

REPORTS
of the
COMMISSION ON STATE TAX POLICY

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FIRST REPORT, I. *Taxation of Intangibles in the Hands of Individuals and in Competition with National Banks.* II. *Tax Lien Foreclosure.* (Trenton, N. J.: February 28, 1946.)

SECOND REPORT, I. *Taxation of Tangible Personal Property.* II. *Corporation Business Tax Act (1945).* (Trenton, N. J.: March 24, 1947.)

THIRD REPORT, *The Taxation of New Jersey Railroads.* (Trenton, N. J.: February 16, 1948.)

*FOURTH REPORT, *Financing a State Bonus for Veterans of World War II.* (Trenton, N. J.: August 27, 1948.)

PUBLIC HEARING, DECEMBER 14, 1949, Assembly Chamber, State House, Trenton, New Jersey. (Trenton, N. J.: 1950.)

FIFTH REPORT, *Taxation and Public Policy in New Jersey.* (Trenton, N. J.: April 14, 1950.)

SIXTH REPORT, *The General Property Tax in New Jersey.* (Trenton, N. J.: February 1, 1953.)

SEVENTH REPORT, *Public School Financing in New Jersey.* (Trenton, N. J.: March 22, 1954.)

EIGHTH REPORT, *Financing School Buildings in New Jersey.* (Trenton, N. J.: May, 1955.)

NINTH REPORT, *The General Property Tax in 1958* (Trenton, N. J.: February, 1958.)

Copies of the above reports may be obtained from
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STATE OF NEW JERSEY

NINTH REPORT
OF THE
New Jersey,
Commission on State
Tax Policy,

THE GENERAL PROPERTY TAX IN 1958
Toward a Balanced Tax Structure



Submitted to the Governor and the
Legislature of the State of New Jersey,
February 21, 1958
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STATE OF NEW JERSEY
COMMISSION ON STATE TAX POLICY

[*Laws of 1945*, Ch. 157, as amended]

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STATE OF NEW JERSEY

SENATE CONCURRENT RESOLUTION No. 28 (1956)

A CONCURRENT RESOLUTION requesting the Commission on State Tax Policy to make a special study of the impact upon the State tax program of certain problems related to taxation of real property.

WHEREAS, Recent developments relating to the taxation of real property in respect to the assessment thereof according to its value have again called attention to the imperative necessity for a re-examination of the state of the law upon this subject; and

WHEREAS, Large numbers of the citizens and taxpayers of the State are deeply concerned over the potential requirement that assessments of real property be substantially raised in many taxing districts; and

WHEREAS, Concern exists as to whether assessment of all real property throughout the State at full true value may create a redistribution of the tax burden not readily foreseen; and

WHEREAS, Many citizens and taxpayers have petitioned the Legislature to give consideration to the need for a revision of the statutory law in respect to the assessment of real property according to the standard of true value; and

WHEREAS, Such subject cannot properly be dealt with except in reference to the general State tax program, in order to prevent a disruption of said program by dealing with only one phase of it; and

WHEREAS, It is advisable for the Legislature to have before it a specific report from the State Tax Policy Commission upon this subject before any legislative action; now, therefore,

BE IT RESOLVED by the Senate of the State of New Jersey (the General Assembly concurring):

1. The Commission on State Tax Policy is hereby requested to undertake a special study of the impact of enforced assessment of real property at 100 per cent of its true value upon tax rates, the taxation of personal property, municipal and school debt limits, State aid formulas, special taxes based upon real property assessments, existing exemptions and general tax revenue requirements of counties and municipalities.

2. The commission shall report specially to the Governor and the Legislature its findings and recommendations for temporary, transitional and permanent changes, if any, in the entire State tax structure which the results of its study dictate to be desirable or necessary for equitable distribution of the total imposition of State and local taxes.

3. The commission shall make its report not later than the first week in December, 1957, and may make such interim reports prior thereto as its study shall dictate.

Adopted December 27, 1956.

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LETTER OF TRANSMITTAL

February 21, 1958.

*His Excellency Governor Robert B. Meyner and the
Honorable Members of the Senate and General Assembly:*

The Commission is pleased to transmit its Ninth Report, sub-
titled **The General Property Tax in 1958: Toward a Balanced Tax
Structure**. This report is intended to fulfill the requirements of
Senate Concurrent Resolution No. 28, adopted December 27, 1956.

A summary of the highlights of the report appears on seven of
the pages which follow. It offers a choice of two broad policies:
First, a solution of property tax problems—without new taxes;
second, a solution of these problems plus some shift in taxes from
property to a non-property base, with provision for meeting the
revenue needs of the State Government—with a new tax.

This Commission has long opposed the adoption of new taxes
without placing the property tax in order. The present report con-
tinues this policy, and offers a new tax recommendation as part
of a comprehensive package which will not only provide additional
revenue but will also solve long standing and emergent problems
of property tax reform. Additional statements by Mr. Alexander
and Senator Dumont and a Minority Statement by Mr. Mosch, fol-
low.

Legislative bills to carry out the recommendations of the report
are in preparation. The Commission stands ready, as always, to
consult with the Governor and the Legislature on such further
matters as may develop in the course of your consideration of the
report.

Respectfully submitted,

JOHN F. SLX, *Chairman*
W. PAUL STILLMAN, *Vice-Chairman*
JAMES KERNEY, JR.
WAYNE DUMONT, JR.
ARCHIBALD S. ALEXANDER
JOHN E. TOOLAN

ADDITIONAL STATEMENT

by ARCHIBALD S. ALEXANDER

If the *Commission* had only been asked the question posed by Section 1 of Senate Concurrent Resolution No. 28 (1956), relating to problems associated with 100% assessment, Alternative 1 proposed by the *Commission* would be a valid choice. But as we were also requested by Section 2 of the Resolution to answer a second question, concerned with the "equitable distribution of the total imposition of State and local taxes," and we are aware of the increasing financial needs of the State and local governments for education, water, highways, institutions, etc., I consider that Alternative 1 is insufficient for this and other reasons, but that Alternative 2 offers a valid program.

ARCHIBALD S. ALEXANDER.

ADDITIONAL STATEMENT

by WAYNE DUMONT, JR.

The two principal problems referred in 1956 by the New Jersey Legislature to the State Tax Policy Commission and which are the subject of this report are most difficult and complex. Inescapably interwoven with municipal assessment and taxation of real and personal property is the second question of where to find more revenue to meet the steadily rising costs of State and local government directly reflected in the requests of the citizens of New Jersey for more State and local services.

It is an unfortunate paradox that the procedures and percentages applied by municipal assessors and governing bodies throughout New Jersey to assessment of real and personal property differ so much that grave doubts must be raised as to whether *any* mandatory uniform State-wide ratios can operate effectively and fairly, even though the very motive and reason for uniformity is fair play to everyone. Certainly the present law which has been interpreted to mean that all real property shall be assessed at 100% of true value has over the years been observed principally in the breach and has proven to be neither practicable nor workable. Yet unless this law is soon repealed or a time extension granted, the decision of the New Jersey Supreme Court requiring full value assessing of both real and personal property will take effect on January 1, 1959.

While the 40% recommendation contained herein would seem to be much more realistic than 100% assessing, any percentage when applied uniformly could require substantial tax readjustments in some areas of our State. A special problem is apparent in Hudson County due to a pending possible reduction in railroad taxes under the decision of our Supreme Court in the *Lackawanna* case. This matter is not part of the *Commission's* present assignment, but it

is apparent in the data for the county which appear in the report and should be recognized as part of any transition to a new standard of assessments. It may well be that the State should compensate municipalities adversely affected by the railroad situation in order to avoid an undue shift in the tax burden to home owners, whose tax load is already a heavy one.

Now in respect to more revenue, it seems to me the time has long since arrived when a substantial portion of at least the future—if not also the present—burden of property owners in New Jersey should be shifted to a more broad-based form of State tax, a portion of which at least would be distributed to the municipalities to replace any existing local property levies which in turn would be eliminated. One proposal for such a tax is made in this report, which points out that there are others which are opposed by both major political parties.

