33	664,770
Religious Organizations	1,326	49,944,905
Other	220	4,276,040
TOTAL EXEMPT—ALL OWNERS	<u>134,392</u>	<u>1,314,171,502</u>
TOTAL TAXABLE	<u>—</u>	<u>1,675,904,161</u>
TOTAL TAXABLE AND EXEMPT	<u>524,352</u>	<u>2,990,075,663</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	3.61%	34.29%
State Government	20.00	1.83
County Government .....	.18	.51
Municipal Government	1.25	5.02
State and Interstate Authorities .....	.06	.09
Char. & Non-Profit Organizations .....	.20	.31
Fraternal Organizations .....	.03	.07
Veterans Organizations .....	.00+	.02
Religious Organizations .....	.25	1.67
Other .....	.04	.14
TOTAL EXEMPT—ALL OWNERS	<u>25.63</u>	<u>43.95</u>

TABLE A-4 (Continued)
CAMDEN COUNTY SUMMARY—1971

EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
Federal Government	108	\$ 2,929,800
State Government	12,734	129,396,980
County Government	4,060	100,420,342
Municipal Government	11,057	187,908,554
State and Interstate Authorities	563	48,184,854
Char. & Non-Profit Organizations	468	18,581,622
Fraternal Organizations	19	686,600
Veterans Organizations	26	1,028,868
Religious Organizations	1,109	87,246,466
Other	662	17,509,873
TOTAL EXEMPT—ALL OWNERS	30,806	593,893,959
TOTAL TAXABLE	—	2,200,163,714
TOTAL TAXABLE AND EXEMPT	142,182	2,794,057,673
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.07%	.10%
State Government	8.96	4.63
County Government	2.85	3.59
Municipal Government	7.78	6.73
State and Interstate Authorities .....	.39	1.72
Char. & Non-Profit Organizations .....	.33	.66
Fraternal Organizations .....	.01	.02
Veterans Organizations .....	.02	.04
Religious Organizations .....	.80	3.12
Other .....	.46	.63
TOTAL EXEMPT—ALL OWNERS	21.67	21.25

TABLE A-4 (Continued)

CAPE MAY COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	1,870	\$ 13,856,380
State Government	30,249	7,930,824
County Government	2,559	3,184,840
Municipal Government	6,282	45,529,335
State and Interstate Authorities	140	1,137,950
Char. & Non-Profit Organization	116	3,969,480
Fraternal Organizations	8	284,710
Veterans Organizations	5	535,840
Religious Organizations	1,489	14,344,110
Other	104	3,525,020
TOTAL EXEMPT—ALL OWNERS	42,822	94,298,489
TOTAL TAXABLE	—	875,810,326
TOTAL TAXABLE AND EXEMPT	169,818	970,108,815
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	1.10%	1.43%
State Government	17.81	.82
County Government	1.61	.33
Municipal Government	3.70	4.69
State and Interstate Authorities .....	.08	.12
Char. & Non-Profit Organizations .....	.07	.41
Fraternal Organizations .....	.00+	.03
Veterans Organizations .....	.00+	.06
Religious Organizations .....	.87	1.48
Other .....	.06	.36
TOTAL EXEMPT—ALL OWNERS	25.21	9.72

TABLE A-4 (Continued)

CUMBERLAND COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	52	\$ 4,945,555
State Government	39,704	21,409,460
County Government	327	7,710,212
Municipal Government	5,883	97,490,604
State and Interstate Authorities	74	18,750
Char. & Non-Profit Organizations	395	8,982,975
Fraternal Organizations	—	—
Veterans Organizations	16	337,900
Religious Organizations	800	26,152,852
Other	82	2,663,667
TOTAL EXEMPT—ALL OWNERS	<u>47,333</u>	<u>169,711,975</u>
TOTAL TAXABLE	<u>—</u>	<u>586,527,961</u>
TOTAL TAXABLE AND EXEMPT	321,536	756,239,936
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.02%	.65%
State Government	12.35	2.83
County Government .....	.10	1.01
Municipal Government	1.83	12.89
State and Interstate Authorities .....	.02	.00+
Char. & Non-Profit Organizations .....	.12	1.19
Fraternal Organizations	—	—
Veterans Organizations .....	.00+	.04
Religious Organizations .....	.25	3.46
Other .....	.03	.35
TOTAL EXEMPT—ALL OWNERS	<u>14.72</u>	<u>22.44</u>

TABLE A-4 (Continued)

ESSEX COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	116	\$ 49,137,800
State Government	947	59,922,100
County Government	5,611	134,341,600
Municipal Government	6,945	626,425,400
State and Interstate Authorities	2,307	133,380,900
Char. & Non-Profit Organizations	715	139,191,300
Fraternal Organizations	8	1,885,800
Veterans Organizations	19	1,579,100
Religious Organizations	910	227,671,600
Other	335	68,304,300
TOTAL EXEMPT—ALL OWNERS	<u>17,913</u>	<u>1,441,839,900</u>
TOTAL TAXABLE	<u>—</u>	<u>5,204,202,500</u>
TOTAL TAXABLE AND EXEMPT	<u>81,562</u>	<u>6,646,042,400</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.14%	.74%
State Government	1.16	.90
County Government	6.88	2.02
Municipal Government	8.51	9.42
State and Interstate Authorities	2.83	2.00
Char. & Non-Profit Organizations .....	.87	2.09
Fraternal Organizations .....	.01	.03
Veterans Organizations .....	.02	.02
Religious Organizations	1.11	3.43
Other .....	.41	1.02
TOTAL EXEMPT—ALL OWNERS	<u>21.96</u>	<u>21.69</u>

TABLE A-4 (Continued)

GLOUCESTER COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	154	\$ 578,101
State Government	5,207	26,279,771
County Government	1,022	10,537,450
Municipal Government	5,112	65,079,812
State and Interstate Authorities	542	4,265,110
Char. & Non-Profit Organizations	619	7,592,526
Fraternal Organizations	—	—
Veterans Organizations	20	630,122
Religious Organizations	786	20,523,105
Other	291	1,889,282
TOTAL EXEMPT—ALL OWNERS	<u>13,753</u>	<u>137,375,279</u>
TOTAL TAXABLE	—	<u>933,023,400</u>
TOTAL TAXABLE AND EXEMPT	<u>210,304</u>	<u>1,070,398,679</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.07%	.05%
State Government	2.48	2.46
County Government .....	.49	.98
Municipal Government	2.43	6.08
State and Interstate Authorities .....	.26	.40
Char. & Non-Profit Organizations .....	.29	.71
Fraternal Organizations	—	—
Veterans Organizations .....	.01	.06
Religious Organizations .....	.37	1.92
Other .....	.14	.17
TOTAL EXEMPT—ALL OWNERS	<u>6.54</u>	<u>12.83</u>

TABLE A-4 (Continued)

HUDSON COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	1,131	\$ 248,711,650
State Government	320	37,566,200
County Government	752	54,162,800
Municipal Government	3,970	336,930,171
State and Interstate Authorities	403	52,034,110
Char. & Non-Profit Organizations	116	24,738,400
Fraternal Organizations	6	2,740,500
Veterans Organizations	5	1,309,150
Religious Organizations	421	129,661,384
Other	139	31,806,850
TOTAL EXEMPT—ALL OWNERS	<u>7,263</u>	<u>919,661,215</u>
TOTAL TAXABLE	—	<u>2,578,744,497</u>
TOTAL TAXABLE AND EXEMPT	<u>28,224</u>	<u>3,498,405,712</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	4.00%	7.11%
State Government	1.13	1.07
County Government	2.66	1.55
Municipal Government	14.66	9.63
State and Interstate Authorities	1.43	1.49
Char. & Non-Profit Organizations .....	.41	.71
Fraternal Organizations .....	.02	.08
Veterans Organizations .....	.02	.04
Religious Organizations	1.49	3.70
Other .....	.49	.91
TOTAL EXEMPT—ALL OWNERS	<u>25.73</u>	<u>26.29</u>

TABLE A-4 (Continued)

HUNTERDON COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	1	\$ 97,500
State Government	9,769	61,501,350
County Government	318	4,733,275
Municipal Government	1,217	51,009,475
State and Interstate Authorities	36	1,435,800
Char. & Non-Profit Organizations	391	10,779,250
Fraternal Organizations	38	410,600
Veterans Organizations	12	278,550
Religious Organizations	550	22,208,600
Other	131	1,512,550
TOTAL EXEMPT—ALL OWNERS	<u>12,463</u>	<u>153,966,950</u>
TOTAL TAXABLE	—	<u>607,288,250</u>
TOTAL TAXABLE AND EXEMPT	<u>279,860</u>	<u>761,255,200</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.00+ %	.01 %
State Government	3.49	8.08
County Government .....	.11	.62
Municipal Government .....	.43	6.70
State and Interstate Authorities .....	.01	.19
Char. & Non-Profit Organizations .....	.14	1.42
Fraternal Organizations .....	.01	.05
Veterans Organizations .....	.00+	.04
Religious Organizations .....	.20	2.92
Other .....	.05	.20
TOTAL EXEMPT—ALL OWNERS	<u>4.45</u>	<u>20.22</u>

TABLE A-4 (Continued)

MERCER COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	124	\$ 7,614,096
State Government	3,964	112,609,898
County Government	4,709	21,791,586
Municipal Government	4,807	188,650,836
State and Interstate Authorities	461	5,933,200
Char. & Non-Profit Organizations	1,801	268,387,290
Fraternal Organizations	32	4,628,960
Veterans Organizations	26	952,130
Religious Organizations	983	73,504,670
Other	559	24,615,320
TOTAL EXEMPT—ALL OWNERS	<u>17,468</u>	<u>708,087,986</u>
TOTAL TAXABLE	—	<u>1,665,324,568</u>
TOTAL TAXABLE AND EXEMPT	<u>144,640</u>	<u>2,373,412,554</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.08%	.32%
State Government	2.74	4.72
County Government	3.26	.92
Municipal Government	3.32	7.95
State and Interstate Authorities .....	.32	.25
Char. & Non-Profit Organizations	1.25	11.31
Fraternal Organizations .....	.02	.19
Veterans Organizations .....	.02	.04
Religious Organizations .....	.68	3.10
Other .....	.39	1.05
TOTAL EXEMPT—ALL OWNERS	<u>12.08</u>	<u>29.83</u>

TABLE A-4 (Continued)

MIDDLESEX COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	1,102	\$ 19,077,342
State Government	3,422	219,194,964
County Government	2,444	51,372,946
Municipal Government	13,229	358,646,978
State and Interstate Authorities	748	8,316,470
Char. & Non-Profit Organizations	588	23,099,004
Fraternal Organizations	9	594,730
Veterans Organizations	65	2,049,270
Religious Organizations	2,572	146,018,736
Other	1,212	41,800,728
TOTAL EXEMPT—ALL OWNERS	25,391	870,174,168
TOTAL TAXABLE	—	4,164,145,934
TOTAL TAXABLE AND EXEMPT	197,626	5,034,320,102
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.56%	.38%
State Government	1.73	4.35
County Government	1.24	1.02
Municipal Government	6.69	7.12
State and Interstate Authorities .....	.38	.17
Char. & Non-Profit Organizations .....	.30	.46
Fraternal Organizations .....	.00+	.01
Veterans Organizations .....	.03	.04
Religious Organizations	1.30	2.90
Other .....	.61	.83
TOTAL EXEMPT—ALL OWNERS	12.85	17.28

TABLE A-4 (Continued)

MONMOUTH COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	14,364	\$ 139,839,350
State Government	10,096	66,574,660
County Government	1,899	23,641,100
Municipal Government	7,037	248,364,641
State and Interstate Authorities	602	9,205,300
Char. & Non-Profit Organizations	1,447	43,380,390
Fraternal Organizations	20	729,050
Veterans Organizations	24	1,345,550
Religious Organizations	1,672	84,903,775
Other	1,106	42,850,133
TOTAL EXEMPT—ALL OWNERS	<u>38,267</u>	<u>660,833,949</u>
TOTAL TAXABLE	—	<u>3,368,275,977</u>
TOTAL TAXABLE AND EXEMPT	<u>305,286</u>	<u>4,029,109,926</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	4.70%	3.47%
State Government	3.31	1.65
County Government .....	.62	.59
Municipal Government	2.30	6.16
State and Interstate Authorities .....	.20	.23
Char. & Non-Profit Organizations .....	.47	1.08
Fraternal Organizations .....	.01	.02
Veterans Organizations .....	.01	.03
Religious Organizations .....	.55	2.10
Other .....	.36	1.06
TOTAL EXEMPT—ALL OWNERS	<u>12.53</u>	<u>16.40</u>

TABLE A-4 (Continued)
MORRIS COUNTY SUMMARY—1971

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	10,781	\$ 101,979,800
State Government	8,599	119,077,340
County Government	4,757	36,876,850
Municipal Government	9,610	230,364,564
State and Interstate Authorities	1	8,400
Char. & Non-Profit Organizations	1,122	30,145,910
Fraternal Organizations	494	801,300
Veterans Organizations	39	1,358,350
Religious Organizations	3,175	112,612,006
Other	579	46,431,864
TOTAL EXEMPT—ALL OWNERS	39,179	679,656,384
TOTAL TAXABLE	—	3,445,802,346
TOTAL TAXABLE AND EXEMPT	305,728	4,125,458,730
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	3.53%	2.47%
State Government	2.81	2.88
County Government	1.55	.89
Municipal Government	3.14	5.58
State and Interstate Authorities .....	.00+	.00+
Char. & Non-Profit Organizations .....	.37	.73
Fraternal Organizations .....	.16	.02
Veterans Organizations .....	.01	.03
Religious Organizations	1.04	2.73
Other .....	.19	1.12
TOTAL EXEMPT—ALL OWNERS	12.81	16.47

TABLE A-4 (Continued)

OCEAN COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	32,890	\$ 9,329,170
State Government	48,754	83,165,410
County Government	1,768	15,633,145
Municipal Government	11,269	134,728,954
State and Interstate Authorities	27	8,580
Char. & Non-Profit Organizations	1,609	19,290,865
Fraternal Organizations	24	124,710
Veterans Organizations	26	608,860
Religious Organizations	621	39,530,695
Other	82	417,620
TOTAL EXEMPT—ALL OWNERS	97,070	301,838,009
TOTAL TAXABLE	—	2,147,155,675
TOTAL TAXABLE AND EXEMPT	410,240	2,448,993,634
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	8.01%	.34%
State Government	11.88	3.39
County Government .....	.43	.64
Municipal Government	2.75	5.50
State and Interstate Authorities .....	.00+	.00+
Char. & Non-Profit Organizations .....	.39	.79
Fraternal Organizations .....	.00+	.00+
Veterans Organizations .....	.00+	.03
Religious Organizations .....	.15	1.61
Other .....	.02	.02
TOTAL EXEMPT—ALL OWNERS	23.66	12.32

TABLE A-4 (Continued)

PASSAIC COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	78	\$ 6,269,100
State Government	11,077	52,026,070
County Government	1,148	44,189,300
Municipal Government	2,946	267,872,550
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations	531	51,491,350
Fraternal Organizations	3	361,750
Veterans Organizations	16	2,487,250
Religious Organizations	1,035	118,374,110
Other	1,861	32,887,350
TOTAL EXEMPT—ALL OWNERS	<u>18,695</u>	<u>575,958,830</u>
TOTAL TAXABLE	—	<u>3,130,649,600</u>
TOTAL TAXABLE AND EXEMPT	<u>123,008</u>	<u>3,706,608,430</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.06%	.17%
State Government	9.00	1.40
County Government .....	.93	1.19
Municipal Government	2.39	7.22
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations .....	.43	1.39
Fraternal Organizations .....	.00+	.01
Veterans Organizations .....	.01	.07
Religious Organizations .....	.84	3.19
Other	1.51	.88
TOTAL EXEMPT—ALL OWNERS	<u>15.20</u>	<u>15.54</u>

TABLE A-4 (Continued)

SALEM COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	6,139	\$ 7,170,420
State Government	7,202	1,640,825
County Government	236	3,021,000
Municipal Government	1,816	36,070,553
State and Interstate Authorities	276	455,500
Char. & Non-Profit Organizations	142	2,880,000
Fraternal Organizations	39	611,633
Veterans Organizations	26	506,350
Religious Organizations	401	11,326,275
Other	141	5,965,239
TOTAL EXEMPT—ALL OWNERS	<u>16,418</u>	<u>69,647,795</u>
TOTAL TAXABLE	—	<u>324,298,950</u>
TOTAL TAXABLE AND EXEMPT	<u>219,533</u>	<u>393,946,745</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	2.80%	1.82%
State Government	3.28	.42
County Government .....	.11	.77
Municipal Government .....	.83	9.15
State and Interstate Authorities .....	.13	.12
Char. & Non-Profit Organizations .....	.06	.73
Fraternal Organizations .....	.02	.16
Veterans Organizations .....	.01	.13
Religious Organizations .....	.18	2.87
Other .....	.06	1.51
TOTAL EXEMPT—ALL OWNERS	<u>7.48</u>	<u>17.68</u>

TABLE A-4 (Continued)
SOMERSET COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	1,516	\$ 64,445,600
State Government	3,737	28,615,250
County Government	2,437	6,581,750
Municipal Government	3,678	103,004,120
State and Interstate Authorities	1	36,200
Char. & Non-Profit Organizations	696	26,727,600
Fraternal Organizations	8	257,600
Veterans Organizations	24	974,650
Religious Organizations	938	43,876,036
Other	340	12,978,200
TOTAL EXEMPT—ALL OWNERS	13,370	287,497,006
TOTAL TAXABLE	—	1,660,333,966
TOTAL TAXABLE AND EXEMPT	195,264	1,947,830,972
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.77%	3.31%
State Government	1.91	1.47
County Government	1.25	.34
Municipal Government	1.88	5.29
State and Interstate Authorities .....	.00+	.00+
Char. & Non-Profit Organizations .....	.36	1.37
Fraternal Organizations .....	.00+	.01
Veterans Organizations .....	.01	.05
Religious Organizations .....	.48	2.25
Other .....	.17	.66
TOTAL EXEMPT—ALL OWNERS	6.85	14.76