Neither State nor local financial problems can be solved for long by an increase in the State gasoline tax. This expedient has been proved in the past to be only a temporary panacea and not a long-range answer to the rising costs of State and local government.

Recommendations of study commissions, such as the ones contained in this report, can only become law if and when implemented by action of the Legislature and the Governor. In order that these and all other proposals may be better understood and fairly considered, I respectfully, but strongly, urge the Legislature to conduct exhaustive public hearings in 1958 in a further effort to find solutions to the perplexing problems so thoroughly set forth in this report.

WAYNE DUMONT, JR.

MINORITY STATEMENT

by LEO J. MOSCH

February 10, 1958.

*Honorable John F. Sly, Chairman,
Commission on State Tax Policy,
Princeton, New Jersey.*

DEAR DR. SLY:

It is with deep regret that I must advise you that I cannot join the other members of the *Commission* in signing the letter of transmittal of the Ninth Report of The Commission on State Tax Policy to the Governor and the members of the Legislature. To do so might well imply that I concur and endorse all of the conclusions and recommendations therein contained, which is not the fact.

May I say at this juncture that I have greatly enjoyed the opportunity of working in association with a group of men who exemplify the highest standards of integrity and selfless dedication to the public interest and the experience has been an unforgettable one. I thank you and my other colleagues most warmly for the many courtesies which have been extended to me.

Briefly may I set forth some pertinent comments which will explain my position:

I completely agree that the taxation of household goods as property be abolished.

I concur in The *Commission's* recommendation that a uniform statewide assessment ratio for real estate should be established at 40% of the full valuation.

It is my considered opinion that substantial relief can be afforded to the State's taxpayers and the immediate assessment problems can be solved *without new taxes*.

It has been proved time and again that once a new tax is enacted it continues on forevermore, and if anything, tends to increase.

It is of the utmost importance to the fiscal health of the State's economy that industry be encouraged to come into our State with the knowledge that they can do so without the recurrent hazard of imminent imposition of new taxes.

A corporate net income tax is no more nor less than an added tax upon individual citizens of New Jersey. This is most concisely set forth in a reference before this *Commission* at a public hearing on December 14, 1949, wherein John Beckley of Newsweek is quoted as follows:

"It must be recognized that business organizations, by their very nature, are merely tax collectors, not taxpayers. The cardinal rule of every business—the purpose of any profit-making organization—is to earn a fair return on the money invested. To survive, it must pay its cost and have a fair profit left over. And taxes are just another item of cost. If income taxes take half of a corporation's profits, then it must set its prices high enough to earn twice as much before taxes in order to have the same return."

Taxes are increasingly becoming unbearable. On an overall basis we are fast approaching the point of confiscation. This *tax fever* must be stopped somewhere if we are to maintain a competitive position. Moreover, one must always keep a watchful eye on the vicious effects of inflation, which in recent days has been an ever-present danger, superimposed upon the tax impact.

There is an inoculation to counter-act tax fever. It is house-keeping—business methods resulting in economy-efficiency. Much more can be done in this area than has been done. An effective, hard-working "Little Hoover Commission" undoubtedly could produce marked savings, thereby substantially alleviating tax demands and obviating any thought of new taxes. I am not satisfied that what can be done in this direction has even been partially accomplished.

It is a matter of common knowledge that business all over the world is reducing costs and projecting and fostering economy so as not to price itself out of the market, and it is incumbent on New Jersey to do likewise. To put it another way, *taxpayers need tax relief, not new taxes.*

"Alternative 1" is sound and realistic. It responds to the State's current problems and grants a measure of desired relief. A net reduction of \$7.4 million on residential tax assessments would be achieved.

"Alternative 2" envisions exemption of business inventories and provides for a replacement tax in the form of an alternative business net income tax, applicable to both corporation and unincorporated business. Notwithstanding my hereinabove expressed opposition to this alternative, may I say, additionally, and more specifically, that in my judgment this projected tax imposition is impractical. It creates another layer of taxes upon an existing one; additional tax returns will be required to be filed; no basic exemptions to small business are provided for, thereby indicating increased administrative payrolls. Certainly, it would seem to me that the pattern for such a tax would have to be substantially revised, in any event, before it could be considered. Present State experience indicates that it has been virtually impossible to police unincorporated businesses, and there is no reason to believe that it would be otherwise with respect to the administration of a net income tax.

In the interest of brevity only, this minority statement is concluded. It is important, therefore, that there be no implications to the effect that I may be "for" or "against" any specific items dealt with in the Report, but not commented upon herein.

Very truly yours,

LEO J. MOSCH.

LJM:mt

CHART A
STATE OF NEW JERSEY
SOURCES OF LOCAL TAX REVENUES UNDER ALTERNATIVE TAX PLANS
1957

	Actual	100% Assessment ¹	40%-40%-10% Assessment ²	40% - 40% Replacement ³
<i>Business Taxes:</i> (Real Estate Personal Property Net Income)	\$ 276,400	\$ 305,606	\$ 282,225	\$ 301,830
<i>Residential Taxes:</i> (Real Estate Personal Property Less Veterans' Exemption)	\$ 322,135	\$ 300,818	\$ 321,741	\$ 304,527
<i>Farm Taxes: Total</i>	\$11,605	\$11,898	\$12,251	\$11,391
<i>Vacant Land:</i>	\$20,915	\$20,904	\$22,032	\$20,711
<i>Class II RR Property</i>	\$14,513	\$6,342	\$7,319	\$7,109
Total Taxes	\$ 645,568	\$ 645,568	\$ 645,568	\$ 645,568

1. Household personal property exempt, veterans' exemptions \$1,000.
2. Household personal property exempt, veterans' exemptions \$500. Business inventories 10%.
3. Household personal property and business inventories exempt, veterans' exemptions \$500. \$51 million business income tax replacement.

HIGHLIGHTS OF THE REPORT

THE FINDINGS AND CONCLUSIONS

TAX OUTLOOK

Property Taxes Doubled

Property taxes have more than doubled in amount in the relatively short space of ten years, and their increase has accounted for more than two-thirds of the total increase in State and local taxes over the past decade.

State Surpluses Disappearing

Accumulated surpluses are practically used up and continued expenditures at the present level will require additional tax support. If foreseeable new expenditures are undertaken, the fiscal situation will be even more acute. Such projections are subject to changes, but there is no denying that New Jersey has little reserve left to draw upon.

"No New Taxes" Effect

The policy of no new taxes has succeeded only in part. Its success has been limited largely to the legislative halls. Its effect may well have been to commit New Jersey to the support of its governmental services primarily from the property tax to the point of no return. A reform of the method of taxing personal property used in business could improve the attraction of this State for industrial location and employment.

100% ASSESSMENTS

Effect Variable

The effect of 100 per cent assessments cannot be generalized for the State as a whole, nor even for an entire county and especially not for an entire class of property. The separately determined increases are very much modified in their meaning when any such increase is compared with other increases or the aggregate effect of them all. The results on real estate must be still further qualified by the addition of 100 per cent assessments for personal property which could cause an entirely different result.

Shift to Personal Property

The *Commission* concludes that 100 per cent assessment of real and personal property would result in reductions in the burden on residential property. Such a reduction would be attributable, in

the great majority of taxing districts, to a shift of the tax burden to business personal property which is now taxable but is not taxed or taxed relatively lightly as compared with real estate. To avoid such a shift a change in the law will be required by which personal property will be treated differently from real estate.

Shifts Within Classes

A new legal standard would not of itself be responsible for a shift in the local tax burden. This shift results from the correction of disproportionate assessments and is required under the present law. It could be achieved in part by any aggrieved taxpayer under the decisions of the *Baldwin*, *Gibraltar* and *Lackawanna* cases without the *Switz* case. The shift among taxpayers within the same class could be as great, if not greater, than the shift between classes.

CLASSIFICATION

Shifts By Class of Property

It would not be possible to select an assessment ratio for each class of property to be applied uniformly throughout the State, and at the same time avoid major transfers of the tax burden among classes.