TABLE A-4 (Continued)
SUSSEX COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	9,422	\$ 14,543,108
State Government	40,070	13,014,994
County Government	431	8,808,235
Municipal Government	2,656	24,086,795
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations	2,033	8,002,085
Fraternal Organizations	2	81,700
Veterans Organizations	16	354,375
Religious Organizations	1,173	17,661,265
Other	102	850,935
TOTAL EXEMPT—ALL OWNERS	55,905	87,403,492
TOTAL TAXABLE	—	629,370,097
TOTAL TAXABLE AND EXEMPT	336,832	716,773,589
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	2.80%	2.03%
State Government	11.90	1.81
County Government .....	.13	1.23
Municipal Government .....	.79	3.36
State and Interstate Authorities	—	—
Char. & Non-Profit Organizations .....	.60	1.12
Fraternal Organizations .....	.00+	.01
Veterans Organizations .....	.00+	.05
Religious Organizations .....	.35	2.46
Other .....	.03	.12
TOTAL EXEMPT—ALL OWNERS	16.60	12.19

TABLE A-4 (Continued)
UNION COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	220	\$ 18,065,126
State Government	1,154	72,244,748
County Government	6,037	190,289,950
Municipal Government	4,427	426,222,234
State and Interstate Authorities	1,744	183,933,200
Char. & Non-Profit Organizations	367	70,481,988
Fraternal Organizations	14	4,120,700
Veterans Organizations	12	1,900,156
Religious Organizations	866	160,634,652
Other	585	59,498,406
TOTAL EXEMPT—ALL OWNERS	15,426	1,187,391,160
TOTAL TAXABLE	—	4,108,501,560
TOTAL TAXABLE AND EXEMPT	66,170	5,295,892,720
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government .....	.33%	.34%
State Government	1.74	1.36
County Government	9.12	3.59
Municipal Government	6.69	8.05
State and Interstate Authorities	2.64	3.47
Char. & Non-Profit Organizations .....	.55	1.33
Fraternal Organizations .....	.02	.08
Veterans Organizations .....	.02	.03
Religious Organizations	1.30	3.03
Other .....	.88	1.12
TOTAL EXEMPT—ALL OWNERS	23.31	22.42

TABLE A-4 (Continued)

WARREN COUNTY SUMMARY—1971

	Acreage	Assessed Value of Land and Improvements at 100%
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	8,595	\$ 6,267,910
State Government	3,166	5,952,262
County Government	129	5,515,755
Municipal Government	1,192	30,672,347
State and Interstate Authorities	7	25,600
Char. & Non-Profit Organizations	647	10,191,244
Fraternal Organizations	9	90,625
Veterans Organizations	16	438,900
Religious Organizations	497	17,392,381
Other	434	786,588
TOTAL EXEMPT—ALL OWNERS	<u>14,692</u>	<u>77,333,612</u>
TOTAL TAXABLE	<u>—</u>	<u>415,123,690</u>
TOTAL TAXABLE AND EXEMPT	<u>231,680</u>	<u>492,457,302</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	3.71%	1.27%
State Government	1.37	1.21
County Government .....	.05	1.12
Municipal Government .....	.51	1.23
State and Interstate Authorities .....	.00+	.00+
Char. & Non-Profit Organizations .....	.28	2.07
Fraternal Organizations .....	.00+	.02
Veterans Organizations .....	.01	.09
Religious Organizations .....	.21	3.53
Other .....	.19	.16
TOTAL EXEMPT—ALL OWNERS	<u>6.34</u>	<u>15.70</u>

TABLE A-4 (Continued)

NEW JERSEY—ALL COUNTY SUMMARY—1970

	<u>Acreage</u>	<u>Assessed Value of Land and Improvements at 100%</u>
EXEMPT PROPERTY IN ACRES AND DOLLARS BY OWNER:		
Federal Government	118,768	\$ 1,795,072,330
State Government	373,964	1,199,671,259
County Government	41,773	870,164,321
Municipal Government	135,226	4,290,473,215
State and Interstate Authorities	12,302	646,716,244
Char. & Non-Profit Organizations	16,494	858,243,959
Fraternal Organizations	936	26,352,198
Veterans Organizations	498	24,187,761
Religious Organizations	24,467	1,697,716,040
Other	12,204	503,605,267
TOTAL EXEMPT—ALL OWNERS	<u>738,632</u>	<u>11,912,382,594</u>
TOTAL TAXABLE	—	<u>49,344,478,211</u>
TOTAL TAXABLE AND EXEMPT	<u>4,806,067</u>	<u>61,256,860,805</u>
EXEMPT PROPERTY AS % OF TOTAL TAXABLE AND EXEMPT (BY OWNER):		
Federal Government	2.47%	2.93%
State Government	7.72	1.96
County Government .....	.97	1.42
Municipal Government	2.81	7.00
State and Interstate Authorities .....	.26	1.06
Char. & Non-Profit Organizations .....	.34	1.40
Fraternal Organizations .....	.02	.04
Veterans Organizations .....	.01	.04
Religious Organizations .....	.51	2.77
Other .....	.25	.82
TOTAL EXEMPT—ALL OWNERS	<u>15.37</u>	<u>19.45</u>

TABLE A-5

**NEW JERSEY MUNICIPALITIES WITH STATE OWNED PROPERTY VALUES
IN EXCESS OF 1% OF THE REAL PROPERTY VALUATIONS
INCLUDING BOTH EXEMPT AND TAXABLE**

County and Municipality (1)	Gross 100% Valuation (2)	State Owned Property Value 100%			State Owned Property as % of Gross Valuation		
		Land (3)	Improve. (4)	Total (5)	Land (6)	Improve. (7)	Total (8)
ATLANTIC COUNTY							
Egg Harbor City	\$ 21,162,462	\$ 1,035,400	\$ —	\$ 1,035,400	4.89%	—	4.89%
Estell Manor	8,786,460	689,760	—	689,760	7.85	—	7.85
Galloway Twp.	44,746,498	711,810	180,500	892,310	1.59	.40%	1.99
Hammonton	74,601,020	1,772,290	188,000	1,960,290	2.38	.25	2.63
Mullica Twp.	19,601,274	308,400	102,000	410,400	1.57	.52	2.09
Port Republic	6,469,898	149,900	—	149,900	2.32	—	2.32
Subtotals	\$ 175,367,612	\$ 4,667,560	\$ 470,500	\$ 5,138,060	2.66%	.27%	2.93%
BERGEN COUNTY							
Edgewater	\$ 67,535,650	\$ 862,600	\$ —	\$ 862,600	1.28%	—	1.28%
Rutherford	209,777,897	3,325,800	3,668,800	6,994,600	1.59	1.75	3.33
Subtotals	\$ 277,313,547	\$ 4,188,400	\$ 3,668,800	\$ 7,857,200	1.51%	1.32%	2.83%
BURLINGTON COUNTY							
Bass River	\$ 9,956,442	\$ 2,271,190	\$ 49,900	\$ 2,321,090	22.81%	.50%	23.31%
Bordentown Twp.	55,809,022	410,550	6,285,400	6,695,950	.74	11.26	12.00
Chesterfield Twp.	40,596,216	1,256,100	21,000,000	22,256,100	3.09	51.73	54.82
Cinnaminson	119,377,966	265,200	1,702,000	1,967,200	.22	1.43	1.65
Hainesport	16,848,339	403,950	38,550	442,500	2.40	.23	2.63
Lumberton	27,149,089	68,500	205,000	273,500	.25	.76	1.01
Medford	105,985,567	1,241,560	10,800	1,252,360	1.17	.01	1.18
Palmyra	33,496,847	1,000,100	—	1,000,100	2.99	—	2.99
Shamong	9,650,680	2,448,200	114,800	2,563,000	25.37	1.19	26.56
Tabernacle	11,648,989	414,800	4,500	419,300	3.56	.04	3.60
Washington	10,448,125	2,358,234	473,776	2,832,010	22.57	4.53	27.11
Westampton	24,522,553	567,500	76,000	643,500	2.31	.31	2.62
Woodland	23,451,757	6,098,421	4,001,150	10,099,571	26.00	17.06	43.07
Subtotals	\$ 488,941,592	\$ 18,804,305	\$ 33,961,876	\$ 52,766,181	3.85%	6.95%	10.79%
CAMDEN COUNTY							
Bellmawr	\$ 73,920,403	\$ 3,000,400	\$ —	\$ 3,000,400	4.06%	—	4.06%
Berlin Bor.	38,393,146	2,760,000	—	2,760,000	7.19	—	7.19
Brooklawn	13,563,513	943,150	575,000	1,518,150	6.95	4.24%	11.19
Camden	408,371,323	8,414,110	2,942,100	11,356,210	2.06	.72	2.78
Cherry Hill	800,212,089	33,760,450	31,760,400	65,167,850	4.22	3.92	8.14
Gloucester City	69,722,411	7,315,200	139,500	7,454,700	10.49	.20	10.69
Haddon Heights	56,104,552	1,322,800	1,416,860	2,739,660	2.36	2.53	4.88
Lawnside Bor.	19,297,438	252,000	—	252,000	1.31	—	1.31
Magnolia	27,186,832	358,890	—	358,890	1.32	—	1.32
Mt. Ephraim	28,408,039	344,250	1,202,720	1,546,970	1.21	4.23	5.45
Pennsauken	285,881,485	20,022,500	60,000	20,082,500	7.00	.02	7.02
Somerdale	41,025,828	11,500	552,300	563,800	.03	1.35	1.37
Tavistock	1,218,646	312,500	—	312,500	25.64	—	25.64
Voorhees	54,100,970	800,000	500,000	1,300,000	1.48	.92	2.40
Waterford	17,728,559	266,100	—	266,100	1.50	—	1.50
Winslow	64,868,114	3,150,500	6,500,000	9,650,500	4.86	10.02	14.88
Subtotals	\$ 2,000,003,348	\$ 83,034,350	\$ 45,295,880	\$ 128,330,230	4.15%	2.26%	6.42%
CAPE MAY COUNTY							
Avalon Bor.	\$ 95,052,530	\$ 1,680,000	\$ —	\$ 1,680,000	1.77%	—	1.77%
Dennis	12,688,184	983,694	24,310	1,008,004	7.75	.19%	7.94
Middle Twp.	52,377,603	302,000	568,300	870,300	.58	1.09	1.66
Upper Twp.	22,820,924	325,000	12,000	337,000	1.42	.05	1.48
Woodbine	9,049,043	16,800	3,608,720	3,625,520	.19	39.88	40.07
Subtotals	\$ 191,988,284	\$ 3,307,494	\$ 4,213,330	\$ 7,520,824	1.72%	2.19%	3.92%
CUMBERLAND COUNTY							
Commercial	\$ 20,351,570	\$ 273,600	\$ 5,700	\$ 273,600	1.32%	.03%	1.34%
Downe	7,682,982	676,807	—	676,807	8.81	—	8.81
Lawrence	10,107,718	194,250	—	194,250	1.92	—	1.92
Maurice River	15,364,715	787,750	513,800	1,301,550	5.13	3.34	8.47
Stow Creek	6,368,542	89,000	—	89,000	1.40	—	1.40
Vineland	363,880,389	2,149,100	16,159,700	18,308,800	.59	4.44	5.03
Subtotals	\$ 423,755,916	\$ 4,164,807	\$ 16,679,200	\$ 20,844,007	.98%	3.94%	4.92%

TABLE A-5 (Continued)

County and Municipality (1)	Gross 100% Valuation (2)	State Owned Property Value 100%			State Owned Property as % of Gross Valuation		
		(Land) (3)	Improve. (4)	Total (5)	Land (6)	Improve. (7)	Total (8)
ESSEX COUNTY							
Montclair	\$ 363,343,700	\$ 1,085,400	\$ 7,492,400	\$ 8,577,800	.30%	2.06%	2.36%
Newark	1,911,314,900	18,771,900	23,831,800	42,603,700	.98	1.25	2.23
Roseland	64,010,200	1,593,600	—	1,593,600	2.49	—	2.49
West Orange	455,175,716	4,685,400	1,070,000	5,755,400	1.03	.24	1.26
Subtotals	\$ 2,793,844,516	\$ 26,136,300	\$ 32,394,200	\$ 58,530,500	.94%	1.16%	2.09%
GLOUCESTER COUNTY							
Clayton	\$ 23,302,502	\$ 320,324	\$ —	\$ 320,324	1.37%	—	1.37%
Deptford	95,449,189	1,643,700	—	1,643,700	1.72	—	1.72
Glassboro	94,613,977	2,313,900	17,816,520	20,130,420	2.45	18.83%	21.28
Woodbury	73,607,911	529,650	432,400	962,050	.72	.59	1.31
Woolwich	13,831,775	407,300	—	407,300	2.94	—	2.94
Subtotals	\$ 300,805,354	\$ 5,214,874	\$ 18,248,920	\$ 23,463,794	1.73%	6.07%	7.80%
HUDSON COUNTY							
Hoboken	\$ 197,198,365	\$ 6,019,300	\$ 9,500,000	\$ 15,519,300	3.05%	4.82%	7.87%
Jersey City	1,118,566,794	5,814,300	13,815,900	19,630,200	.52	1.24	1.75
Subtotals	\$ 1,315,765,159	\$ 11,833,600	\$ 23,315,900	\$ 35,149,500	.90%	1.77%	2.67%
HUNTERDON COUNTY							
Clinton Town	\$ 18,905,618	\$ 1,189,800	\$ 21,500	\$ 1,211,300	6.29%	.11%	6.41%
Clinton Twp.	124,358,617	6,052,000	23,176,000	29,228,000	4.87	18.64	23.50
Lebanon Twp.	51,893,803	481,500	20,040,000	20,521,500	.93	38.62	39.55
Union	23,410,183	4,010,000	5,127,000	9,137,000	17.13	21.90	39.03
Subtotals	\$ 218,568,221	\$ 11,733,300	\$ 48,364,500	\$ 60,097,800	5.37%	22.13%	27.50%
MERCER COUNTY							
Ewing	\$ 266,462,560	\$ 7,403,180	\$ 38,651,100	\$ 46,054,280	2.78%	14.51%	17.28%
Lawrence	247,331,294	6,670,708	3,350,000	10,020,708	2.70	1.35	4.05
Trenton	549,196,462	16,430,110	35,705,770	52,135,880	2.99	6.50	9.49
Washington	26,679,270	404,880	—	404,880	1.52	—	1.52
Subtotals	\$ 1,089,669,586	\$ 30,908,878	\$ 77,706,870	\$ 108,615,748	2.84%	7.13%	9.97%
MIDDLESEX COUNTY							
Edison	\$ 596,752,676	\$ 2,220,850	\$ 7,000,000	\$ 9,220,850	.37%	1.17%	1.55%
Monroe	74,053,760	2,135,300	2,652,500	4,787,800	2.88	3.58	6.47
New Brunswick	385,238,424	7,040,900	61,614,650	68,655,550	1.83	15.99	17.82
North Brunswick	213,742,050	9,340,000	200,000	9,540,000	4.37	.09	4.46
Piscataway	390,781,200	911,000	104,459,400	105,370,400	.23	26.73	26.96
Woodbridge	984,520,990	9,271,200	8,988,860	18,260,060	.94	.91	1.85
Subtotals	\$ 2,645,089,100	\$ 30,919,250	\$184,915,410	\$ 215,834,660	1.17%	6.99%	8.16%
MONMOUTH COUNTY							
Freehold Twp.	\$ 171,536,977	\$ 1,607,450	\$ 130,900	\$ 1,738,350	.94%	.08%	1.01%
Manalapan	125,928,198	2,190,300	182,800	2,373,100	1.74	.15	1.88
Marlboro	90,035,349	2,021,000	4,875,000	6,896,000	2.24	5.41	7.66
Millstone	27,923,158	561,960	31,800	593,760	2.01	.11	2.13
New Shrewsbury	160,781,375	33,082,600	146,000	33,228,600	20.58	.09	20.67
Roosevelt	5,561,603	108,300	7,900	116,200	1.95	.14	2.09
Sea Bright	17,993,235	220,150	37,500	257,650	1.22	.21	1.43
Sea Girt	74,176,249	5,752,200	4,453,500	10,205,700	7.75	6.00	13.76
Upper Freehold	31,108,743	2,009,850	274,300	2,284,150	6.46	.88	7.34
Wall Twp.	192,779,039	4,286,400	988,000	5,274,400	2.22	.51	2.74
Subtotals	\$ 897,823,926	\$ 51,840,210	\$ 11,127,700	\$ 62,967,910	5.77%	1.24%	7.01%
MORRIS COUNTY							
Chester Twp.	\$ 31,369,938	\$ 575,000	\$ 131,000	\$ 706,000	1.83%	.42%	2.25%
Morristown	238,053,578	2,646,620	81,200	2,727,820	1.11	.03	1.15
Parsippany-Troy Hills	617,327,518	3,477,500	102,843,600	106,321,100	.56	16.66	17.22
Subtotals	\$ 886,751,034	\$ 6,699,120	\$103,055,800	\$ 109,754,920	.76%	11.62%	12.38%
OCEAN COUNTY							
Berkeley Twp.	\$ 148,723,717	\$ 66,481,100	\$ 332,800	\$ 66,813,900	44.70%	.22%	44.92%
Eagleswood	5,931,960	82,250	—	82,250	1.39	—	1.39
Jackson	125,841,025	5,155,955	35,000	5,190,955	4.10	.03	4.13
Lacey	74,367,026	1,222,790	641,670	1,864,460	1.64	.86	2.51
Little Egg Harbor	46,056,845	550,500	2,000	552,500	1.20	<.01	1.20
Manchester	54,263,437	4,851,670	8,700	4,860,370	8.94	.02	8.96
Stafford	97,148,824	964,450	39,000	1,003,450	.99	.04	1.03
Union	15,869,671	359,100	—	359,100	2.26	—	2.26
Subtotals	\$ 568,202,505	\$ 79,667,815	\$ 1,059,170	\$ 80,726,985	14.02%	.19%	14.21%