Shifts By Class of Municipality

Any purpose of avoiding substantial shifts in the tax burden which may be expected under uniform treatment, cannot be accomplished by allowing each district to select its own average assessment ratio nor by allowing it to select both its own average ratio and its own assessment ratio for each class of property. Any such compound classification would be classification run wild.

TAX LIMITS

Limitations Undesirable

Tax limitations would cause as many problems as they might cure, and they would be ineffectual as a restraint on local expenditures regardless of the standard of value adopted for local property tax purposes.

HOMESTEAD EXEMPTIONS

Exemption Not a Solution

The homestead tax exemption would not be a desirable modification of the general property tax at this time.

RECOMMENDATIONS

A majority of the *Commission* concludes that the Legislature may choose between either of two Alternative recommendations:

Alternative 1

General Description (40 per cent-40 per cent-10 per cent)

- Real estate assessment at 40 per cent of its full value.
- Business machinery and equipment at 40 per cent of its value.
- Business inventories at 10 per cent of its value.
- Household personalty exempt.
- Veterans' exemptions unchanged (\$500).

Specific Standards

- Real estate—40 per cent measured from current market values.
- Farm personal property—
 - Farm inventories, crops and livestock, 10 per cent market or book value.
 - Farm machinery—40 per cent depreciated cost.
- Business personal property—
 - Business inventories—10 per cent book value.
 - Other business personalty—40 per cent book value.

Assessment Administration

- Business personal property—
 - State assessed for certification to municipalities.
 - All other property locally assessed.

Alternative 2

An alternative plan complying with Section 2 of the Legislative Resolution (S. C. R. No. 28, Dec. 27, 1956) and which Commissioners Alexander and Dumont believe is the only alternative, may be summarized as follows:

Item	Tax in 1957
<i>Exempt from Property Taxation</i>	
Business inventories including farm crops and produce held for sale	\$31.0 million
Household personal property	15.5 million
Total	\$46.5 million
<i>Other Property</i> (real and personal)	
Uniform assessment at 40 per cent of full value— with provision that full value of business personalty may be presumed to be book value subject to review.	

Replacement Tax

Business net income tax—applicable to corporations and unincorporated business—with present Corporation Franchise Tax as a deduction (corporation pays greater of two taxes).

Revised Franchise Tax with 3 per cent income alternative	\$68 million
Present Franchise Tax	26 million
<hr/>	
Increased corporation tax	\$42 million
Unincorporated business tax (3 per cent)	9 million
<hr/>	
Total additional tax	\$51 million

State Revenues

Business income tax rates can be increased to provide additional State revenue—approximately \$22 million for each 1 per cent of tax rate.

EFFECTS OF THE RECOMMENDATIONS

TAXABLE VALUES

Real Estate Assessed Values

Assessed at 40% of true value, the real estate tax base (1957) would increase from \$6.9 billion to \$9.7 billion.

Business and Farm Machinery and Equipment Assessed Values

Assessed at 40% of cost less depreciation, the taxable values of machinery and equipment would increase from \$0.4 billion to \$1.7 billion.

Business and Farm Inventories

Alternative 1—Assessed at 10% of book or market value, the taxable value of inventories would decline slightly from \$0.39 billion to \$0.33 billion.

Alternative 2—Inventories would be dropped out of the tax base.

TAX RATES

The Average tax rate for 1957 would be reduced from \$8.30 per \$100 net valuation taxable to—\$5.59 per \$100 under Alternative 1 (40%, 40%, 10% assessment), \$5.28 per \$100 under Alternative 2 (40%, 40%, Replacement).

TAX LEVY (See Chart A)

Residential Taxes

Alternatives 1 and 2 will have different effects upon the various classes of property due to differences in the amount of tax absorbed by business.

Effect upon each class of property in each municipality shown in Appendix Tables.

Alternative 1—would reduce residential taxes by \$0.4 million—from \$322.1 million to \$321.7 million.

The net result of an \$8.1 million increase for residential real estate, a \$15.5 million reduction due to exemption of household personal property, less a \$7 million reduction in the tax value of veterans' exemptions.

Alternative 2—would reduce residential taxes by \$17.7 million—from \$322.1 million to \$304.4 million.

The net result of a \$9.6 million reduction for residential real estate, a \$15.5 million reduction due to exemption of personal property, less a \$7.5 million reduction in the tax value of veterans' exemptions.

Business Taxes

Alternative 1—would increase 1957 business taxes by \$5.8 million—from \$276.4 million to \$282.2 million.

The net result of a \$47.5 million reduction for business real estate and a \$53.4 million increase for business personal property.

Alternative 2—would increase 1957 business taxes by \$25.4 million—from \$276.4 million to \$301.8 million.

The net result of a \$53.7 million reduction for business real estate, an increase of \$28.1 for business personal property and a new \$51 million business income tax.

Farm Taxes

Alternative 1—would increase 1957 farm property taxes by \$0.6 million—from \$11.6 million to \$12.3 million.

Includes a \$0.6 million increase for farm real estate and small increase for farm personal property.

Alternative 2—would reduce farm taxes by \$0.2 million—from \$11.6 million to \$11.4 million.

Includes a \$0.1 million reduction for real estate and a \$0.1 million reduction for personal property.

Vacant Land

Alternative 1—would increase taxes upon vacant land by \$1.1 million—from \$20.9 million to \$22.0 million.

Alternative 2—would reduce vacant land taxes by \$0.2 million.

Class II Railroad Property

Assuming railroad property is presently assessed at full value the *Lackawanna* decision would reduce local railroad taxes by approximately \$7 million from the \$14.5 million levied in 1957, and neither Alternative 1 nor 2 would deal with this problem.

DISTRIBUTION OF REPLACEMENT REVENUE

Alternative 2—Amount

The yield of a 3 per cent net business income tax, less the amount of the corporate net worth tax, would be distributed annually to the municipalities, as a replacement for the exemption of business inventories and household goods under Alternative 2. Each municipality would receive a share of the distribution equal to the ratio of its own property tax levy to the total property tax levy of the preceding year. Any tax rate above 3 per cent on business net income would be retained by the State.

Class II Railroad Property Problem

A reduction in Class II Railroad property taxes is shown by the data, but is not caused by the recommendations. To offset the effect of such reduction, in municipalities having a large proportion of their tax rolls in Class II Railroad property, particularly in Hudson County, some distribution of additional State revenues would be required.

Effect

The net effect of the distribution formula on a county basis will be for business taxpayers as a group (excluding railroads) to provide at least as large a part of the local tax needs as at present. In state total and in the great majority of municipalities, on the basis of 1957 data, there would be a definite shift in the tax burden from residential property to business taxpayers.

NINTH REPORT OF THE COMMISSION ON STATE TAX POLICY

CHAPTER I

THE QUESTIONS BEFORE THE STATE

A Decade of Change

This report marks the end of a significant decade in the evolution of the New Jersey tax system. At the Constitutional Convention of 1947, much attention was given to the basic qualities of State and local taxation then apparent. While many ideas were explored, the Convention finally resolved upon a new tax clause which was intended to reconcile the various economic and political viewpoints affecting the local property tax. The new clause, which left the general property tax as the foundation of the county and municipal revenue system, read as follows:

Article VIII, Sec. I, Para. 1: "Property shall be assessed for taxation under general laws and by uniform rules. All real property assessed and taxed locally or by the State for allotment and payment to taxing districts shall be assessed according to the same standard of value; and such real property shall be taxed at the general tax rate of the taxing district in which the property is situated, for the use of such taxing district."

The changes thus made in the language of the Constitution of 1844 (as amended in 1875) were few in number but significant in effect, as follows:

(1) The assessment of real property was released of the old requirement of valuation "according to its true value"—this left the standard of valuation to the Legislature.

(2) Taxation of real property for local purposes was, however, limited by a new requirement that all such property shall be assessed according to the same standard of value and taxed at the general tax rate of the taxing district in which it is situated—this ended the possibility of classification of real property for local tax purposes, and spelled the doom of the 1941 Railroad Tax Law (under which all property used for railroad purposes was assessed and taxed at the flat rate of \$3.00 per \$100 upon its true value, as compared with the varying and generally higher tax rates prevailing in local taxing districts).

(3) The taxation of personal property, for either State or local purposes, was released of the former requirement of assessment according to its true value—this left this type of property clearly capable of classification by the Legislature for taxation.

(4) All property taxes, on real and personal property for State or local use, remained subject to the old requirement of general laws and uniform rules, but non-property taxes remained free of any State constitutional limitations.

When the State Government was reconstituted and the new tax clause took effect in 1948, there were many who had high hopes for a change in the revenue system and especially in the administration of the local property tax. Some saw a new opportunity to escape from the rigidity of true value as the standard of taxation; others anticipated the growth of a "balanced tax structure." Many of the tax ideas of that time went well beyond constitutional requirements.

In its Fifth Report, entitled *Taxation and Public Policy in New Jersey* (1950), this *Commission* set forth some seven projects from which it suggested that the Legislature could accomplish a complete revision of the State and local tax system, or any lesser objective within any one of the projects. An inventory of what has happened to each project speaks clearly as to the tax environment of the past decade:

- Project 1—to improve the administration of the general property tax—great progress but much remains to be done.
- Project 2—to balance the State budget without the use of highway funds—progress in reverse, with a new dependence upon highway funds to finance State aid for schools.
- Project 3—to remove inequalities from specially taxed groups—little progress and no current effort in this direction.
- Project 4—to remove the hazards of "tax lightning" from the field of business personalty—the situation has grown worse rather than better, as was predicted by the *Commission*.
- Project 5—to provide increased central financing for local governments—substantial progress through provision of additional State aid for schools, but without recourse to new tax bases.
- Project 6—to place local governments in a position to finance themselves from bases other than property—no support at the State level and little inclination at the local level.
- Project 7—to relieve the property tax upon real estate—instead of one-third relief, as suggested, the property tax has almost doubled since 1950 and maintained its position as the source of about two-thirds of all State and local tax support.

Except for the adoption of the Railroad Tax Act of 1948, in response to a memorial from the Constitutional Convention, and a new cigarette tax adopted in 1948, the State and local revenue system would have remained substantially unchanged over the past decade were it not for a series of decisions of the State Supreme Court. These decisions finally brought an end to a century of inequity in the law of the property tax. Their significance, and the scope of the political and fiscal questions they have raised, can be appreciated only in light of the history of tax policy in New Jersey.

Over the decade 1947 through 1957, State and local taxes raised in this State changed as follows:

Item	1957 <i>in millions</i>	1947	Per Cent Change
For State purposes	\$279.2	\$112.6	+148
For local purposes	730.1	340.1	+115
Total	\$1,009.3	\$452.7	+123
Property tax alone	\$648.3	\$310.8	+109
(Includes State Railroad Tax.)			

Certain significant observations may be made from this condensed comparison:

Total taxes for State and local purposes have increased 123 per cent and now amount to more than \$1 billion.

The rate of tax increase has been greater for State purpose taxes (148%) than for local purpose taxes (115%).

Taxes for State purposes have represented less than 1/3 of the total tax increase and the larger amount of taxes for local purposes has accounted for more than 2/3 of the increase over the past decade.

Property taxes have borne the brunt of the local purpose increase, having more than doubled in the relatively short space of ten years.

The trend in the State fiscal picture alone is equally simple and equally discouraging. The State Government has withdrawn entirely from the general property tax and derives most of its support from an assortment of excise taxes. This is what is meant by the often repeated observation that an individual in New Jersey pays no taxes for support of the State Government unless he drives an automobile, smokes, bets on the horses, drinks or dies. The State has not only managed to finance its own costs from this

assortment of taxpayers, plus corporate levies, but it has also found it possible to share an increasing amount of revenues with its counties, municipalities, and school districts. State appropriations for the fiscal year 1957-1958 include \$151 million of State aid for the support of local governments.

New Jersey State appropriations are expected to exceed revenues by \$14.3 million during the fiscal year ended June 30, 1958. Table 1.1 shows that this condition of an unbalanced State budget has occurred in five of the six years since 1953. Furthermore, inclusion of non-budgeted revenues and expenditures changes the picture of deficit financing very little.

With the single exception of 1955, State General Treasury Fund expenditures have exceeded revenues during each year since 1953. Dedicated fund expenditures have exceeded revenues every year since 1954. The over-all picture of all funds is clearly one of increasing revenues more than offset by greater increases in expenditures.

This shortage of State revenues has been made up by drawing upon surpluses accumulated from prior years. Table 1.1 shows that the General Treasury free surplus was reduced from \$52 million in 1955 to \$25.9 million on June 30, 1957. It is expected to be further reduced to approximately \$5.5 million by June 30, 1958.

Accumulated surpluses are practically used up and continued expenditures at the present level will require additional tax support. If foreseeable new expenditures are undertaken, the fiscal situation will be even more acute. Such projections are subject to changes, but there is no denying that New Jersey has little reserve left to draw upon.

TABLE 1.1
NEW JERSEY STATE REVENUES, EXPENDITURES AND BALANCES
1953-1958
(amounts in millions of dollars)

	1953	1954	1955	1956	1957	1958
Budget—						
Revenues Budgeted	\$205.2	\$220.2	\$262.9	\$278.8	\$306.5	\$318.1
Appropriations	216.7	221.6	247.4	299.1	323.7	332.4
Excess (+) or Deficit (—)	—\$11.6	—\$1.4	+\$15.5	—\$20.4	—\$17.2	—\$14.3
General Treasury Fund (Includes Non-budgeted Items)—						
Revenues, transfers and credits	\$269.4	\$291.2	\$334.7	\$342.9	\$410.5	....
Expenditures and transfers	276.5	293.1	308.1	365.9	412.2	....
Excess (+) or Deficit (—)	—\$7.1	—\$1.9	+\$26.6	—\$23.0	—\$1.7	....
General Treasury Surplus—						
Appropriation balance and reserves	\$35.5	\$32.3	\$42.3	\$31.7	\$43.6	\$11.6 EFS ¹
Free surplus	34.0	35.4	52.0	39.6	25.9	—6.1 LS ²
Total Balance and Surplus	\$69.5	\$67.6	\$94.2	\$71.2	\$69.6	\$5.5
Dedicated Funds—						
Revenues, transfers and credits	\$140.6	\$109.5	\$111.3	\$111.6	\$123.0	\$127.0
Expenditures and transfers	66.8	112.4	146.0	124.7	129.4	134.4
Excess (+) or Deficit (—)	+\$73.8	—\$2.8	—\$34.7	—\$13.0	—\$6.4	—\$7.4
Dedicated Fund Balance	\$653.3	\$650.3	\$615.6	\$602.6	\$596.2	\$588.8
Total—All Funds (Excludes Transfers)—						
Revenues and credits	\$407.6	\$397.6	\$439.1	\$448.8	\$531.1	....
Expenditures	340.9	402.3	447.1	484.8	539.1	....
Excess (+) or Deficit (—)	+\$66.7	—\$4.7	—\$8.0	—\$36.0	—\$8.0	....
Balances	\$722.8	\$717.9	\$709.9	\$673.9	\$665.8	....

¹ EFS, Estimated Free Surplus.