TABLE A-5 (Continued)

County and Municipality (1)	Gross 100% Valuation (2)	State Owned Property Value 100%			State Owned Property as % of Gross Valuation		
		Land (3)	Improve. (4)	Total (5)	Land (6)	Improve. (7)	Total (8)
PASSAIC COUNTY							
Bloomingtondale	\$ 52,465,933	\$ 1,302,200	\$ —	\$ 1,302,200	2.48%	—	2.48%
Little Falls	141,748,116	3,044,500	7,662,000	10,706,500	2.15	5.41%	7.55
Ringwood	120,723,800	8,106,100	4,367,400	12,473,500	6.71	3.62	10.33
Totowa	208,430,564	8,040,000	6,803,000	14,843,000	3.86	3.26	7.12
West Milford	240,981,090	6,659,700	248,400	6,908,100	2.76	.10	2.87
Subtotals	\$ 764,349,503	\$ 27,152,500	\$ 19,080,800	\$ 46,233,300	3.55%	2.50%	6.05%
SALEM COUNTY							
Pittsgrove	\$ 27,789,822	\$ 664,600	\$ 175,000	\$ 839,600	2.39%	.63%	3.02%
Subtotals	\$ 27,789,822	\$ 664,600	\$ 175,000	\$ 839,600	2.39%	.63%	3.02%
SOMERSET COUNTY							
Franklin	\$ 247,468,408	\$ 2,872,300	\$ 420,100	\$ 3,292,400	1.16%	.17%	1.33%
Montgomery	110,290,758	2,080,600	16,100,000	18,180,600	1.89	14.60	16.48
North Plainfield	132,106,240	1,783,500	—	1,783,500	1.35	—	1.35
Somerville	109,841,002	446,200	2,310,200	2,776,400	.42	2.10	2.53
Subtotals	\$ 599,706,408	\$ 7,202,600	\$ 18,830,300	\$ 26,032,900	1.20%	3.14%	4.34%
SUSSEX COUNTY							
Frankford	\$ 41,103,745	\$ 1,134,700	\$ 89,750	\$ 1,224,450	2.76%	.22%	2.98%
Fredon	19,134,216	1,070,800	32,000	1,102,800	5.60	.17	5.76
Green	11,426,927	188,420	83,975	272,395	1.65	.73	2.38
Hampton	19,404,743	426,375	46,950	473,325	2.20	.24	2.44
Montague	14,810,325	2,023,699	176,050	2,199,749	13.66	1.19	14.85
Sandyston	11,957,975	684,100	775,075	1,459,175	5.72	6.48	12.20
Stillwater	20,695,753	217,950	73,900	291,850	1.05	.36	1.41
Vernon	72,084,937	3,018,200	63,500	3,081,700	4.19	.09	4.28
Wantage	69,158,500	1,526,175	430,300	1,956,475	2.21	.62	2.83
Subtotals	\$ 279,777,121	\$ 10,290,419	\$ 1,771,500	\$ 12,061,919	3.68%	.63%	4.31%
UNION COUNTY							
Clark	\$ 163,090,178	\$ 5,550,000	\$ —	\$ 5,550,000	3.40%	—	3.40%
Elizabeth	909,864,000	17,278,100	38,500	17,316,600	1.90	<.01%	1.90
Linden	618,380,380	11,420,000	—	11,420,000	1.85	—	1.85
Union	584,474,730	14,376,380	17,416,840	31,793,220	2.46	2.98	5.44
Subtotals	\$ 2,275,809,288	\$ 48,624,480	\$ 17,455,340	\$ 66,079,820	2.14%	.77%	2.90%
WARREN COUNTY							
Allamuchy	\$ 11,776,145	\$ 160,060	\$ 97,800	\$ 257,860	1.36%	.83%	2.19%
Frelinghuysen	15,707,575	238,500	71,550	310,050	1.52	.46	1.97
Hackettstown	80,117,418	2,455,825	307,200	2,763,025	3.07	.38	3.45
Hope	12,121,128	151,500	—	151,500	1.25	—	1.25
Knowlton	12,703,750	180,750	—	180,750	1.42	—	1.42
Liberty	6,997,006	209,100	4,000	213,100	2.99	.06	3.05
Mansfield	23,657,788	227,950	485,000	712,950	.96	2.05	3.01
White	15,264,140	335,000	160,000	495,000	2.19	1.05	3.24
Subtotals	\$ 178,344,950	\$ 3,958,685	\$ 1,125,550	\$ 5,084,235	2.22%	.63%	2.85%
State Totals	\$18,399,666,792	\$471,013,547	\$662,916,546	\$1,133,930,093	2.56%	3.60%	6.16%

Note: The 125 municipalities listed account for 94% of all state owned property.

TABLE A-6

STATE OF NEW JERSEY

MUNICIPALLY-OWNED TAX EXEMPT VACANT LAND¹
BY COUNTIES, 1971

(Dollar figures in thousands)

County	No. of Parcels	No. of Acres	Total 100% Value ²
Atlantic	5127	11,535.0	\$ 9,759.8
Bergen	1856	2,381.7	31,193.5
Burlington	962	1,923.2	1,732.1
Camden	2750	4,738.5	5,984.2
Cape May	1811	4,589.0	8,360.2
Cumberland	614	2,329.7	1,265.7
Essex	2869	1,340.1	23,380.6
Gloucester	1954	2,390.0	2,404.8
Hudson	1140	2,983.2	42,278.6
Hunterdon	77	98.3	151.5
Mercer	633	690.2	6,747.6
Middlesex	3178	3,980.9	27,191.1
Monmouth	1702	1,834.1	8,927.7
Morris	1115	2,842.6	10,719.6
Ocean	6278	6,810.4	11,408.4
Passaic	690	554.9	6,247.5
Salem	630	874.7	1,634.0
Somerset	1263	818.4	5,726.0
Sussex	607	367.3	863.7
Union	1275	573.2	26,910.4
Warren	123	253.6	288.7
TOTAL	36,654	53,908.9	\$233,175.2

¹ Primarily as tax foreclosed lands. See G. M. Dowgin, "The Problems of Municipally-Owned Tax Exempt Lands," N.J. Municipalities, June 1971, p. 11.

² Assessed value, without reduction for the official county ratio in the six counties assessing at a fraction of 100%. Source: N.J. Division of Taxation, 1971 Exempt Property Study.

APPENDIX TABLE A-7

Effect of Tax Rate Limits in 29 Cities
in State of New York, 1950-1969

City	Tax Levy as % of Total Taxing Power		Effective Tax Rate	
	1950	1969	1950	1969
Albany	98.59	99.84	2.76	2.76
Amsterdam	98.57	77.09	1.74	1.95
Auburn	97.92	74.97	1.86	1.78
Binghamton	99.83	94.76	2.24	2.38
Buffalo	99.91	99.96	2.88	2.77
Elmira	85.74	76.65	1.77	1.91
Glen Cove	82.01	62.85	1.81	1.39
Ithaca	63.82	58.37	1.36	1.34
Jamestown	89.31	92.08	1.98	2.56
Kingston	91.12	60.78	1.72	1.43
Lackawanna	99.32	49.41	1.89	1.04
Lockport	72.02	70.89	1.47	1.59
Long Beach	94.59	87.50	3.26	2.12
Mount Vernon	69.63	99.50	1.52	2.05
Newburgh	96.06	96.67	1.79	2.13
New Rochelle	90.94	97.87	2.16	1.98
Niagara Falls	87.43	46.17	1.79	1.52
North Tonawanda ...	91.79	66.49	1.86	1.52
Poughkeepsie	95.30	88.53	1.73	2.10
Rochester	99.27	99.90	2.88	2.58
Rome	94.25	62.57	1.66	1.54
Schenectady	95.01	95.76	1.73	2.09
Syracuse	93.81	97.23	2.68	2.62
Troy	98.82	85.87	2.63	2.56
Utica	86.22	84.98	2.34	2.08
Watertown	70.66	62.36	1.46	1.37
White Plains	98.23	86.06	1.66	1.69
Yonkers	99.84	99.82	2.90	2.63
New York City	99.86	95.43	2.91	3.30

Source of data: N.Y. State Department of Audit and Control, Division of Municipal Affairs.

TABLE A-8
STATE OF NEW JERSEY
COEFFICIENTS OF VARIATION AND REGRESSIVITY BY PROPERTY CLASS IN 1970

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
ATLANTIC COUNTY									
Absecon City	0101	.406	.362				.719		
Atlantic City City	0102	.348	.443		.387		1.009		0.855
Brigantine City	0103	.458	.154		.073		.935		1.010
Buena Borough	0104	.718	.876				1.172		
Buena Vista Twp	0105	.384	.251	.355			1.379		
Corbin City City	0106		.493						
Egg Harbor City	0107	.164	.293				.996		
Egg Harbor Twp.	0108	.641	.351		.335		.802		
Estell Manor City	0109	.334	.459						
Folsom Borough	0110	.242	.173						
Galloway Twp.	0111	.624	.552	.559			.725		
Hamilton Twp.	0112	.851	.267				.973		
Hammonton Town	0113	.404	.269	.618			.858		
Linwood City	0114	.379	.214				.946		
Longport Borough	0115	.342	.179				.637		
Margate City City	0116	.542	.218		.051		.552		
Mullica Twp.	0117	.592	.465				.617		
Northfield City	0118	.990	.216				.801		
Pleasantville City	0119	.461	.305		.389		1.060		
Port Republic City	0120	.785	.852				.629		
Somers Point City	0121	.442	.477				.756		
Ventnor City	0122	.226	.213		.214		.848		0.383
Weymouth Twp.	0123	.347	.352						
BERGEN COUNTY									
Allendale Borough	0201	.862	.115						
Alpine Borough	0202	.147	.172				1.727		
Bergenfield Borough	0203		.159		.070		.526		
Bogota Borough	0204		.164						
Calstadt Borough	0205		.254		.315		.606		
Cliffside Park Borough	0206	.271	.181		.235		.460		1.061
Closter Borough	0207	.202	.143				.945		
Cresskill Borough	0208	.247	.164				.630		
Demarest Borough	0209	.394	.157				.856		
Dumont Borough	0210		.208				.185		
East Paterson Borough	0211		.153				.263		
East Rutherford Borough	0212	.644	.143				.680		
Edgewater Borough	0213		.224		.296		.485		
Emerson Borough	0214	.510	.123				1.183		
Englewood City	0215	.360	.201		.167		.760		
Englewood Cliffs Borough	0216	.254	.127						
Fair Lawn Borough	0217		.186		.145		.302		0.674
Fairview Borough	0218		.258		.292		-.007		0.482
Fort Lee Borough	0219	.276	.124						
Franklin Lakes Borough	0220	.161	.095				1.811		
Garfield City	0221		.253		.236		.736		
Glen Rock Borough	0222	.332	.105				.430		
Hackensack City	0223	.455	.214		.260		1.009		0.922
Harrington Park Borough	0224		.152						
Hasbrouch Hts. Borough	0225	.421	.144				.046		
Haworth Borough	0226	.358	.118						
Hillsdale Borough	0227	.467	.127						
Hohokus Borough	0228	.494	.106						
Leonia Borough	0229		.148		.107		.509		13.940
Little Ferry Borough	0230		.114						
Lodi Borough	0231	.624	.181		.199		.769		0.587

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
BERGEN COUNTY (Cont.)									
Lyndhurst Twp.	0232		.152		.271		.443		0.264
Mahwah Twp.	0233	.486					.997		
Maywood Borough	0234	.145	.133						
Midland Park Borough	0235		.114				.599		
Montvale Borough	0236	.449	.150		.362				
Moonachie Borough	0237		.135				.514		
New Milford Borough	0238		.116				.756		
North Arlington Borough	0239	.068	.163		.253		.659		
Northvale Borough	0240	.278	.111		.170				
Norwood Borough	0241	.413	.180				1.059		
Oakland Borough	0242	.288	.132				1.000		
Old Tappan Borough	0243		.077				1.095		
Oradell Borough	0244	.192	.084						
Palisades Park Borough	0245		.253		.300				
Paramus Borough	0246	.304	.130		.435				
Park Ridge Borough	0247	.434	.113				.834		
Ramsey Borough	0248	.254	.148		.287		.828		
Ridgefield Boro	0249		.135						
Ridgefield Park Twp.	0250		.170		.291		.033		0.457
Ridgewood Twp.	0251	.458	.129				.845		
River Edge Borough	0252		.111						
River Vale Twp.	0253	.382	.123				.938		
Rochelle Park Twp.	0254		.269				.007		
Rockleigh Borough	0255								
Rutherford Borough	0256		.155		.276		.215		
Saddle Brook Twp.	0257	.289	.159				.218		
Saddle River Borough	0258	.138	.126						
South Hackensack Twp.	0259		.222						
Teaneck Twp.	0260	.643	.154		.205		.677		0.826
Tenaflly Borough	0261	.163	.177				.486		
Teterboro Borough	0262								
Upper Saddler River	0263	.308	.118						
Waldwick Borough	0264		.091						
Wallington Borough	0265		.190				.882		
Washington Twp.	0266	.461	.133				.435		
Westwood Borough	0267	.291	.136		.292		.606		
Woodcliff Lake Borough	0268	.350	.113						
Wood Ridge Borough	0269	.028	.076				.620		
Wyckoff Twp.	0270	.089	.091				1.306		
BURLINGTON COUNTY									
Bass River Twp.	0301	.294	.240				.875		
Beverly City	0302		.233				.898		0.799
Bordentown City	0303		.292				1.035		
Bordentown Twp.	0304	1.106	.215				.726		
Burlington City	0305	.529	.337		.446		1.218		0.501
Burlington Twp.	0306	.322	.123				.814		
Chesterfield Twp.	0307		.147				.631		
Cinnaminson Twp.	0308	.265	.125				.943		
Delanco Twp.	0309		.352				.609		
Delran Twp.	0310	.584	.178				.848		
Eastampton Twp.	0311		.223				.810		
Edgewater Park Twp.	0312	.461	.132				.866		
Evesham Twp.	0313	.469	.186				.738		
Fieldsboro Borough	0314								
Florence Twp.	0315	.102	.179				.882		
Hainesport Twp.	0316	.356	.195				.726		
Lumberton Twp.	0317	.305	.178				.906		
Mansfield Twp.	0318	.260	.261				1.034		

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
BURLINGTON COUNTY									
(Continued)									
Maple Shade Twp.	0319	.336	.253				.607		
Medford Twp.	0320	.354	.210				.872		
Medford Lakes Borough	0321	.248	.121				.734		
Moorestown Twp.	0322	.310	.136		.241		.955		
Mount Holly Twp.	0323	.562	.212		.285		.933		0.799
Mount Laurel Twp.	0324	.419	.183				.871		
New Hanover Twp.	0325								
North Hanover Twp.	0326								
Palmyra Borough	0327		.252				.862		
Pemberton Borough	0328		.351						
Pemberton Twp.	0329	.542	.267	1.061			.873		
Riverside Twp.	0330	.456	.261		.226		.983		1.468
Riverton Borough	0331		.193				.998		
Shamong Twp.	0332	.515	.239						
Southampton Twp.	0333	.503	.277				.829		
Springfield Twp.	0334	.234	.194						
Tabernacle Twp.	0335	.494	.288	.326			.798		
Washington Twp.	0336								
Westampton Twp.	0337		.185				.132		
Willingboro Twp.	0338		.093				.538		
Woodland Twp.	0339								
Wrightstown Borough	0340								
CAMDEN COUNTY									
Audubon Borough	0401		.191		.382		.616		0.306
Audubon Park Borough	0402								
Barrington Borough	0403		.177				.910		
Bellmawr Borough	0404	.666	.126				.718		
Berlin Borough	0405		.226				.707		
Berlin Twp.	0406	.572	.385				.785		
Brooklawn Borough	0407	.448	.148				.812		
Camden City	0408	.572	.748		.836		.748		0.792
Cherry Hill Twp.	0409	.824	.217		.519		.949		0.452
Chesilhurst Borough	0410								
Clementon Borough	0411	.480	.332				1.285		
Collingswood Borough	0412	.680	.225		1.200		.815		0.456
Gibbsboro Borough	0413		.151				.654		
Gloucester City	0414	.705	.461		.322		1.445		0.817
Gloucester Twp.	0415	.257	.255		.528		.744		0.706
Haddon Twp.	0416	.290	.224				.834		
Haddonfield Borough	0417		.228		.064		1.013		1.572
Haddon Heights Borough	0418		.201		.329		.828		
Hi-Nella Borough	0419								
Laurel Springs Borough	0420		.168				1.097		
Lawnside Borough	0421	1.064	.750						
Lindenwold Borough	0422	.478	.150				.831		
Magnolia Borough	0423	.596	.148				.885		
Merchantville Borough	0424		.265		.305		.815		
Mt. Ephraim Borough	0425		.267				1.169		
Oaklyn Borough	0426		.169				.930		
Pennsauken Twp.	0427	.368	.225		.234		.884		0.993
Pine Hill Borough	0428	.419	.450				.259		
Pine Valley Borough	0429								
Runnemede Borough	0430		.317		.777		.836		0.521
Somerdale Borough	0431		.233		.570		.697		
Stratford Borough	0432		.104				.741		
Tavistock Borough	0433								
Voorhees Twp.	0434	.598	.227				.630		
Waterford Twp.	0435	.765	.385	.409			.704	0.955	

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
CAMDEN COUNTY (Cont.)									
Winslow Twp.	0436	.755	.437	.523		.739	.559		
Woodlyne Borough	0437		.234						
CAPE MAY COUNTY									
Avalon Borough	0501	.289	.163			.838			
Cape May City	0502		.340			.675			
Cape May Point Borough	0503	.416	.409						
Dennis Twp.	0504	.483	.207			1.326			
Lower Twp.	0505	.441	.260			.791			
Middle Twp.	0506	.661	.385		.359	.814			
North Wildwood City	0507	.216	.228		.205	.849		1.148	
Ocean City City	0508	.357	.214		.429	.857		0.550	
Sea Isle City	0509	.393	.275			.765			
Stone Harbour Borough	0510	.379	.224			.939			
Upper Twp.	0511	.657	.388			.629			
West Cape May Borough	0512	.463	.447			.812			
West Wildwood Borough	0513	.295	.240						
Wildwood City	0514	.308	.205		.166	.967		1.312	
Wildwood Crest Borough	0515	.484	.195		.168	1.052			
Woodbine Borough	0516		.432			2.284			
CUMBERLAND COUNTY									
Bridgeton City	0601	.622	.444		.442	.618		0.768	
Commercial Twp.	0602	.846	.940			.598			
Deerfield Twp.	0603	.582	.948			.798			
Downe Twp.	0604	.526	.409						
Fairfield Twp.	0605	.987	.813						
Greenwich Twp.	0606								
Hopewell Twp.	0607	.500	.268			.639			
Lawrence Twp.	0608	.332	.266						
Maurice River Twp.	0609	.857	.435		.557	.774		0.960	
Millville City	0610	.680	.459		.516	.892		1.047	
Shiloh Borough	0611		.317						
Stow Creek Twp.	0612								
Upper Deerfield Twp.	0613	.549	.211			.966			
Vineland City	0614	.333	.551	.273	.317	.862	.829	1.269	
ESSEX COUNTY									
Belleville Town	0701	.322	.160		.267	.708		1.320	
Bloomfield Town	0702	.169	.165		.238	.815		0.899	
Caldwell Borough	0703		.094			.860			
Cedar Grove Twp.	0704	.110	.124			.156			
East Orange City	0705		.282		.323	.502		0.778	
Essex Fells Borough	0706		.109						
Fairfield Borough	0707	.516	.155		.207	1.079			
Glen Ridge Borough	0708		.120						
Irvington Town	0709		.195		.277	.704		0.860	
Livingston Twp.	0710	.278	.109		.239	.936			
Maplewood Twp.	0711	.187	.130		.245	.667		0.686	
Millburn Twp.	0712	.240	.114						
Montclair Town	0713	.142	.215		.311	.636		2.429	
Newark City	0714	.411	.480		.560	.688		0.973	
North Caldwell Borough	0715	.365	.244			.766			
Nutley Town	0716	.157	.178		.335	.504		0.651	
Orange City	0717		.366		.373	.819		1.115	
Roseland Borough	0718	.128	.108			.501			
South Orange Village	0719		.153		.225	1.075		0.507	
Verona Borough	0720	.388	.138			.891			
West Caldwell Borough	0721	.248	.114						
West Orange Town	0722	.725	.194		.326	1.206			

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
GLOUCESTER COUNTY									
Clayton Borough	0801	.662	.410		.361	.885			1.789
Deptford Twp.	0802	1.600	.263			.857			
East Greenwich Twp.	0803		.122			1.018			
Elk Twp.	0804		.694			1.217			
Franklin Twp.	0805	.842	.370	.670		1.246			
Glassboro Borough	0806	.568	.253		.139	.678			
Greenwich Twp.	0807		.378			.712			
Harrison Twp.	0808		.269			.536			
Logan Twp.	0809		.442						
Mantua Twp.	0810	.734	.305			.878			
Monroe Twp.	0811	.922	.644	.612	.354	.711			0.980
National Park Borough	0812	.787	.378			.568			
Newfield Borough	0813		.575			.947			
Paulsboro Borough	0814	.651	.542		.759	1.303			
Pitman Borough	0815		.307		.237	.890			0.540
South Harrison Twp.	0816		.160						
Swedesboro Borough	0817		.297			.677			
Washington Twp.	0818	.424	.153			.910			
Wenonah Borough	0819		.309			.822			
West Deptford Twp.	0820	.602	.260			.929			
Westville Borough	0821		.256		.244	1.001			0.375
Woodbury City	0822	.663	.299		.369	.884			
Woodbury Heights Borough	0823	.667	.200			.788			
Woolwich Twp.	0824								
HUDSON COUNTY									
Bayonne City	0901	.464	.319		.283	.597			0.737
East Newark Borough	0902		.175			.871			
Guttenberg Town	0903		.238			.605			
Harrison Town	0904		.272			.935			
Hoboken City	0905		.312		.452	.567			0.839
Jersey City City	0906	.971	.386		.373	.664			0.949
Kearny Town	0907	.250	.172		.215	.879			0.797
North Bergen Twp.	0908	.432	.228		.228	.912			1.087
Secaucus Town	0909	.357	.150			1.014			
Union City City	0910		.321		.277	.536			0.978
Weehawken Twp.	0911		.155		.247	.788			1.340
West New York Town	0912	.382	.228		.238	.669			0.903
HUNTERDON COUNTY									
Alexandria Twp.	1001	.372	.250			.888			
Bethlehem Twp.	1002	.501	.404			.525			
Bloomsbury Borough	1003		.309			.730			
Califon Borough	1004	.532	.308			.599			
Clinton Town	1005		.166			.802			
Clinton Twp.	1006	.430	.132		.524	.947			
Delaware Twp.	1007	.338	.228			.900			
East Amwell Twp.	1008	.437	.375			.672			
Flemington Borough	1009		.228			1.176			
Franklin Twp.	1010								
Frenchtown Borough	1011		.217			.850			
Glen Gardner Borough	1012		.221			1.209			
Hampton Borough	1013		.392			-.058			
High Bridge Borough	1014	.506	.281			.723			
Holland Twp.	1015	.319	.188			.957			
Kingwood Twp.	1016	.260	.243	.191		1.031			
Lambertville City	1017		.217		.258	.930			0.843
Lebanon Borough	1018		.205						
Lebanon Twp.	1019	.414	.388			.734			
Milford Borough	1020		.252			.555			

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
HUNTERDON COUNTY (Cont.)									
Raritan Twp.	1021	.858	.196				.858		
Readington Twp.	2022	.258	.202	.084	.409		.597	0.625	
Stockton Borough	1023		.357						
Tewksbury Twp.	1024	.783	.217				1.064		
Union Twp.	1025	.721	.294				1.214		
West Amwell Twp.	1026	.136	.276				.473		
MERCER COUNTY									
East Windsor Twp.	1101	.390	.131				.674		
Ewing Twp.	1102	.567	.578		.319		.814		
Hamilton Twp.	1103	.504	.333		.400		.758		0.629
Hightstown Borough	1104	.126	.185				.736		
Hopewell Borough	1105		.262				.678		
Hopewell Twp.	1106	.720	.172				.942		
Lawrence Twp.	1107	.447	.265				.653		
Pennington Borough	1108		.927				.642		
Princeton Borough	1109		.301				1.102		
Princeton Twp.	1110	.278	.145				1.068		
Trenton City	1111	.462	.529		.567		1.063		1.047
Washington Twp.	1112	.126	.182						
West Windsor Twp.	1113	.074	.281				.547		
MIDDLESEX COUNTY									
Carteret Borough	1201	.695	.440		.361		.331		0.633
Cranbury Twp.	1202	.256	.211				.686		
Dunellen Borough	1203		.139		.347		.693		
East Brunswick Twp.	1204	.450	.322		.218		.461		
Edison Twp.	1205	.556	.145		.246		1.079		1.128
Helmetta Borough	1006		.226				1.764		
Highland Park Borough	1207	.192	.205		.278		.717		
Jamesburg Borough	1208	.349	.316		.227		.709		0.549
Madison Twp.	1209	1.556	.280		.298		1.055		0.248
Metuchen Borough	1210	.323	.206		.570		1.053		
Middlesex Borough	1211	.280	.185		.068		.650		
Milltown Borough	1212	.294	.178				.767		
Monroe Twp.	1213	.561	.252				.793		
New Brunswick City	1214	.594	.331		.517		.808		1.025
North Brunswick Twp.	1215	.402	.186				.976		
Perth Amboy City	1216	.627	.630		.678		.658		0.740
Piscataway Twp.	1217	.535	.215				.680		
Plainsboro Twp.	1218								
Sayreville Borough	1219	.522	.174				.990		
South Amboy City	1220		.380		.259		.596		
South Brunswick Twp.	1221	.758	.152				.711		
South Plainfield Borough	1222	.457	.160				1.084		
South River Borough	1223		.275				.632		
Spotswood Borough	1224	.249	.251				.941		
Woodbridge Twp.	1225	.357	.189				.864		
MONMOUTH COUNTY									
Allenhurst Borough	1301		.272						
Allentown Borough	1302		.174				.686		
Asbury Park City	1303		.317		.516		.823		0.414
Atlantic Highlands Borough	1304	.300	.208		.276		.453		0.121
Avon-By-The-Sea Borough	1305		.203				.468		
Belmar Borough	1306	.260	.260		.112		.690		0.550
Bradley Beach Borough	1307		.356		.240		.443		1.930
Brielle Borough	1308	.472	.184				1.193		
Colts Neck Twp.	1309	.182	.203				1.192		
Deal Borough	1310	.385	.227				1.204		

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
MONMOUTH COUNTY									
(Continued)									
Eatontown Borough	1311	.469	.246		.413		.709		1.014
Englishtown Borough	1312								
Fair Haven Borough	1313		.218				.654		
Farmingdale Borough	1314		.279						
Freehold Borough	1315	.585	.308				.710		
Freehold Twp.	1316		.206				.865		
Highlands Borough	1317	.536	.190				.648		
Holmdel Twp.	1318		.210				.981		
Howell Twp.	1319	.363	.130				.942		
Interlaken Borough	1320	.410	.334	.353	.367		.854	.473	
Keansburg Borough	1321		.113						
Keyport Borough	1322	.408	.491		.393		1.187		0.707
Little Silver Borough	1323	.586	.472		.321		.690		0.877
Lock Arbour Village	1324	.815	.160				.915		
Long Branch City	1325								
Manalapan Twp.	1326	.516	.363		.354		.761		0.832
Manasquan Borough	1327		.143				.634		
Marlboro Twp.	1328	.274	.194		.177		.800		1.218
Matawan Borough	1329	.454	.287				.798		
Matawan Twp.	1330	.616	.314				.830		
Middletown Twp.	1331	.429	.207				.809		
Millstone Twp.	1332	.730	.301		.375		.999		
Monmouth Beach Borough ...	1333	.439	.868				.455		
Neptune Twp.	1334	.356	.207				.798		
Neptune City Borough	1335	.246	.177		.218		.852		0.700
New Shrewsbury Borough	1336		.163				.908		
Ocean Twp.	1337	.525	.158				.773		
Oceanport Borough	1338	.552	.142				.740		
Raritan Twp.	1339	.235	.192				.920		
Red Bank Borough	1340	.201	.237		.446		.738		0.649
Roosevelt Borough	1341		.126						
Rumson Borough	1342	.222	.190				.957		
Sea Bright Borough	1343		.369				1.403		
Sea Girt Borough	1344	.159	.172						
Shrewsbury Borough	1345		.148		.307		.838		
Shrewsbury Twp.	1346								
South Belmar Borough	1347		.301				.962		
Spring Lake Borough	1348	.442	.194				.784		
Spring Lake Hts. Borough	1349	.231	.202				.846		
Union Beach Borough	1350	.630	.571				.840		
Upper Freehold Twp.	1351	.283	.780				.656		
Wall Twp.	1352	.433	.311				.699		
West Long Branch Borough ...	1353	.991	.192				.834		
Sandy Hook	1354								
MORRIS COUNTY									
Boonton Town	1401	.333	.192				.478		
Boonton Twp.	1402	.468	.247				.894		
Butler Borough	1403	.119	.171				.135		
Chatham Borough	1404		.107				.728		
Chatham Twp.	1405	.370	.168				0.962		
Chester Borough	1406		.186				1.147		
Chester Twp.	1407	.526	.180				1.155		
Denville Twp.	1408	.390	.191				.844		
Dover Town	1409		.175		.327		.760		
East Hanover Twp.	1410	.124	.124				1.616		
Florham Park Borough	1411	.574	.120						
Hanover Twp.	1412	.752	.196		.218		.977		0.971
Harding Twp.	1413	.611	.228						

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
MORRIS COUNTY (Cont.)									
Jefferson Twp.	1414	.390	.300		.366		.896		
Kinnelon Borough	1415	.391	.167				2.221		1.378
Lincoln Park Borough	1416	.483	.149				.696		
Madison Borough	1417	.318	.132				.860		
Mendham Borough	1418		.164				2.018		
Mendham Twp.	1419		.155				.867		
Mine Hill Twp.	1420	.412	.355				.572		
Montville Twp.	1421		.177		.115		1.523		
Morris Twp.	1422	.306	.161				.691		
Morris Plains Borough	1423		.125				1.334		
Morristown Town	1424		.203		.306		.953		1.044
Mountain Lakes Borough	1425		.146						
Mt. Arlington Borough	1426	.206	.220				.972		
Mt. Olive Twp.	1427	.705	.254		.145		.908		
Netcong Borough	1428	.264	.210				.802		
Parsippany-Troy Hill	1429	.731	.172		.309		1.147		
Passaic Twp.	1430	.159	.145				.878		
Pequannock Twp.	1431	1.126	.237		.263		1.577		
Randolph Twp.	1432	.345	.201		.523		.670		
Riverdale Borough	1433		.285						
Rockaway Borough	1434	.380	.180				.653		
Rockaway Twp.	1435	.448	.153		.283		.821		
Roxbury Twp.	1436	.523	.253				.903		0.494
Victory Gardens Borough	1437		.215						
Washington Twp.	1438	.531	.212				.936		
Wharton Borough	1439		.217				.768		
OCEAN COUNTY									
Barnegat Light Borough	1501	.237	.403				.751		
Bay Head Borough	1502	.297	.206						0.952
Beach Haven Borough	1503	.632	.221		.212		.826		
Beachwood Borough	1504	.487	.196				1.083		
Berkeley Twp.	1505	.474	.259		.369		.778		
Brick Twp.	1506	.499	.224		.311		.880		0.806
Dover Twp.	1507	.523	.215		.287		.951		0.416
Eagleswood Twp.	1508	.679	.405				.902		
Harvey Cedars Borough	1509	.395	.200						
Island Heights Borough	1510	.478	.298				.704		
Jackson Twp.	1511	.541	.187				.922		
Lacey Twp.	1512	.517	.296				.824		
Lakehurst Borough	1513		.322				1.370		
Lakewood Twp.	1514	.470	.289		.477		.976		0.819
Lavallette Borough	1515	.391	.198				.575		
Little Egg Harbor Twp.	1516	.482	.185				1.023		
Long Beach Twp.	1517	.715	.472				.748		
Manchester Twp.	1518	.865	.333				.641		
Mantoloking Borough	1519		1.125						
Ocean Twp.	1520	.447	.208				1.002		
Ocean Gate Borough	1521	.537	.355				.536		
Pine Beach Borough	1522	.266	.288				.860		
Plumsted Twp.	1523	.574	.446				.943		
Point Pleasant Borough	1524	.350	.182		.214		.870		0.923
Point Pleasant Beach Borough	1525	.258	.176		.251		.905		0.900
Seaside Heights Borough	1526		.289		.243		.867		0.678
Seaside Park Borough	1527	.233	.308		.298		.833		
Ship Bottom Borough	1528	.385	.143				1.136		
South Toms River Borough	1529	.399	.125				.955		
Stafford Twp.	1530	.451	.350				1.034		
Surf City Borough	1531	.191	.216				.627		
Tuckerton Borough	1532	.660	.360						
Union Twp.	1533	.749	.323				.683		