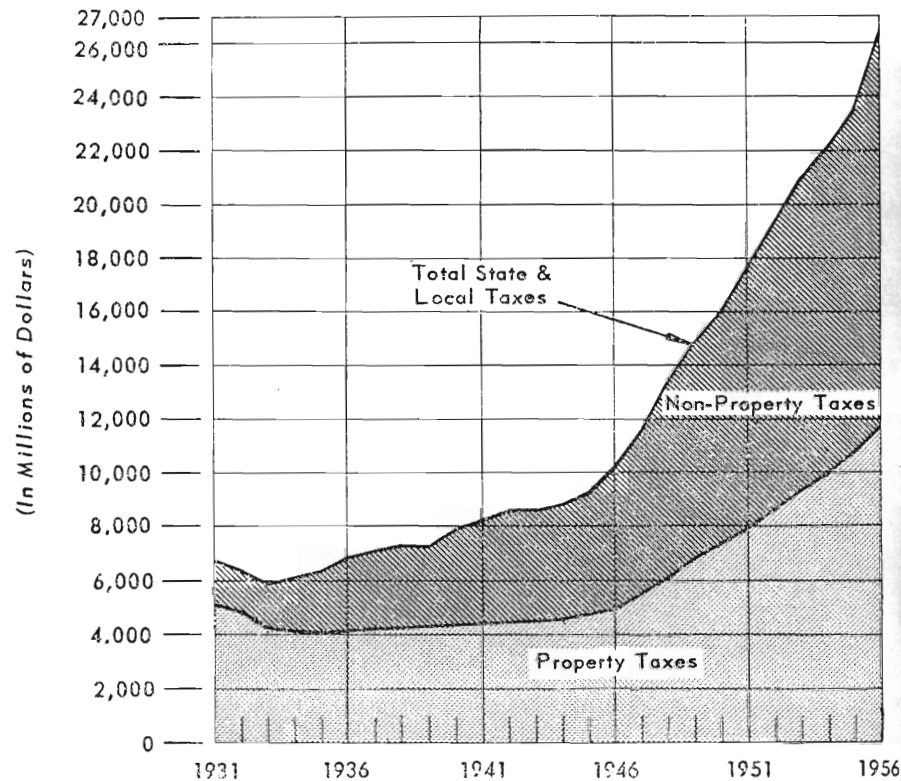
² LS, Less Supplemental.

Source: N. J. State Division of Budget and Accounting.

CHART B

TRENDS IN STATE AND LOCAL TAXES
1931 - 1956

TOTAL ALL STATES - UNITED STATES



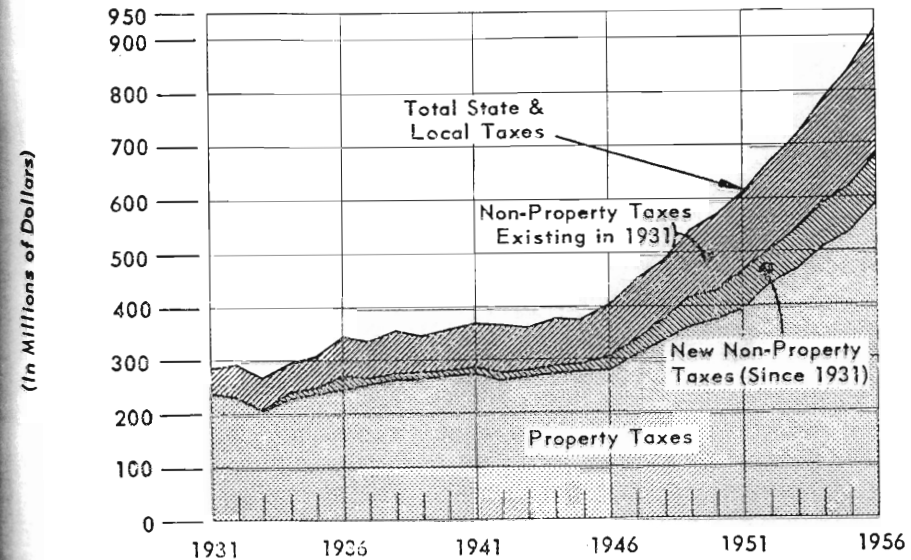
Local governments could continue to meet their rising costs for schools and other purposes out of the property tax, and the State could readily meet its own costs from the revenues it now has available by simply reducing the amount of State aid that it pays to local governments.

It is unrealistic to assume that property taxes can be reduced, or even held at or near their present level, or that State expenditures may be maintained at their present level, without some form of new or increased nonproperty taxes. New Jersey has long been proud of the taxes it does not have; but the price it must pay for such pride is a continuing burden on real and personal property for the support of local governments within the State.

CHART C

TRENDS IN STATE AND LOCAL TAXES
1931 - 1956

TOTAL NEW JERSEY



The question remains: Do the people of New Jersey wish to pay this price of freedom from new non-property taxes?

The problems of this State are both like and unlike those of other states. On a national basis, the tax requirements of state government have been rising steadily over the past quarter of a century. As shown in Chart B, there has been a large shift from property taxes to non-property taxes in meeting these requirements. In this State, however, more than one-half of the increase in total tax requirements has been met from property taxes.

The theme of "no new taxes" has long dominated the fiscal environment of this State. It is not easy to reconcile the attraction of this theme with the annual increases in tax burdens throughout the State. Over the past quarter of a century, as shown in Chart C, New Jersey, like other states, has been meeting its rising costs of government out of rising tax requirements—very little of which have been met from "new taxes".

Between 1931 and 1957, New Jersey State and local tax revenues increased \$719.7 million. As shown below, property taxes provided

\$412.5 million (57.3 per cent) of this increase. Non-property taxes existing in 1931 provided \$197.4 million (27.4 per cent) of the increase and "new taxes" adopted since 1931 provided \$109.8 million (15.3 per cent). Although property taxes covered more than half of the total tax increase, they declined in relative importance from 80 per cent of all tax revenue in 1931 to 64 per cent of the total in 1957.

Year	Property Taxes ¹	Other Taxes	"New" Taxes	Total Taxes
	<i>in millions</i>			
1931	\$235.8	\$53.8	....	\$289.6
1941	273.4	82.7	\$9.8	365.9
1951	397.8	152.4	67.1	617.3
1956	582.9	236.6	95.7	915.2
1957	648.3	251.2	109.8	1,009.3
26 year Increase	412.5	197.4	109.8	719.7
Per Cent Distribution of Increase	57.3	27.4	15.3	100.0

¹ Includes Railroad Taxes for State use.

The Commission would emphasize this:

The policy of no new taxes has succeeded only in part. Its success has been limited largely to the legislative halls. Its effect may well have been to commit New Jersey to the support of its governmental services primarily from the property tax to the point of no return.

In its *Fifth Report* (1950) the *Commission* noted an environment which had made broad-scale tax reform impossible:

The State of New Jersey is completely lacking in a long range fiscal policy. Over the past fifteen years its financing has been on the basis of sheer expediency. Neither taxpayer, State administrator, municipal or county official nor school supervisor has known from year to year what his financial responsibilities would be and each session of the Legislature has created the greatest apprehension among tax paying and tax spending units alike.

Not only is there no clearly defined fiscal policy, there is likewise no basic fiscal philosophy. "Ability to pay" that has guided the tax policy of both federal government and some of the leading industrial states has almost no place in the tax thinking or tax practices of New Jersey. In place of this, ownership of property—among the most regressive of all tax bases—has been the unformulated standard of equity throughout the State. Its application accounts for 66 per cent of all State and local taxes and 92 per cent of all local taxes. Aside from a few heavily taxed special groups—banks, insurance companies, utilities and railroads—and a small medley of taxes based upon "benefits" or excises, there is no tax base of significance to the taxpayer except the property tax. This has led to a mass of inequities that are almost unbelievable as the basis for the support of public services in a modern industrial State.

Under the political conditions then existing, the *Commission* found it necessary in its *Fifth Report* to confine itself to "an over-all analysis of the existing tax situation within the State and the implications of suggested changes that may guide future thinking on the subject—(and a) hope that, after a period of consideration and discussion of the material, bases may be laid for some of the adjustments so essential to the equitable treatment of taxpayers in a great industrial State."

After seven years of consideration and discussion and State-wide political campaigns complete with "no new tax" platforms, the major accomplishment has been progress toward greater equality in property tax assessments. The 1957 Gubernatorial campaign was conducted in an environment established by the following tax planks in the two major party platforms:

Republican

- "We are against a personal income tax.
- "We are against a general sales tax.
- "We are against a 100 per cent assessment of real property."