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
PASSAIC COUNTY									
Bloomington Borough	1601	.460	.134			.749			
Clifton City	1602	.421	.167		.209	.678			0.721
Haledon Borough	1603		.099		.163	.659			
Hawthorne Borough	1604	.334	.140		.139	.694			1.025
Little Falls Twp.	1605	.416	.135			.744			
North Haledon Borough	1606	.190	.183			1.225			
Passaic City	1607		.302		.362	.693			0.781
Paterson City	1608	.683	.403		.450	.762			1.150
Pompton Lakes Borough	1609		.117			.589			
Prospect Park Borough	1610		.118			.861			
Ringwood Borough	1611	.284	.217			.717			
Totowa Borough	1612		.082						
Wanaque Borough	1613		.121			1.078			
Wayne Twp.	1614	.145	.119			.899			
West Milford Twp.	1615	.613	.223			.828			
West Paterson Borough	1616		.118						
SALEM COUNTY									
Alloway Twp.	1701	.522	.812			.825			
Elmer Borough	1702		.198						
Elsinboro Twp.	1703		.174						
Lower Alloways Creek	1704	.743	.250						
Mannington Twp.	1705	.286	.200			.669			
Oldmans Twp.	1706		.344			.408			
Penns Grove Borough	1707	.909	.504		.188	1.851			
Pennsville Twp.	1708	.715	.219			.912			
Pilesgrove Twp.	1709	.689	.694			.392			
Pittsgrove Twp.	1710	.567	.340	.256		.491		.921	
Quinton Twp.	1711	.408	.541			.969			
Salem City	1712		.970		.217	1.165			
Upper Penns Neck Twp.	1713	.441	.354			.791			
Upper Pittsgrove Twp.	1714	.370	.415						
Woodstown Borough	1715	.682	.212			.967			
SOMERSET COUNTY									
Bedminster Twp.	1801		.222						
Bernards Twp.	1802	.470	.135						
Bernardsville Borough	1803	.517	.188			.861			
Bound Brook Borough	1804	.358	.203		.187	.696			0.831
Branchburg Twp.	1805	.325	.156			.763			
Bridgewater Twp.	1806	.757	.196			1.015			
Far Hills Borough	1807								
Franklin Twp.	1808	.856	.190		.371	.584			0.214
Green Brook Twp.	1809	.379	.302			.404			
Hillsborough Twp.	1810	.195	.311		.346	.577			
Manville Borough	1811	.305	.240		.227	.600			0.798
Millstone Borough	1812		.270						
Montgomery Twp.	1813	.650	.271			.657			
North Plainfield Borough	1814	.300	.200		.470	.706			
Peapack-Gladstone Borough ..	1815		.200			1.114			
Raritan Borough	1816	.534	.343		.206	.802			
Rocky Hill Borough	1817		.113						
Somerville Borough	1818		.208		.430	.757			
South Bound Brook Borough..	1819	.470	.173			.481			
Warren Twp.	1820	.354	.199			.621			
Watchung Borough	1821	.230	.202						
SUSSEX COUNTY									
Andover Borough	1901		.264						
Andover Twp.	1902		.264			1.038			

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
SUSSEX COUNTY (Cont.)									
Branchville Borough	1903		.280			1.192			
Byram Twp.	1904	1.009	.260			.910			
Frankford Twp.	1905	.418	.376			.768			
Franklin Borough	1906		.396						
Fredon Twp.	1907	.122	.079						
Green Twp.	1908	.466	.192			1.212			
Hamburg Borough	1909		.281			.937			
Hampton Twp.	1910	.530	.189			.925			
Hardyston Twp.	1911	.281	.229			.926			
Hopatcong Borough	1912	.728	.337			.892			
Lafayette Twp.	1913		.216						
Montague Twp.	1914		.306			1.818			
Newton Town	1915		.219			.798			
Ogdensburg Borough	1916		.183			.563			
Sandystone Twp.	1917	.516	.283			.678			
Sparta Twp.	1918	.741	.200			.930			
Stanhope Borough	1919	.979	.230			1.021			
Stillwater Twp.	1920	.529	.285			.840			
Sussex Borough	1921		.214			.765			
Vernon Twp.	1922	.443	.267			.836			
Walpack Twp.	1923	.421							
Wantage Twp.	1924	.793	.324			.870			
UNION COUNTY									
Berkeley Heights Twp.	2001		.092						
Clark Twp.	2002	.556	.133		.482	1.171			
Cranford Twp.	2003	.259	.113		.211	.605			
Elizabeth City	2004	.771	.315		.313	.691		0.869	
Fanwood Borough	2005		.122			.340			
Garwood Borough	2006		.116		.157				
Hillside Twp.	2007	.578	.278		.103	.815			
Kenilworth Borough	2008	.288	.328			.319			
Linden City	2009	.889	.254		.473	1.015		1.021	
Mountainside Borough	2010	.409	.179			1.005			
New Providence Borough	2011		.082						
Plainfield City	2012	.288	.194		.235	.696		1.140	
Rahway City	2013	.609	.250		.402	.608		0.660	
Roselle Borough	2014	.305	.180		.223	.558		0.413	
Roselle Park Borough	2015		.235		.112	.563			
Scotch Plains Twp.	2016	.391	.170			.578			
Springfield Twp.	2017	.134	.160		.265	.628			
Summit City	2018	.631	.147		.320	1.070			
Union Twp.	2019	1.140	.269		.307	.736			
Westfield Town	2020	.585	.165		.266	.671			
Winfield Twp.	2021								
WARREN COUNTY									
Allamuchy Twp.	2101		.278			.633			
Alpha Borough	2102		.421			1.096			
Belvidere Town	2103		.443			1.165			
Blairstown Twp.	2104		.502			.564			
Franklin Twp.	2105		.374			.759			
Frelinghuysen Twp.	2106		.306			.939			
Greenwich Twp.	2107		.421		.334	.662			
Hackettstown Town	2108		.187			.623			
Hardwick Twp.	2109	.666	.238			.829			
Harmony Twp.	2110	1.276	.497			.937			
Hope Twp.	2111		.301			.490			
Independence Twp.	2112	.293	.287			.799			
Knowlton Twp.	2113		.333			.700			

APPENDIX TABLE A-8 (Continued)

Municipality	Code	Coefficients of Variation				Coefficients of Regressivity			
		100	200	300	400	100	200	300	400
WARREN COUNTY (Cont.)									
Liberty Twp.	2114	.553	.323				.626		
Lopatcong Twp.	2115	.796	.192				.945		
Mansfield Twp.	2116	.956	.291		.599		.708		
Oxford Twp.	2117		.537				.370		
Pahaquarry Twp.	2118								
Phillipsburg Town	2119		.383		.366		1.010		0.632
Pohatcong Twp.	2120	.529	.385				.746		
Washington Borough	2121	.572	.262		.424		.774		
Washington Twp.	2122	.683	.720				.824		
White Twp.	2123	.592	.423				.634		

SELECTED COEFFICIENTS OF REGRESSIVITY AT MOST FREQUENT SALES PRICE RANGE (RHO) AND FOR MEDIAN PRICE LEVELS BELOW (RHO-Lo) AND ABOVE (RHO-Hi)

See Graphic Presentation which Follows

Muni.	PC ¹	RHO	RHO-LO	RHO-HI	
114	Linwood City	100	0.788	0.705	1.032
204	Bogota	200	-0.457		0.638
219	Fort Lee	200	1.270		0.829
331	Riverton	200	.998	1.179	0.713
406	Berlin	200	.785	.405	.269
422	Magnolia	100	-0.478	-0.466	2.328
511	Upper Twp.	100	0.796	0.783	0.330
614	Vineland	400	0.810	0.730	1.018
718	Roseland	100	5.690		0.813
822	Woodbury	200	0.884	0.695	1.191
912	West N. Y.	400	0.903	0.876	1.104
1022	Readington	200	0.260		1.031
1107	Lawrence	200	0.075	0.020	1.857
1221	S. Brunswick	200	0.711	0.566	0.892
1320	Interlaken	100	0.481	0.425	0.965
1417	Madison	200	0.983		0.430
1506	Brick	400	0.806	0.520	1.348
1521	Ocean Grove	200	0.536	0.455	0.559
1606	N. Haledon	100	1.488		0.992
1713	Upper Penns Neck	200	0.791	0.603	0.974
1803	Bernardsville	100	1.541		0.352
1915	Newton	200	0.798	0.553	1.207
2003	Cranford	100	0.366	0.358	1.111
2019	Union	400	-2.095		0.749
2113	Knowlton	200	0.700	0.873	-0.013

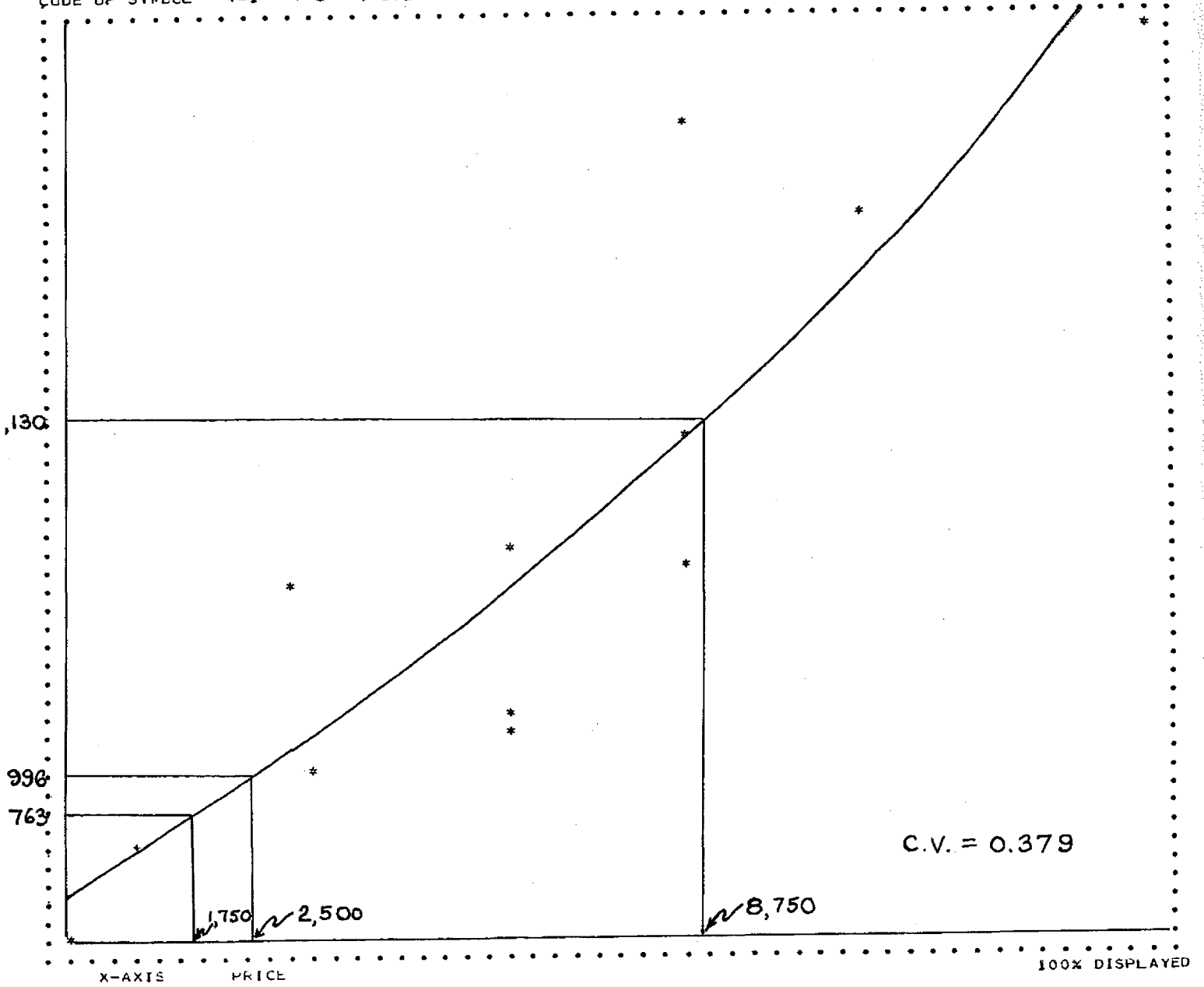
¹ Property class:

- 100—vacant land
- 200—residential
- 300—farm
- 400—commercial and industrial (including apartments)

AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																			
CLS	0.292	0.0000044	238.366	0.731						MUN	114	PC	100	SALES	12	YR	70	RHO	0.788				
	1.4156	0.3319	0.3409	15.9147																RHO-L0	0.705		
																						RHO-HI	1.032

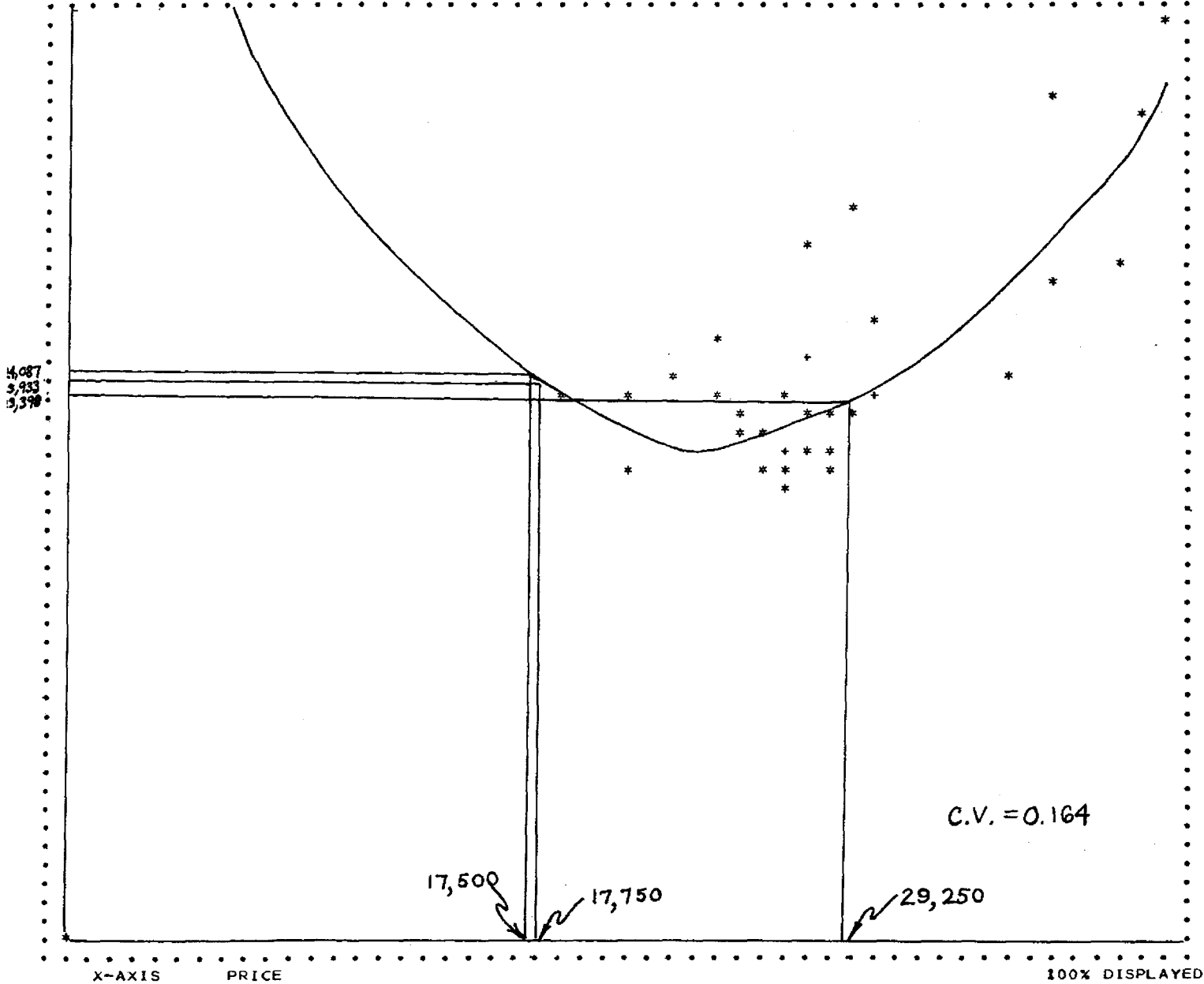
SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS	AS-VL	RANGE	500.	5400.	
X-AXIS	PRICE	RANGE	1000.	15000.	= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
CODE OF SYMBOL	*=1	+ =2	\$=OVER 4		



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																	
GLS	-2.326	0.000485	49938.500	0.616						MUN	204	PC	200	SALES	34	YR	70	RHO	-0.457		
	-2.8089	3.5813	4.0344	27.5114															RHO-LO	0.0	
																				RHO-HI	0.638

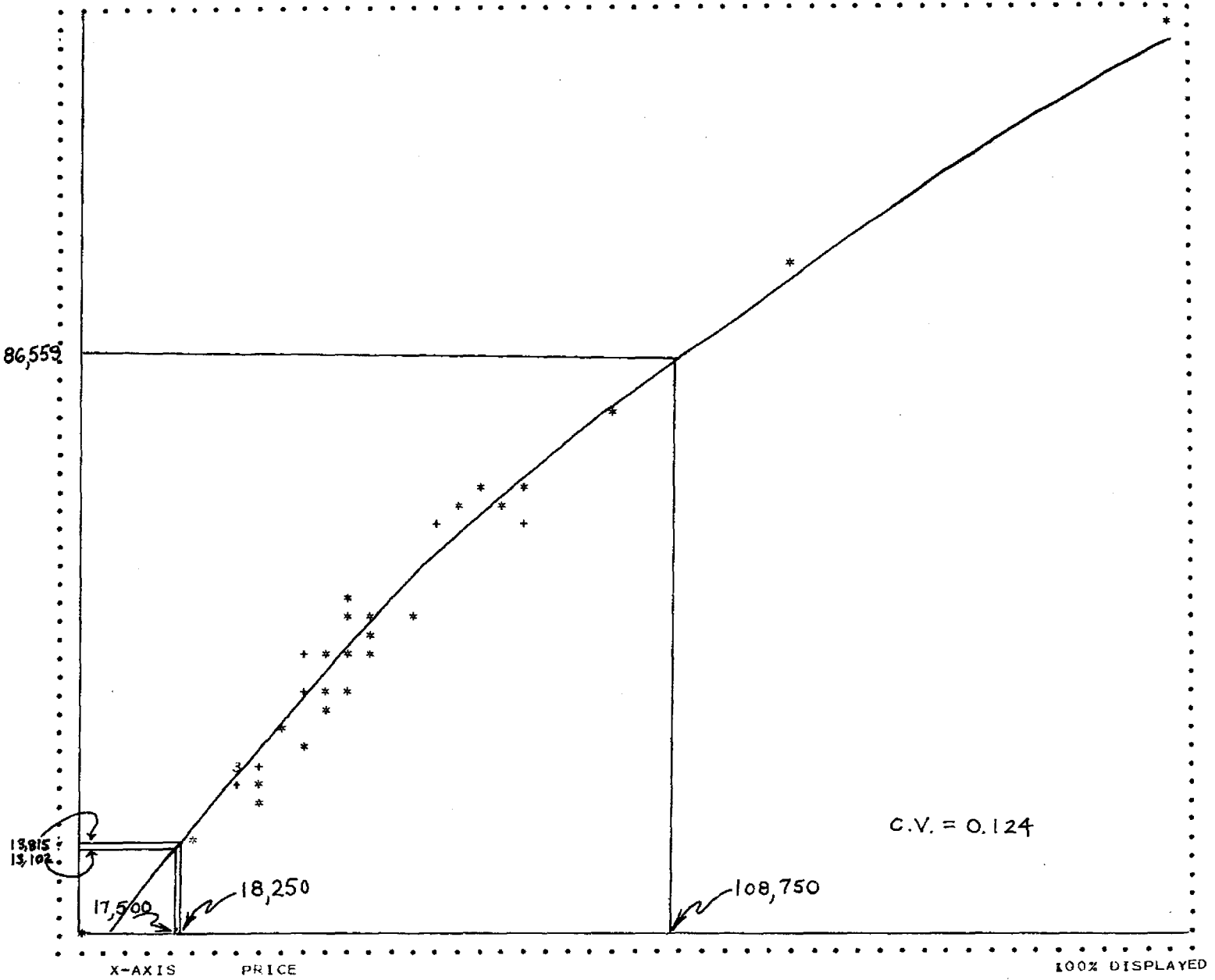
SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 19400. 39100.
 X-AXIS PRICE RANGE 18000. 41000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL * = 1 + = 2 \$ = OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																		
CLS	1.097	-0.0000016	-4029.714	0.965						MUN	219	PC	200	SALES	38	YR	70	RHO	1.270			
	14.0225	-4.5349	-1.4814	517.2488																RHO-LU	0.0	
																					RHO-HI	0.829