Democratic

- "We are against and will continue to oppose the imposition of any general sales tax and personal income tax. The Democratic Party will continue its opposition to unfair, discriminatory taxation. Furthermore there should be no basic change in the tax structure without a public referendum."

During the course of the campaign, it became apparent that New Jersey is no more ready to consider seriously major tax changes in 1958 than it was in 1950. Once again the *Commission* is in the position of operating under a resolution which it can fulfill only in a limited way.

Both political parties have again placed themselves in the position of being unable to act upon any recommendation involving the adoption of "general sales or personal income taxes." For all practical purposes, therefore, New Jersey remains dedicated to the goal of disproving the widely held belief that property taxes are more easily replaced than repaired. The implication is that any recommendation capable of legislative action must be largely confined to finding a way to make the property tax work in a complex industrial State. However, even this objective is limited to what can be accomplished without full value (100 per cent) assessments which have been written off by both political parties. Whatever tax equity is to be accomplished must, therefore, be

within the framework of the property tax and such non-property taxes as remain.

There is one important exception. Vagaries of personal property assessments have been so compounded by tax growth as to render the position of this important class of property untenable. Recognition that assessment of personal property in general—and business inventories in particular—at any uniform ratio applicable to real estate offers the prospect of doing serious harm to New Jersey's business position and has created an environment in which alternative tax methods seem attractive enough to challenge the "no new tax" tradition.

Evolution of the "no new tax" slogan has been such as to leave some doubt that it still includes business income taxes. The 1957 political campaign was notably silent concerning this tax. One Bill (A. 278) before the 1957 Legislature session would impose a 7 per cent net income tax upon corporations. Reporting in June, 1957, the New Jersey *Commission to Study Laws Affecting Industrial Development* recommended that the present corporation franchise tax:¹

. . . ultimately be eliminated and replaced by a franchise tax measured by net income; and that this franchise tax measured by net income be made applicable to all business whether incorporated or not.

The same Commission also expressed concern about personal property taxes and recommended that:²

. . . the tax on tangible personal property (including household goods) be abolished. In lieu thereof, it is recommended that there be adopted at the State level a retail sales and use tax, part of the proceeds of which would be distributed to the municipalities.

PROPERTY TAX DEVELOPMENT

The subject of property taxation did not receive formal legislative attention after 1947 until the adoption of the Haines resolution in 1952 (J. R. No. 8) which called upon this *Commission* to undertake a special study "concerning the problem of equalization throughout the State of assessments upon real and personal property." That resolution resulted in the preparation and publication of the Commission's Sixth Report, subtitled *The General Property Tax in New Jersey: A Century of Inequities* (1953).

¹ State of New Jersey, Commission to Study Laws Affecting Industrial Development. Report. (Trenton, N. J.: June, 1957), p. 25.

² *Ibid.* p. 14.

This report opened its address to the Governor and the Legislature with a frank statement of its meaning:

"This study of the general property tax touches upon the most sensitive issues of State and local government. It was undertaken because of a long-held belief that property valuations and assessments were marred by the grossest inequities. The study demonstrates and confirms this belief; and justifies the conclusion that the people of New Jersey must adopt drastic and comprehensive measures, if they wish to eliminate the discriminatory practices which mark the administration of the largest single tax in the State."

At that time, the *Commission* reiterated its previous warning that the removal of "tax lightning" upon personal property was a first order of business (see the *Second* and *Fifth* Reports) and renewed its previous recommendations that the taxation of household goods and personal effects be abolished and that business inventories and machinery and equipment be separately classified for taxation. It proposed that the general property tax be improved as follows:

"First, the establishment of workable assessment districts—the county unit;

"Second, the installation of professionally qualified assessors on a full-time employment basis;

"Third, revision of the property tax law to require assessments on a biennial basis and according to an objective formula; and

"Fourth, new standards and methods of taxpayer compliance to make the assessment process a cooperative effort between the assessor and the taxpayer."

The *Commission* renews these recommendations of the *Sixth Report* for administrative improvement of the general property tax. These specific proposals may take on new meaning, however, in light of the adoption, upon the *Commission's* recommendation, of the landmark piece of legislation, known as the State Equalization Law, Chapter 86 of the Laws of 1954. That statute provides for the annual promulgation of a table of equalized valuations for each taxing district to be made by the State director of the division of taxation and to be used as the basis of apportionment of State aid for schools. This legislation, as administered by the State Local Property Tax Bureau, has created a new environment for local property taxation.

THE JUDICIAL DECISIONS

The judicial history of the tax clause of the Constitution since 1947 has resulted in the major tax development of the past ten years. Prior to 1947 the constitutional requirement that real and personal property be assessed "according to its true value" presented two major obstacles to changes in the system of property taxation; first, it was deemed to be a bar to the classification of property for tax purposes (except for some form of in-lieu tax, such as the bank stock tax or possibly the net worth tax on corporations), and it was also a bar to judicial relief from discriminatory assessment where the taxpayer suffering from discrimination was not assessed in excess of the constitutional standard of true value. Under the old true value clause, the courts had taken the position that it was the constitutional duty of the assessor to value property according to its true value, and that it was beyond the power of either the courts or the Legislature to establish a remedy for a taxpayer who had been assessed at any valuation below true value, whatever may have been the discriminatory effect of such assessment as compared with the general level in the community.¹ It was this rule that permitted the gross discriminations which the *Commission* described as "a century of inequities" in its *Sixth Report*. The effect of the rule was so severe that the United States Supreme Court held it to be a violation of the due process clause of the Federal Constitution where discrimination could be shown to have been substantial and willful.²

With the adoption of the new tax clause, the courts were no longer bound by the constitutional requirement of true value but were instead mandated to achieve equality of treatment "according to the same standard of value." While the Constitution had thus been changed so as to remove the bar to equality of treatment, the statutes had nevertheless remained unchanged with respect to true value as the standard of assessment. Accordingly, the *Commission* recommended in its *Sixth Report* (at page 159) that the statutes be amended so as to provide relief from discriminatory assessment even though the complainant's property might not have been assessed at more than its true value. While this recommendation was pending, the courts found themselves presented with a series of cases, beginning in 1952, which raised the same

issue. The decisions in these cases have achieved the effect of the legislative remedy the *Commission* had proposed.

The decisions of the courts, culminating in *Switz v. Middletown Township*, 23 N. J. 580 (1956), will be permanently significant because they deal with equality of treatment in the distribution of the tax burden among separate taxpayers, rather than "equalization" of the total tax rolls among taxing districts. The cases establish these two principles:

First—Equality of treatment under the tax law is guaranteed to every taxpayer by State and Federal Constitutions—whatever the standard—and where a choice must be made between such equality and enforcement of the legal standard, the courts will apply the rule of equality.

Second—The legal standard of assessment will be enforced by the courts at the suit of any taxpayer, and so long as the standard is set by statute at 100 per cent of the valuation, the courts will mandate that standard.

The *Middletown Township* case is technically limited to that township and only to real estate, but the opinions of the Supreme Court in the case leave no doubt that the same principle is applicable throughout the State and to *both real and personal property*. The mandate of the Court, states the majority opinion, "shall not apply to the tax years 1957 and 1958 . . ." In effect, this allows the present administrative practices, which follow diverse and informal policies of fractional assessment, to continue unaffected by the court's mandate until January 1, 1959. After that date it would be technically necessary to institute separate actions against the various assessors other than the Middletown Township assessor, but an assessor who did not follow the principle of that case would be inviting so much confusion for his community that it is unlikely that such separate actions would be required.

When the Court mandated 100 per cent assessments, the average ratio of assessed to true value in the taxing districts of the State was 29.10 per cent. One district was as low as 8.31 per cent and one as high as 77.61 per cent. Within these average ratios for the various districts, separate taxpayers were being assessed far above and far below the average. It was to the latter that the litigation was directed, and inequalities were so great among taxpayers in the same class, as well as among classes, that only a complete reassessment could correct the situation. The over-all

¹ *Royal Manufacturing Co. v. Board of Equalization*, 76 N. J. L. 402 (1908), affirmed 78 N. J. L. 337 (1909).

² *Hillsboro Township v. Cromwell*, 326 U. S. 620, 66 Sup. Ct., 445, 90 L. Ed. 298 (1946).

implications of the Court's decision may be seen from the change it would have wrought were it effective for 1957:

State Totals	Assessed in millions of dollars	100 Per Cent Full Value
Real Estate Valuations	6,935	24,214
Personal Property Valuations	1,118	8,762
Average Tax Rate	\$8.30	\$2.00

VOTERS' ACTION

While the *Middletown Township* case was pending in court, and in anticipation of the decision actually rendered, efforts were made in the Legislature to modify the statutory standard, or failing in that, to adopt a constitutional amendment which would allow each taxing district to establish its own standard. Such an amendment was actually adopted by the Legislature in the form of A. C. R. 36, of 1956. This resolution to amend the Constitution read as follows:

Art. VIII, Sec. I, paragraph 1 of the Constitution (1947) is amended to read as follows:

"Property shall be assessed for taxation under general laws and by uniform rules. All real property assessed and taxed locally or by the State for allotment and payment to taxing districts shall be assessed according to the same standard of value; and such real property shall be taxed at the general tax rate of the taxing district in which the property is situated, for the use of such taxing district. *The Legislature may authorize the governing body of any municipality constituting a taxing district to establish a proportion of the standard of value at which such real property situate therein shall be assessed, and such proportion shall be uniformly applied to all such real property within the taxing district.*"

The resolution was hotly but earnestly debated throughout the State prior to its submission to the people at the general election November, 1956. Many students of taxation opposed it as a step backward. This view could be sustained by the history of the tax clause in the Constitutional Convention. When it came to vote on the tax clause, known as Amendment No. 16 in the Convention, one of the delegates (Mr. Cavicchia) raised the question as to whether the amendment would require a uniform state-wide standard of value as fixed by the Legislature or whether it would permit varying standards of value among the taxing districts. (*Proceedings*, Volume 1, page 782.) One of the delegates who had been instrumental in working out the tax clause compromise, Senator Van Alstyne, responded that it was intended that the standard should be general throughout the State (*Ibid.*). Sub-

sequently, when the Committee on Arrangement and Form submitted the final draft of the article on taxation of finance, there was a change in the phraseology of the tax clause which was explained on the floor of the Convention by Mr. Milton and Mr. Reed, in response to a question by Mr. Lightner, as an effort to avoid the possibility raised by Mr. Cavicchia and later by Mr. Clapp, that the language originally phrased might be interpreted to give the taxing districts autonomy in the fixing of their own standards of value. (*Proceedings*, pp. 833-841.)

A re-examination of the question almost ten years later by this Commission, and such organizations as the New Jersey Taxpayers' Association and the Board of Editors of the New Jersey Law Journal, as well as the great predominance of the public press as expressed in editorial comment, continued to favor a uniform state-wide standard of assessments, and therefore opposed the amendment. It is significant, however, that even the sponsors of the amendment were proposing the retention of a uniform standard within each taxing district. At the polls, it was defeated by an overwhelming popular vote.

PROBLEM PRESENTED TO THE COMMISSION

After the Supreme Court decided the *Middletown Township* case, the Legislature once again turned to the subject of property tax assessment. The very mandate of the Court suggested a breathing spell for the development and adoption of such a modification of the statutes as might better fit the legislative sense of sound policy. There were many proposals made and some more or less formally advanced, including the calling of a "tax convention," which had been urged for a number of years in the past as a way toward the solution of the State's tax problems. The immediate motivation of legislative thinking appeared to be heavy pressure to do something to avert the consequence of the Court's decree that all property must, under the statutes as they exist, be valued at its true value for tax purposes. Beneath the immediate motivation, however, was the deeply held conviction of many persons in and out of the Legislature that this "emergency" should be the occasion for an even more fundamental review and revision of the State and local tax system.

On December 27, 1956, the Legislature adopted and filed Senate Concurrent Resolution No. 28, entitled "A Concurrent Resolution requesting the Commission on State Tax Policy to make a special study of the impact upon the State tax program of certain prob-

lems related to taxation of real property." The resolution expressly set forth the legislative requirement as follows:

"Be it resolved by the Senate of the State of New Jersey (the General Assembly concurring):

"1. The Commission on State Tax Policy is hereby requested to undertake a special study of the impact of enforced assessment of real property at 100 per cent of its true value upon tax rates, the taxation of personal property, municipal and school debt limits, State aid formulas, special taxes based upon real property assessments, existing exemptions and general tax revenue requirements of counties and municipalities.

"2. The Commission shall report specially to the Governor and the Legislature its findings and recommendations for temporary, transitional and permanent changes, if any, in the entire State tax structure which the results of its study dictate to be desirable or necessary for equitable distribution of the total imposition of State and local taxes."

SUMMARY OF THE BACKGROUND

This report thus comes as the result of a decade of experience under the new Constitution, and of at least a quarter of a century of efforts to make do with our existing tax structure. Financial pressures have meanwhile arisen on all sides to strain and test the State and local tax systems. The judicial mandate for equality of treatment under the law, however necessary and desirable, has added a period of radical re-adjustment in the misplaced tax burdens of the past, among property taxpayers. These adjustments are even more onerous when they come at a time of rising tax rates and demands for more governmental funds. Finally, the tools of adjustment must be found within narrow political boundaries which have resisted a decade of heavy pressures for change. It was all of this and more that the Legislature referred to this *Commission* when it adopted S. C. R. No. 28, quoted above.

Before attempting to answer the deep-seated questions posed by the concurrent resolution, the *Commission* has deemed it necessary and desirable to answer several subsidiary questions: Who pays the present tax levies? How does the tax burden on homeowners and business in New Jersey compare with that in other states? How does it compare as between these two groups of taxpayers within this State? What would be the actual effect of 100 per cent assessments if uniformly applied? Would any limitations or restraints on local taxing power be required? What would be the next logical step toward ultimately achieving the goals of a soundly balanced and equitable tax system?

CHAPTER II

THE STATE AND LOCAL TAX IMPACT

The ultimate expression of State tax policy is the way the cost of State and local government is spread over the resources of the State. Little can be said about the tax system of New Jersey without coming quickly to the effect of the policy known as "no new taxes." This has been a New Jersey slogan for at least twenty years. Although New Jersey has not avoided "new taxes" completely, it has remained largely a property tax State for more than a quarter of a century, when other states were reaching out for other tax sources. (See Charts C and B.)

The State has been free from corporate and individual income taxes and from consumers' sales taxes and general business taxes measured by gross receipts which have found their way into the tax systems of other states. The effect has been twofold: *First*, New Jersey relies mainly on the property tax to meet its revenue needs for local government and on selective sales and excise taxes for state government; *second*, this *Commission* has said on other occasions, an individual who does not drive an automobile, smoke, drink, gamble or die, pays no tax whatsoever for the support of State Government. The State has entirely retired from the property tax (except for a minor yield of the State property tax on the main stem of railroads) and has been left to these special excises for the entire support of State Government.

The system may be illustrated by reference to the yield of major tax revenues of recent calendar years, as follows:

	1955	1956	Increase Dollars	Per Cent Increase
	<i>in millions of dollars</i>			
State purposes	\$240.2	\$274.8	\$34.6	14.4%
Local purposes	587.1	637.2	50.2	8.6
State Total	\$827.3	\$912.0	\$84.8	10.3%

In its broadest view the present fiscal system produced these results in 1956. Local taxes represented about 70 per cent of all State and local taxes. The local property tax alone produced 63.6 per cent of all taxes paid in New Jersey, exclusive of federal taxes, and represented 90 per cent of all taxes for local purposes (Table 2.1).