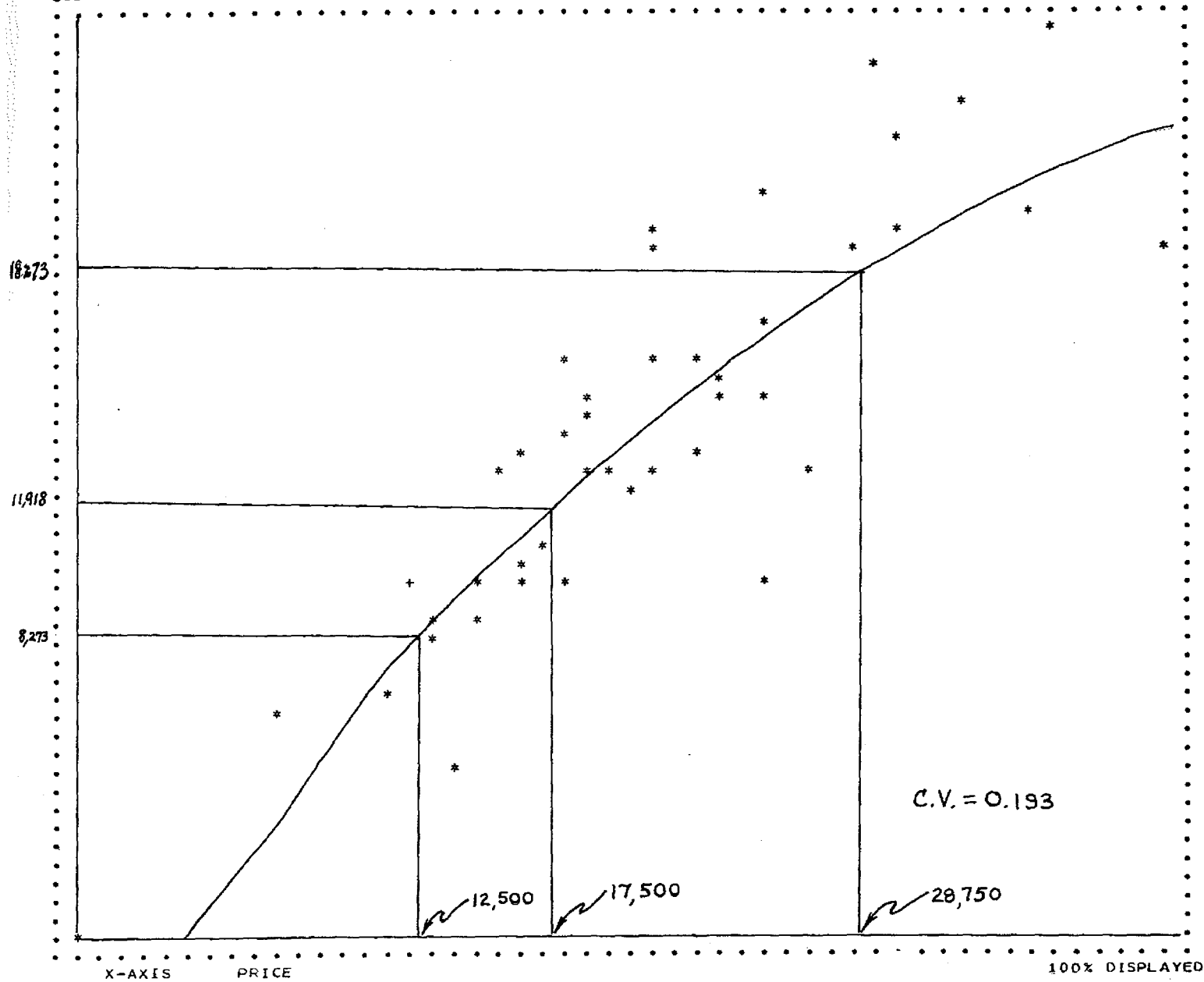
SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS	AS-VL	RANGE	14100.	134700.	
X-AXIS	PRICE	RANGE	19000.	200000.	= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
CODE OF SYMBOL	*=.	+ = 2	\$ = OVER 4		



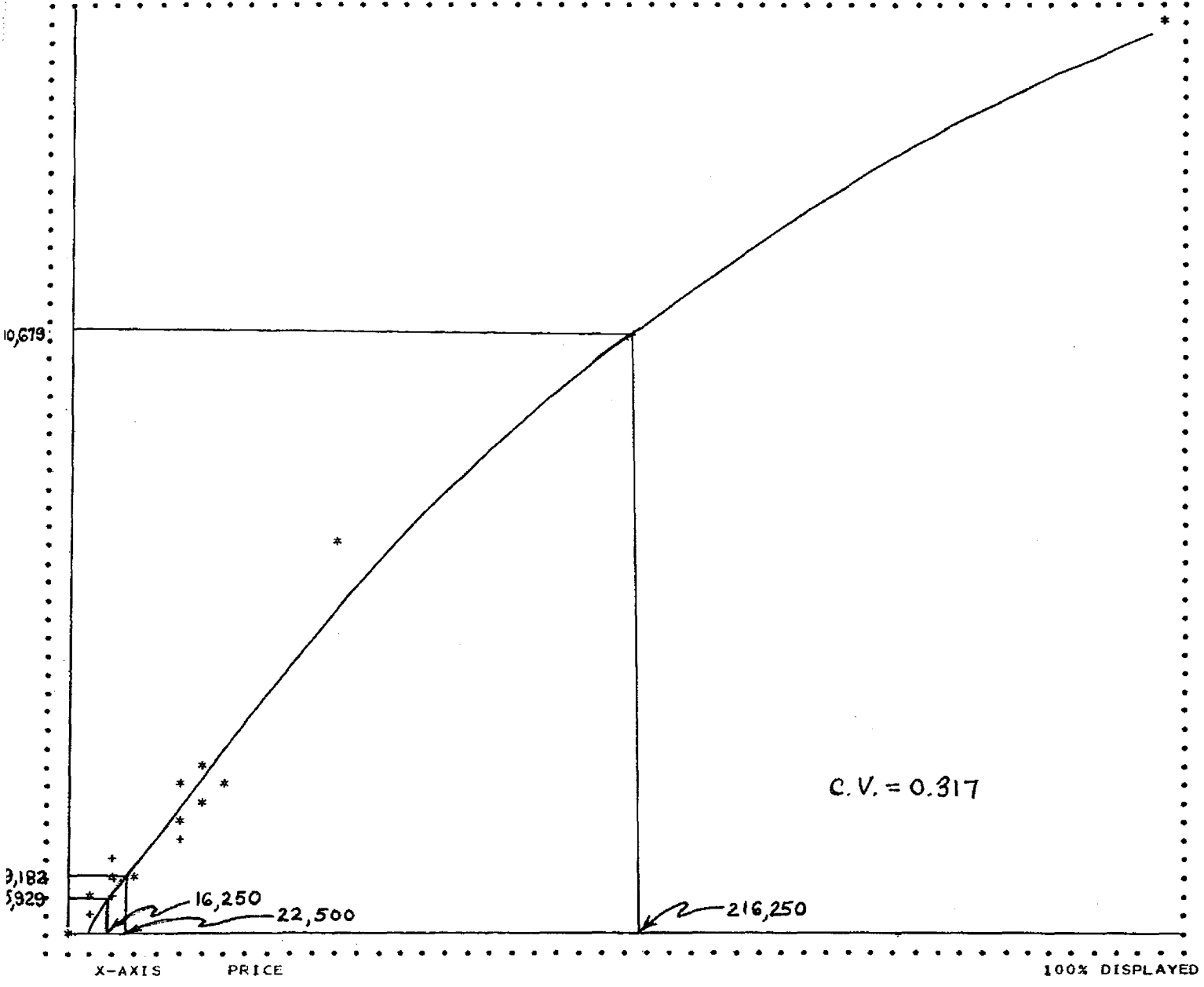
AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																
ULS	1.032	-0.0000101	-3049.235	0.693																
	3.3818	-1.5692	-0.8963	48.4465		MUN	331	PC	200	SALES	43	YR	70	RHO	0.998					
														RHO-LO	1.179					
														RHO-HI	0.713					

SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 4600. 24500.
 X-AXIS PRICE RANGE 7500. 40000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMGL *=, +=2 \$=OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																			
GLS	0.540	-0.0000005	-2714.449	0.979																			
	9.9177	-3.8101	-1.5178	471.2678						MUN	614	PC	400	SALES	21	YR	70	RHO	.810				
																				RHO-LO	.730		
																						RHO-HI	1.018

SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 2600. 136400.
 X-AXIS PRICE RANGE 10000. 410000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL *=1 +=2 \$=OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F
CLS	0.105	0.0000018	957.352	0.794
	4.1947	3.4059	3.7406	253.1677

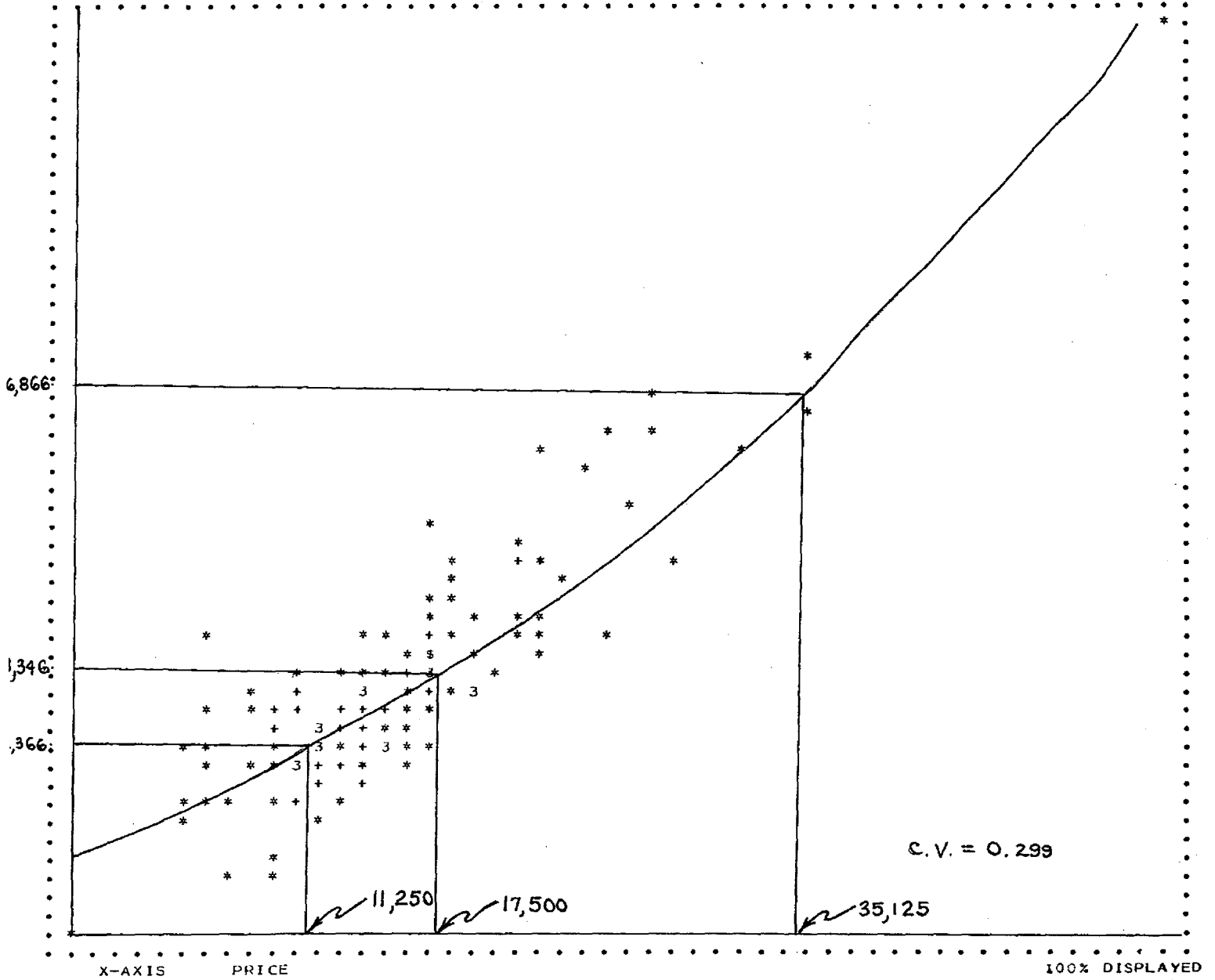
MUN 822 PC 200 SALES 132 YR 70 RHO C.884
 RHO-LO 0.695
 RHO-HI 1.191

SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS AS-VL RANGE 800. 11300.
 X-AXIS PRICE RANGE 5000. 52750.

= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN

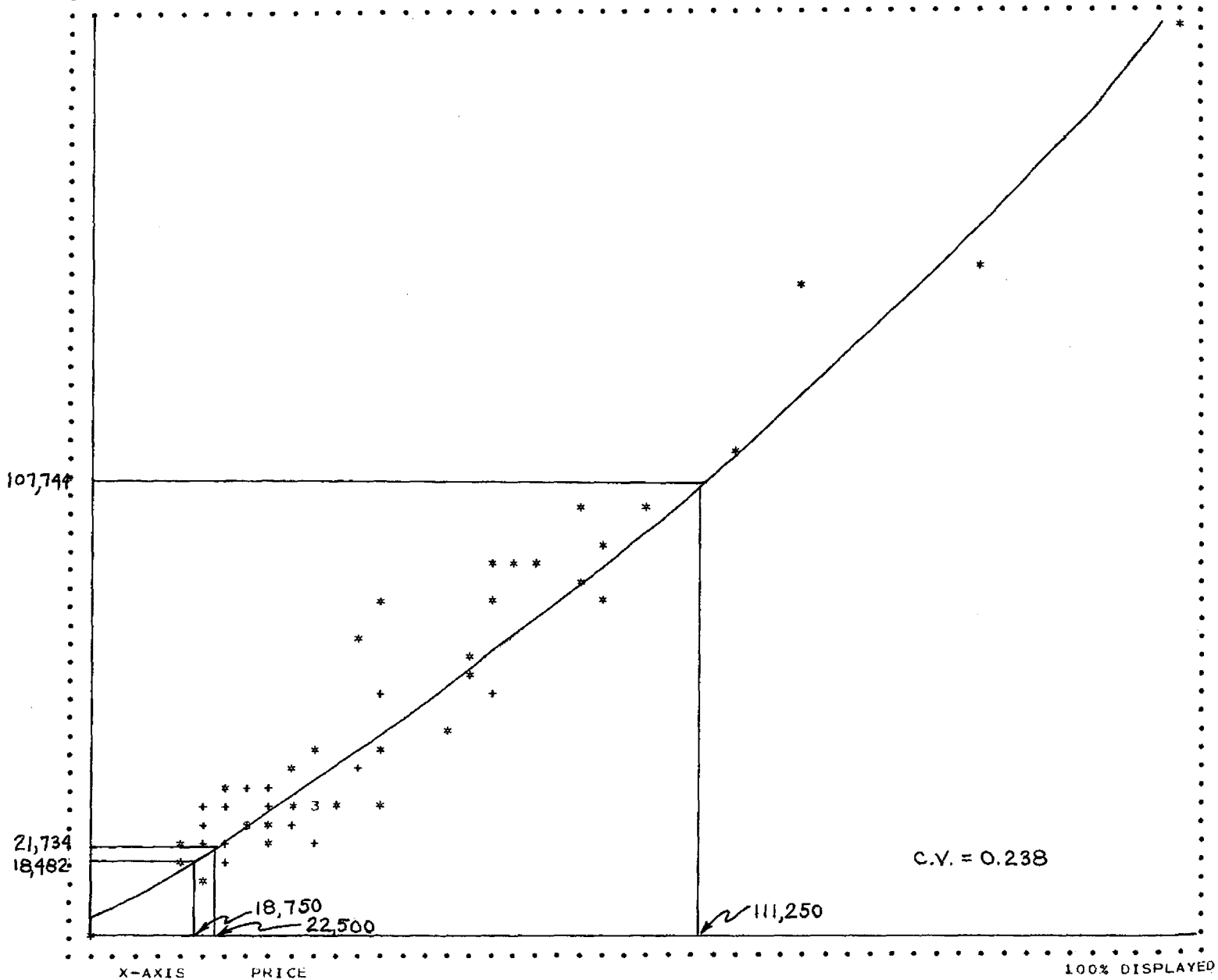
CODE OF SYMBOGL *=1 +=2 \$=OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																		
CLS	0.822	0.000011	2682.551	0.932						MUN	912	PC	400	SALES	66	YR	70	RHO	0.903			
	7.7990	1.9259	0.7644	448.0354																RHO-LO	0.876	
																					RHO-HI	1.104

SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS	AS-VL	RANGE	13450.	211490.	
X-AXIS	PRICE	RANGE	15000.	200000.	= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
CODE OF SYMBOL	**=1	+ =2	\$=OVER 4		

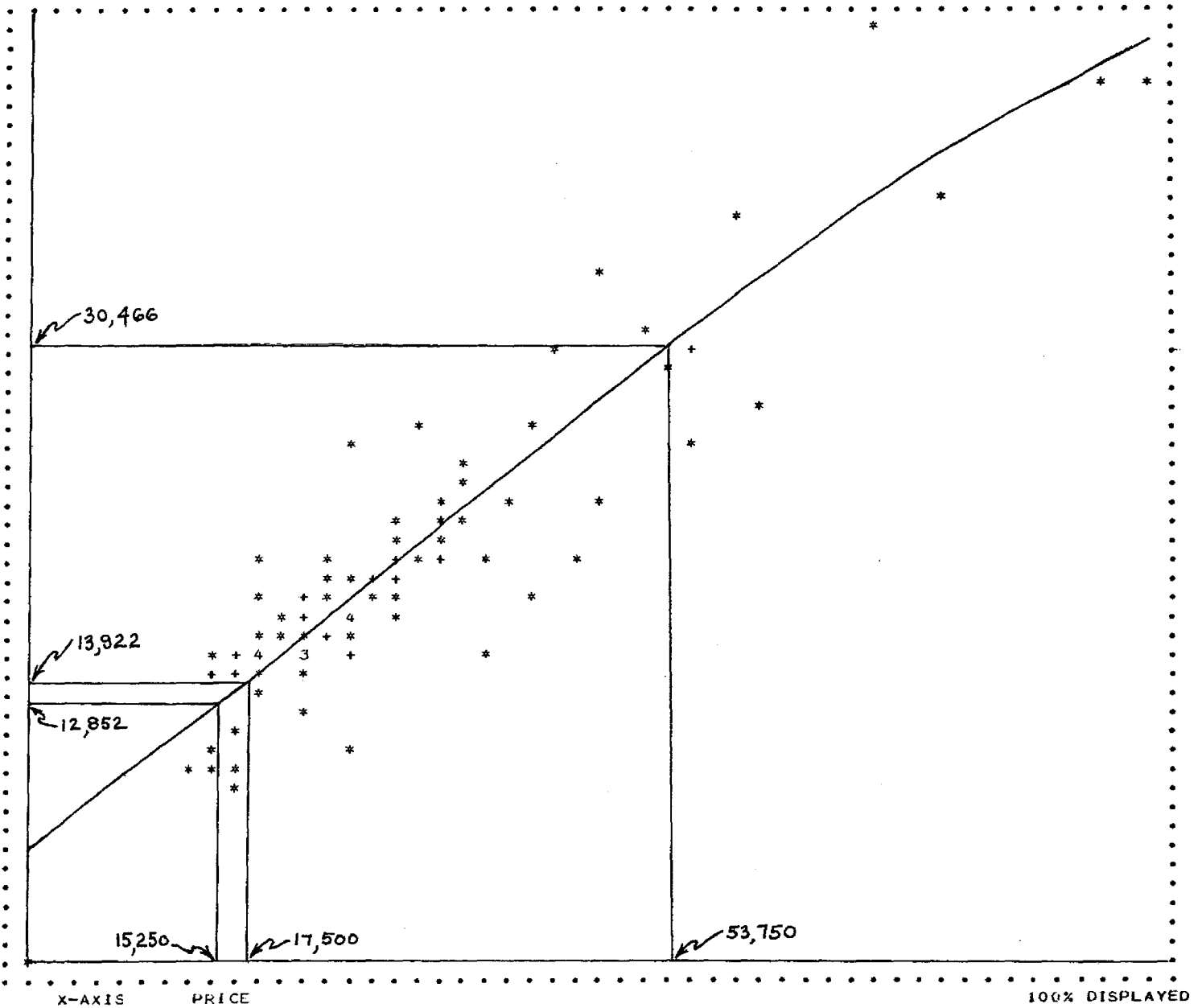


AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F
CLS	0.492	-0.0000005	5465.553	0.830
	5.8535	-0.5140	3.4698	218.2998

MUN 1022 PC 200 SALES 90 YR 70 RHO .260
 RHO-LO 0.0
 RHO-HI 1.031

SCATTER DIAGRAM WITH VARYING SCALE

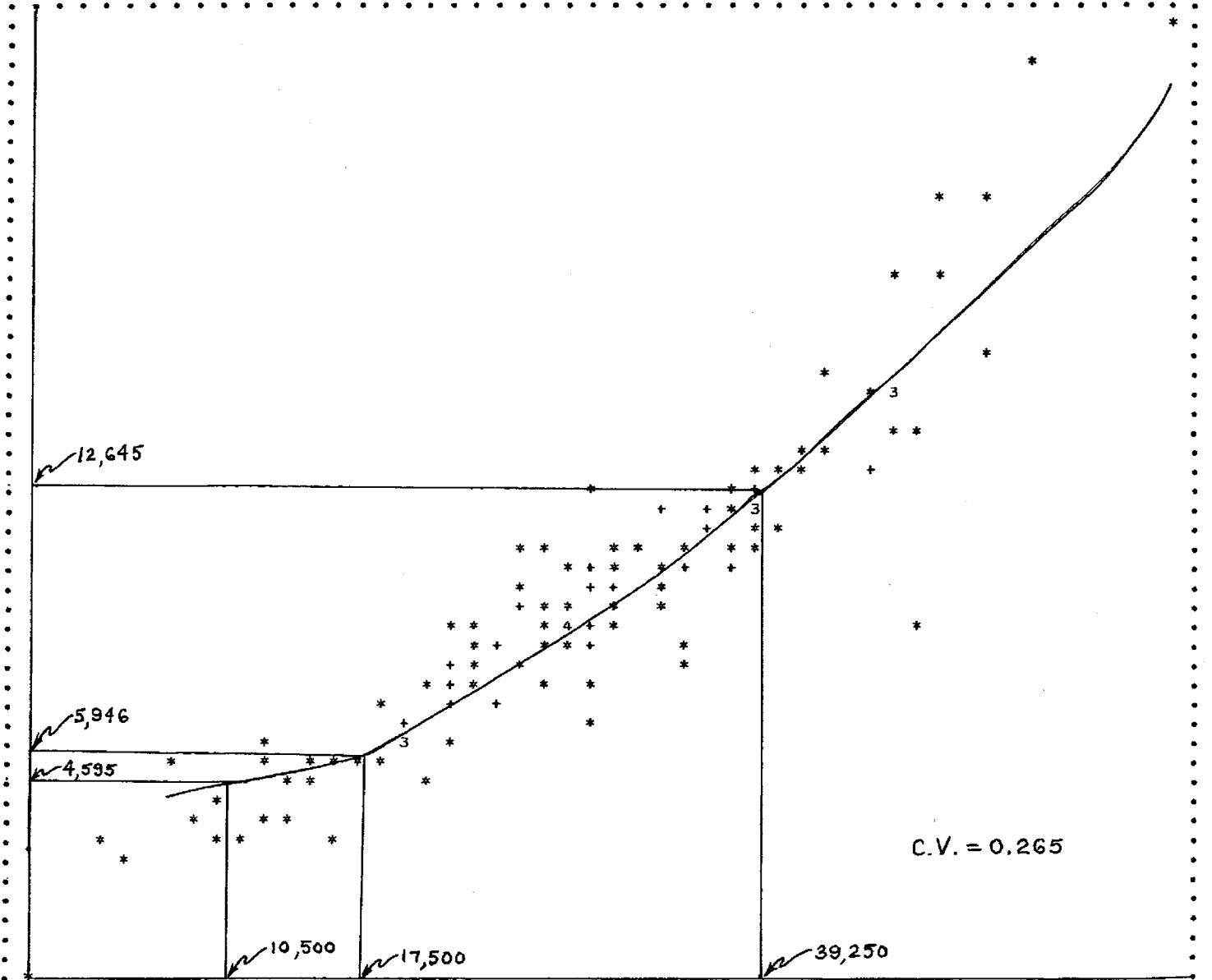
Y-AXIS	AS-VL	RANGE	8200.	46400.
X-AXIS	PRICE	RANGE	13000.	90000.
= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN				
CODE OF SYMBOL	**=1	+ =2	\$=OVER 4	



100% DISPLAYED

AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																
OLS	0.081	0.0000040	3303.780	0.872						MUN 1107	PC 200	SALES 126	YR 70	RHO	.075					
	1.7496	5.3475	4.7957	425.9197										RHO-LO	.020					
														RHO-HI	1.857					

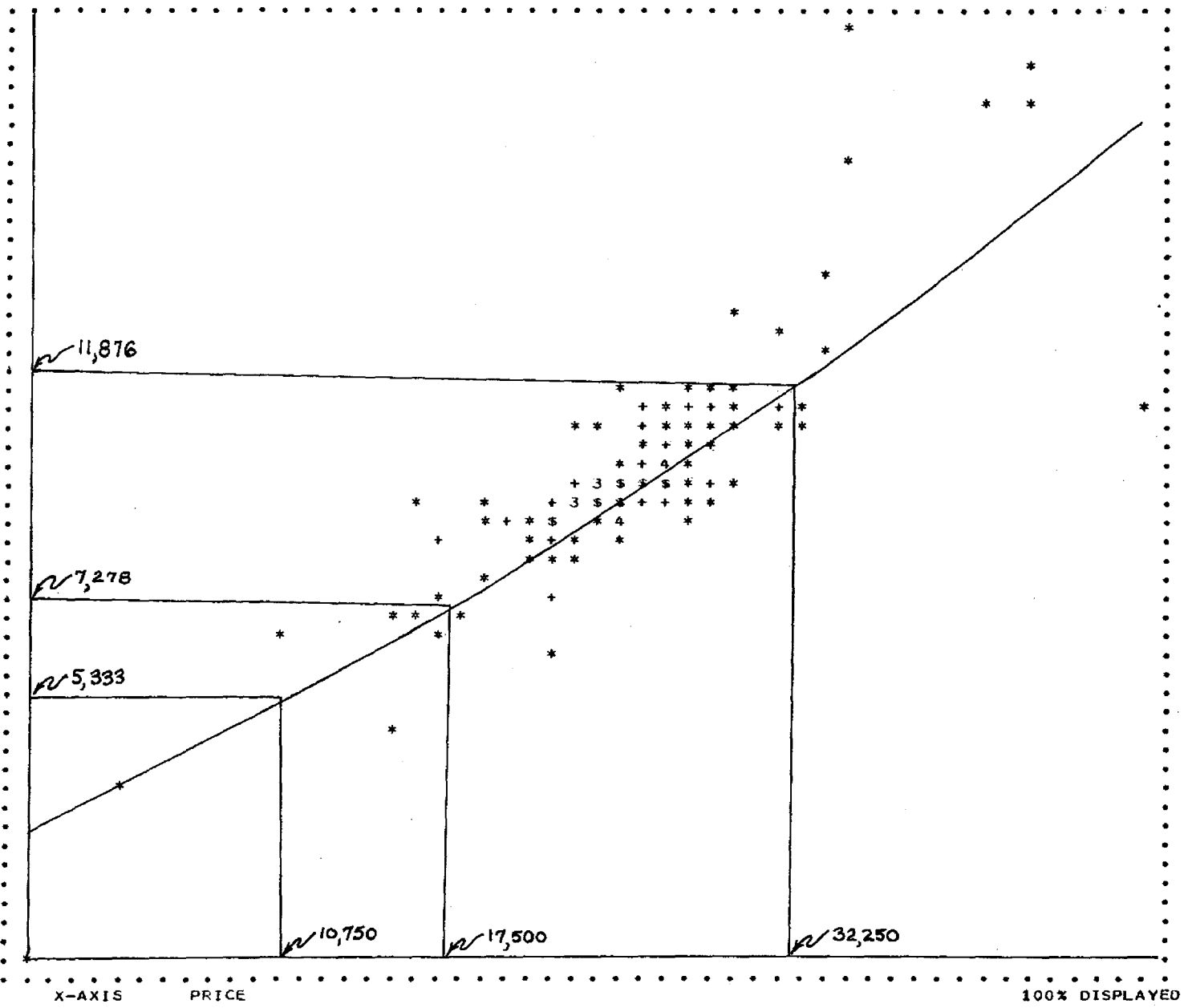
SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 3000. 24500.
 X-AXIS PRICE RANGE 3500. 61000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CCDE OF SYMBOL *=1 +=2 \$=OVER 4



X-AXIS PRICE 100% DISPLAYED

AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F										
OLS	0.257	0.0000011	2443.307	0.676										
	3.3490	0.7860	2.3230	145.8806	MUN 1221	PC 200	SALES 140	YR 70	RHO	0.711				
									RHO-LO	0.566				
									RHO-HI	0.892				

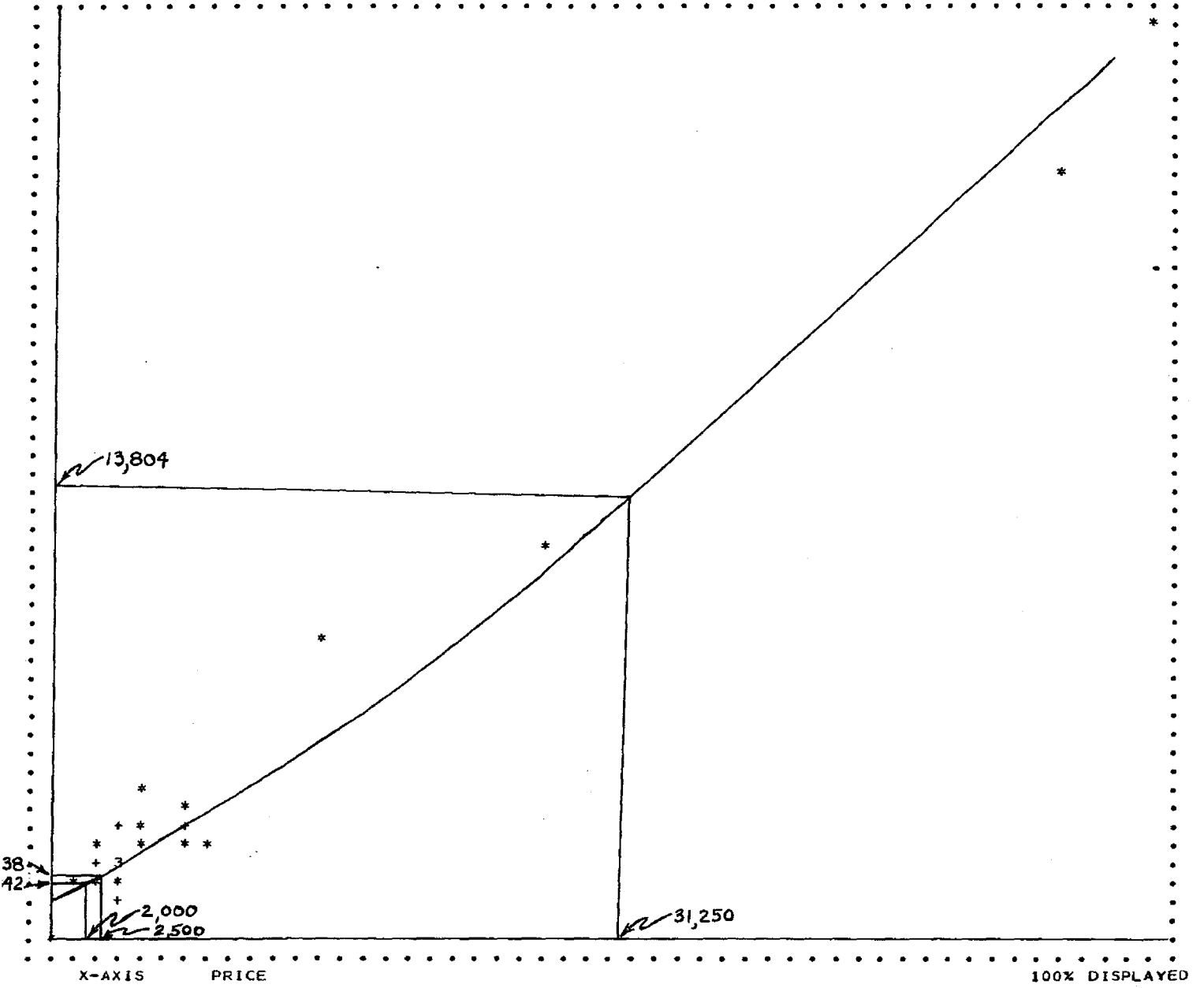
SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 3250. 18700.
 X-AXIS PRICE RANGE 4000. 47000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL *=1 +=2 \$=OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F										
OLS	0.389	0.0000006	1061.638	0.977										
	5.8090	0.5363	2.7983	500.2690	MUN 1320	PC 100	SALES	25	YR 70	RHO	0.481			
										RHO-LO	0.425			
										RHO-HI	0.965			

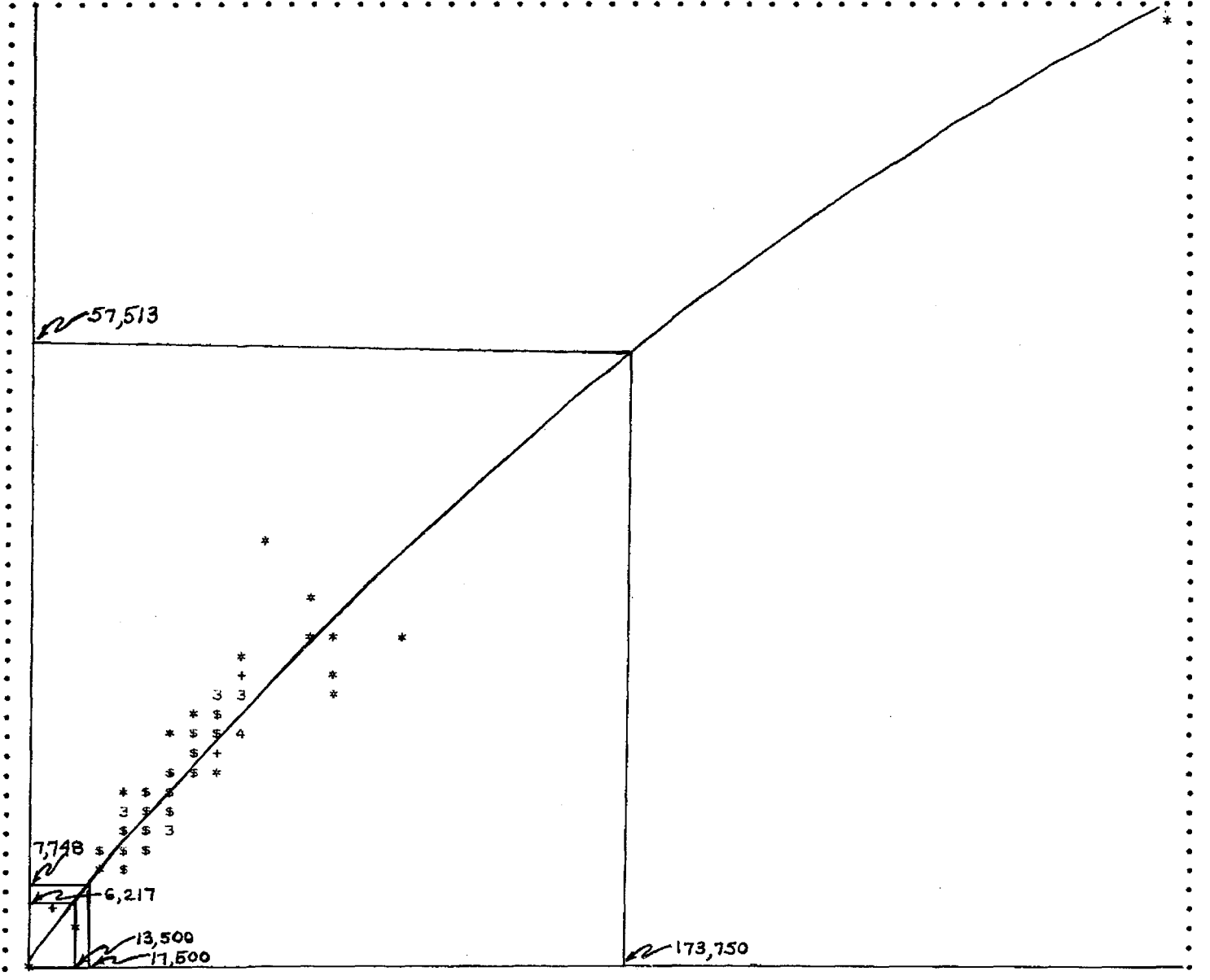
SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS AS-VL RANGE 1000. 27500.
 X-AXIS PRICE RANGE 1500. 60000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMOL *=1 +=2 \$=OVER 4



AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																
CLS	0.395	-0.0000004	957.626	0.925						MUN 1417	PC 200	SALES 179	YR 70	RHO .983						
	26.6119	-8.7004	1.7668	1099.0549										RHO-LO 0.0						
														RHO-HI .430						

SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 4150. 86850.
 X-AXIS PRICE RANGE 9500. 330000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL *=1 +=2 \$=OVER 4

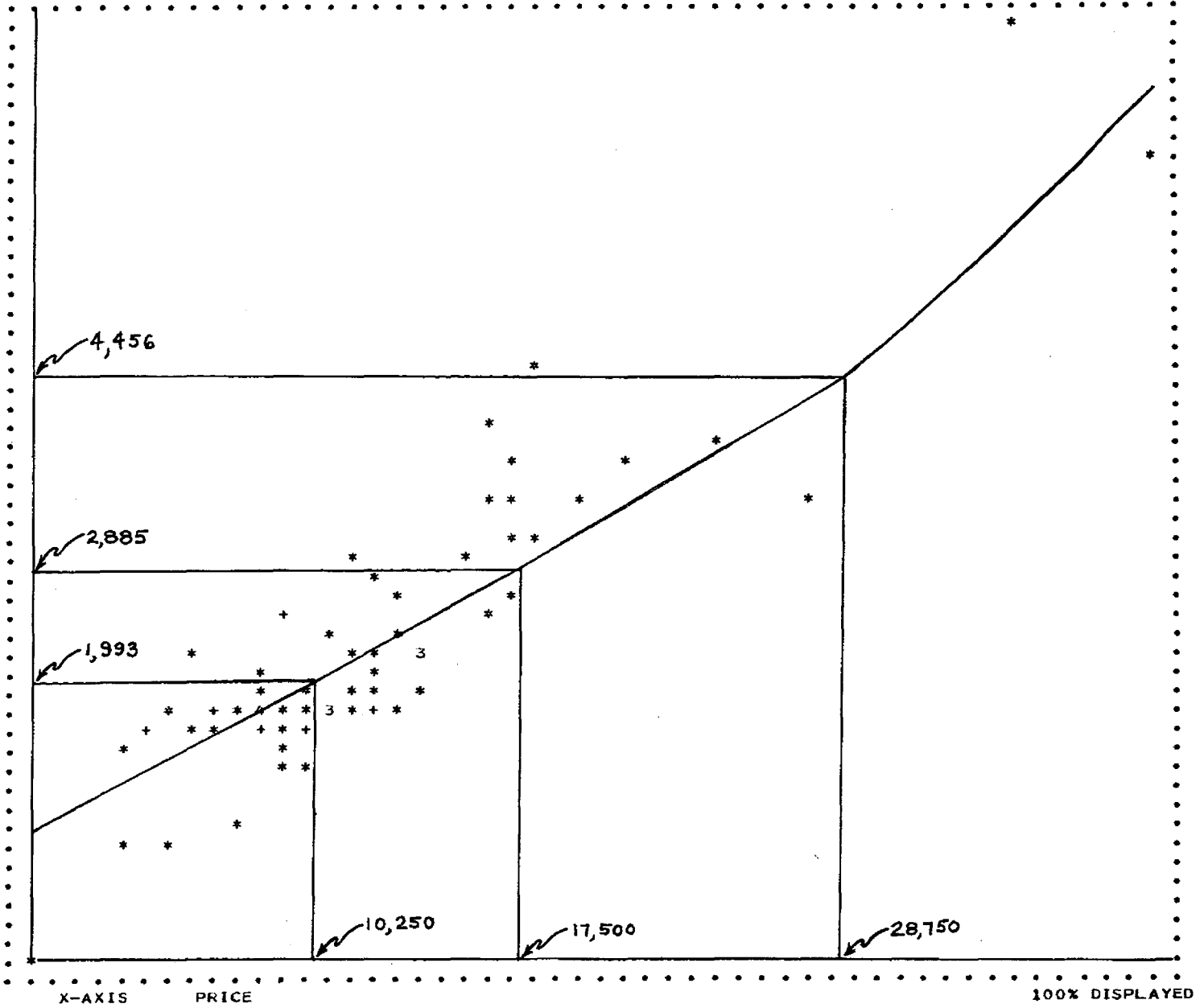


X-AXIS PRICE 100% DISPLAYED

AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F																
CLS	0.098	0.0000009	894.264	0.797																
	3.8077	1.4075	4.4251	134.4370						MUN 1713	PC 200	SALES	69	YR 70	RHD	0.791				
															RHD-LO	0.603				
															RHD-HI	0.974				

SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS	AS-VL	RANGE	830.	6670.	
X-AXIS	PRICE	RANGE	3000.	40000.	= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
CODE OF SYMBO	*=1	+ =2	\$=OVER 4		



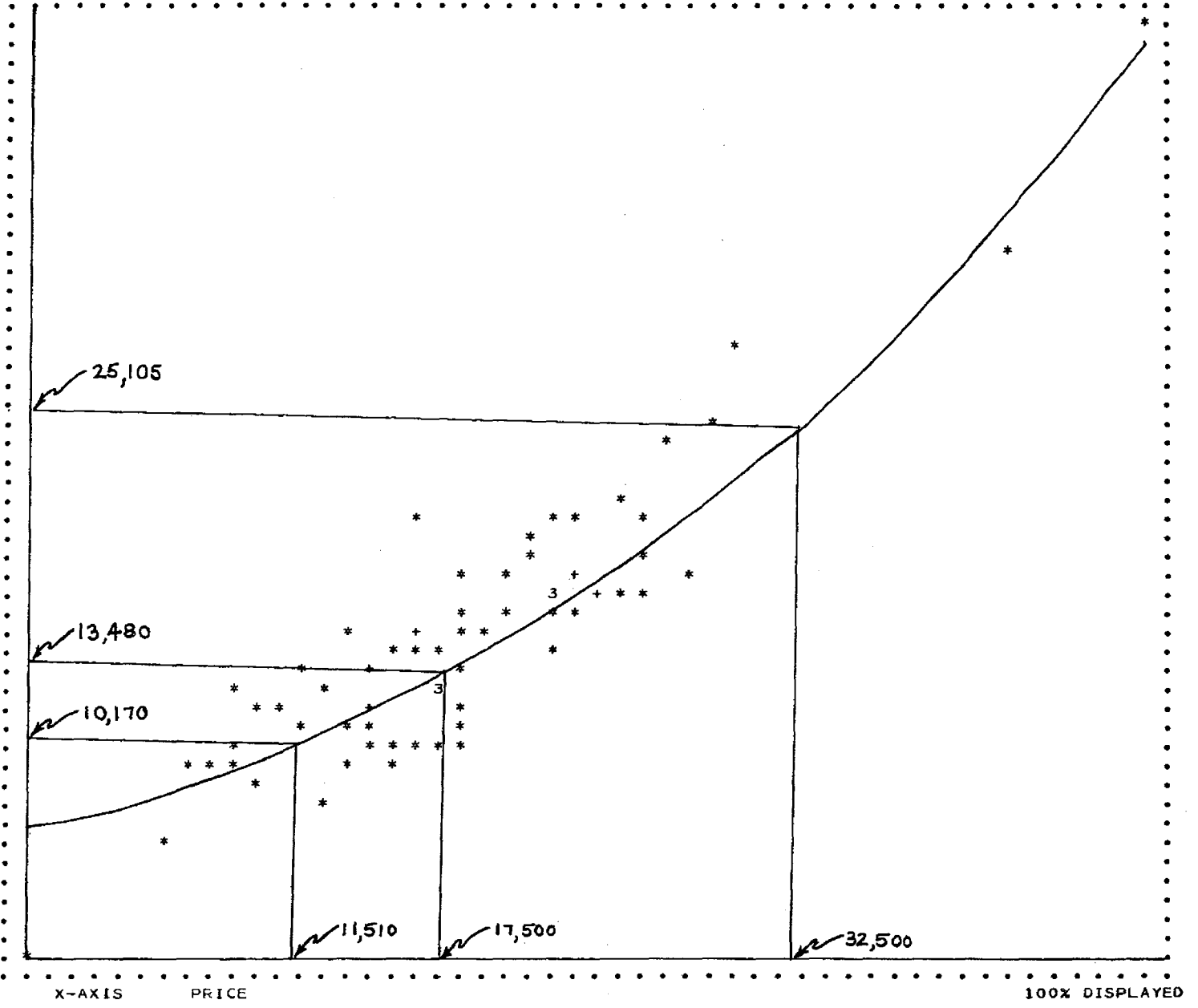
AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F
CLS	0.245	0.0000106	5945.862	0.835
	1.7864	3.7047	3.8655	175.6275

MUN 1915 PC 200 SALES 70 YR 70 RHO 0.798
 RHO-LO 0.553
 RHO-HI 1.207

SCATTER DIAGRAM WITH VARYING SCALE

Y-AXIS AS-VL RANGE 5180. 42600.
 X-AXIS PRICE RANGE 5520. 47500.
 CODE OF SYMBOL *=1 +=2 \$=OVER 4

= RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN

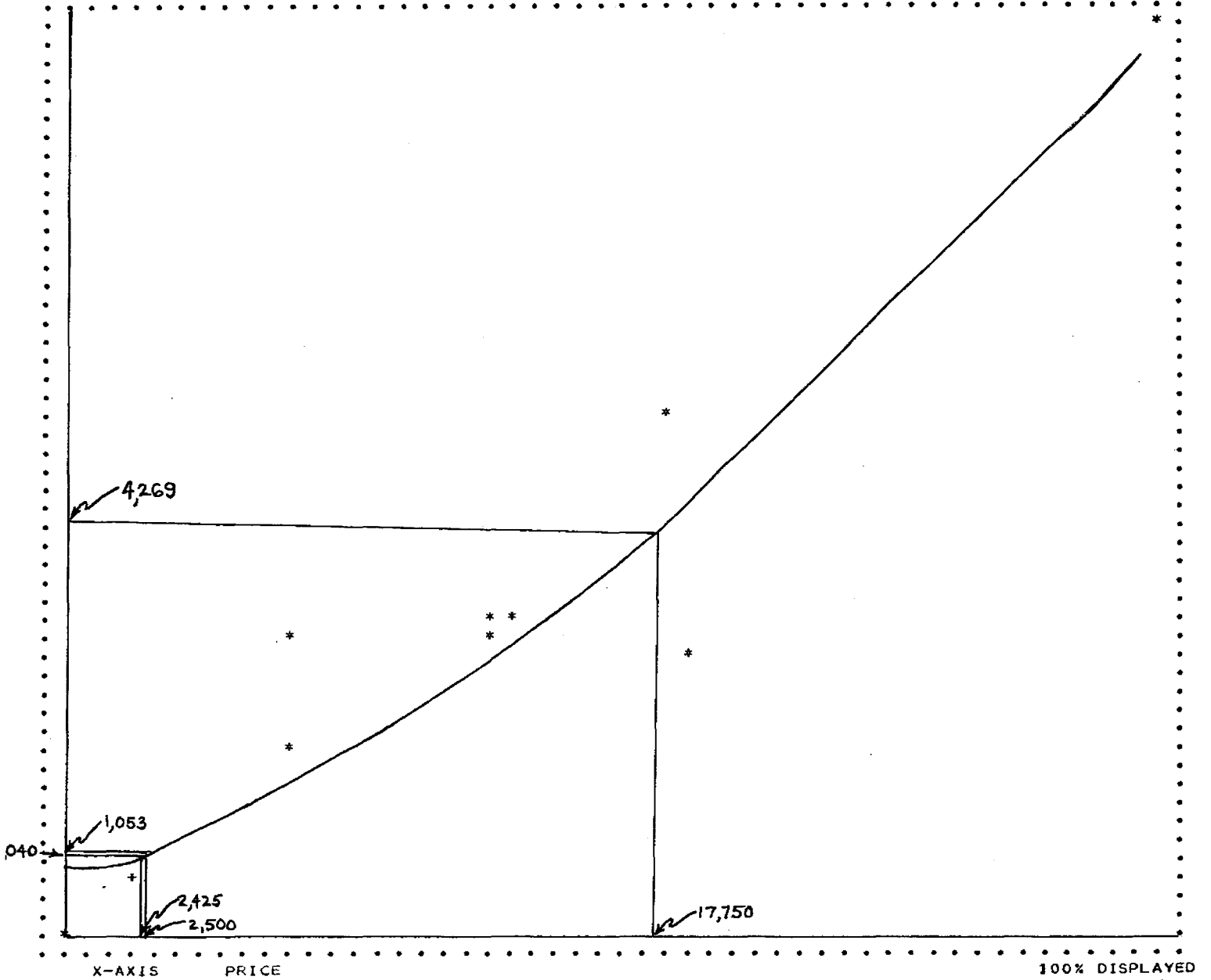


X-AXIS PRICE 100% DISPLAYED

AS-VL	PRICE/T	PRISQ/T	CONS /T	R/F	
CLS	0.136	0.0000037	689.416	0.872	
	1.2746	1.2154	0.9024	31.6144	MUN 2003 PC 100 SALES 10 YR 70 RHD 0.366

RHD-LO 0.358
RHD-HI 1.111

SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 600. 9400.
 X-AXIS PRICE RANGE 2350. 33000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL *=1 +=2 \$=OVER 4



AS-VL PRICE/T PRISQ/T CONS /Y R/F
 OLS 0.549 -0.0000002 -18101.943 0.982
 13.0765 -5.7882 -2.4062 378.3445

MUN 2019 PC 400 SALES 15 YR 70 RHO -2.095
 .RHO-LO 0.0
 RHO-HI 0.749

SCATTER DIAGRAM WITH VARYING SCALE
 Y-AXIS AS-VL RANGE 12410. 435950.
 X-AXIS PRICE RANGE 51000. 1500000. = RANGE OF ORIGINAL FULL DATA SET WITHOUT ORIGIN
 CODE OF SYMBOL *=1 +=2 \$=OVER 4