The \$84.8 million tax increase occurring between 1955 and 1956 included \$34.6 million of increased taxes for State purposes and \$50.2 million of increased taxes for local purposes. The \$34.6 million increase in State taxes resulted in part from natural growth as reflected in taxes upon gasoline, corporations, alcoholic beverages and pari-mutuel betting. These taxes increased almost \$7.9 million with no change in tax rates. Motor vehicle taxes increased \$12.8 million because of the combined effect of growth and changed license years. Cigarette taxes increased \$10.7 million as a result of growth and increased rates. An unstable tax base, death taxes, increased \$3 million.

The \$50.2 million increase in local taxes resulted almost entirely from property taxes (\$45.9 million) and public utility taxes (\$4.1 million). While local license fees are not reflected, these totals do include such things as the county administered bank stock tax and the State administered financial business tax. They also include the Atlantic City sales tax which is the only substantial, locally-administered non-property tax in the State.

TABLE 2.1
NEW JERSEY STATE AND LOCAL TAXES—CALENDAR YEARS 1955 AND 1956

	1955	1956	Increase	Per Cent Distribution Tax 1956	Increase 1956 Over 1955
Taxes for Local Purposes—					
Property (including Railroad)	\$533,934,313	\$579,836,692	\$45,902,379	63.57%	54.11%
Public Utility	47,742,676	51,845,270	4,102,594	5.68	4.84
Bank Stock	2,535,930	2,696,524	160,594	0.30	0.19
Sales Tax (Atlantic City)	1,546,985	1,584,672	37,687	0.17	0.04
Financial Business	643,294	657,489	14,195	0.07	0.02
Inheritance (5% to counties)	599,245	617,593	18,348	0.07	0.02
Poll Taxes	35,599	30,764	—4,835	...	—0.01
Total Local Taxes	\$587,038,042	\$637,269,004	\$50,230,962	69.87%	59.21%
Taxes for State Purposes—					
Gasoline	\$67,196,301	\$70,306,966	\$3,110,665	7.71%	3.67%
Motor Vehicles and Drivers	57,835,230	70,672,972	12,837,742 ¹	7.75	15.13
Corporations and Insurance	36,160,382	38,551,572	2,391,190	4.23	2.82
Cigarettes	19,951,500	30,622,402	10,670,902 ²	3.36	12.58
Alcoholic Beverages	18,274,435	19,672,222	1,397,787	2.16	1.65
Pari-Mutuel	22,821,873	23,797,966	976,093	2.61	1.15
Death Taxes (excluding 5% county)	13,716,359	16,759,919	3,043,560	1.84	3.59
Railroad (State only)	4,152,468	4,320,074	167,606	0.47	0.20
Outdoor Advertising ³	89,524	88,439	—1,085	0.01	....
Boxing and Wrestling	16,213	20,243	4,030	....	....
Total State Taxes	\$240,214,285	\$274,812,775	\$34,598,490	30.13%	40.79%
Total State and Local Taxes	\$827,252,327	\$912,081,779	\$84,829,452	100.00%	100.00%

¹ Change in licensing year.

² Change in tax rate.

³ Approximately \$20,000 of advertising taxes paid to municipalities by State.

In addition to being the major tax source in New Jersey, the property tax is the one tax which varies directly with local budgets. Tax rates are determined each year at levels required to support that part of the budgets not covered by other foreseeable revenues. This is in sharp contrast with other tax measures which apply at fixed rates until such time as they are changed by legislation.

In brief:

The revenue system of the State is heavily dependent upon a tax base—property—which is broad in its impact and relatively stable in its yield. The burden of rising costs of government must bear more heavily upon property for lack of such major non-property taxes as general sales and income taxes. The relative ability of local government to furnish governmental services, moreover, is peculiarly affected by the distribution of taxable property as compared with the distribution of population.

COMPARATIVE TAX BURDEN

New Jersey is one of only three states which have neither an income tax, a general sales tax nor a gross receipts tax. The other two are Nebraska and Texas. This is about all that these three states have in common. Nebraska is a rural state with 10 times the area and one-fourth the population of New Jersey. Its largest city, Omaha, has a population of 251,000. Texas, the largest state, has only one and a half times the population of New Jersey. It collected \$195 million from severance taxes on oil and gas during the year ended June 30, 1957; representing 30 per cent of all Texas State tax collections and a little more than half of all severance taxes collected by all states. In contrast to Texas, New Jersey and Nebraska find their escape from sales taxes and income taxes in the property tax. In 1956 (Table 2.2), property taxes represented 71 per cent of all state and local tax collections in Nebraska, 64 per cent of the total in New Jersey, and approximately 44 per cent of all state and local taxes in Texas.

Sales taxes and income taxes together supplied 24.95 per cent of all state and local tax revenues in the 45 states using one or both of them.

TABLE 2.2
COMPARATIVE SOURCE OF STATE AND LOCAL TAXES,
FISCAL YEARS ENDED IN 1956

Tax Category	New Jersey	Nebraska	Texas	45 Other States
General Sales and Gross Receipts ..	.....	.....	.....	14.87%
Income Taxes .....	.....	.....	.....	10.08
Property Taxes	63.96%	71.28%	44.63%	43.64
Motor fuels, Vehicles and Drivers ..	13.98	18.02	21.13	15.45
Selective Sales and Receipts except Motor Fuel	15.27	5.32	12.64	8.71
Other Taxes and Licenses	6.79	5.38	21.60	7.25
Total Taxes	100.00%	100.00%	100.00%	100.00%
Taxes Per Capita*—				
State	\$47.79	\$52.99	\$69.82	\$82.47
Local	121.14	91.87	60.22	77.50
Total	\$168.93	\$144.86	\$130.04	\$159.97

* Based upon estimated population excluding Armed Forces, July, 1956.

Source: U. S. Census, *Summary of Governmental Finances* and State sources.

This is somewhat more than the 20.32 per cent difference in emphasis upon property taxes as between New Jersey (63.96 per cent) and 45 sales and income tax states (43.64 per cent) and less than the 27.64 per cent difference as between Nebraska (71.28 per cent) and the 45 states.

Contrary to the general assumption, taxes upon motor fuel, motor vehicles and drivers represent a smaller portion of all State and local taxes in New Jersey (13.98 per cent) than the average for 45 sales and income tax states (15.45 per cent). Nebraska and Texas look to these taxes for about 18 per cent and 21 per cent of their total respectively.

Selective sales taxes upon such things as cigarettes, alcoholic beverages, utilities and pari-mutuel racing represent more than 15 per cent of all State and local taxes in New Jersey as compared with an average of less than 9 per cent in 45 sales and income tax states. Texas looks to these taxes for 12.6 per cent of all taxes and Nebraska for 5.3 per cent.

New Jersey and Nebraska each depend less upon the remaining taxes and licenses than the average sales and income tax state. Because these miscellaneous taxes include severance taxes, Texas derives almost 22 per cent of its total state and local taxes from sources averaging about 7 per cent of the totals in 45 sales and income tax states.

Percentage distributions have the effect of causing unlike amounts of tax to appear the same. This can be overcome by comparisons based upon tax collections per capita of population.

In 1956, New Jersey taxes averaged \$168.93 per capita as compared with \$159.97 in the 45 sales and income tax states, \$144.86 in Nebraska and \$130.04 in Texas.

Emphasis upon property taxes causes New Jersey and Nebraska to place greatest tax collecting responsibility upon local governments. New Jersey stands out in this respect with its \$168.93 per capita total tax bill divided as between \$47.79 State and \$121.14 local. Local taxes are thus 2.5 times as much as State taxes.

Nebraska State taxes (\$52.99) are about \$5 per capita higher than New Jersey. However, Nebraska local taxes (\$91.87) are \$29 per capita lower than New Jersey and the combined state and local tax is \$24 per capita lower in Nebraska than in New Jersey. Unlike New Jersey, Nebraska has a state property tax as well as a local one.

Texas State taxes (\$69.82) are about \$22 per capita higher than New Jersey. But Texas local taxes (\$60.22) are about half the per capita amount in New Jersey. The combined total in Texas is almost \$39 per capita lower than New Jersey. In 45 sales and income tax states the \$159.97 per capita tax bill is divided as between \$82.47 state and \$77.50 local.

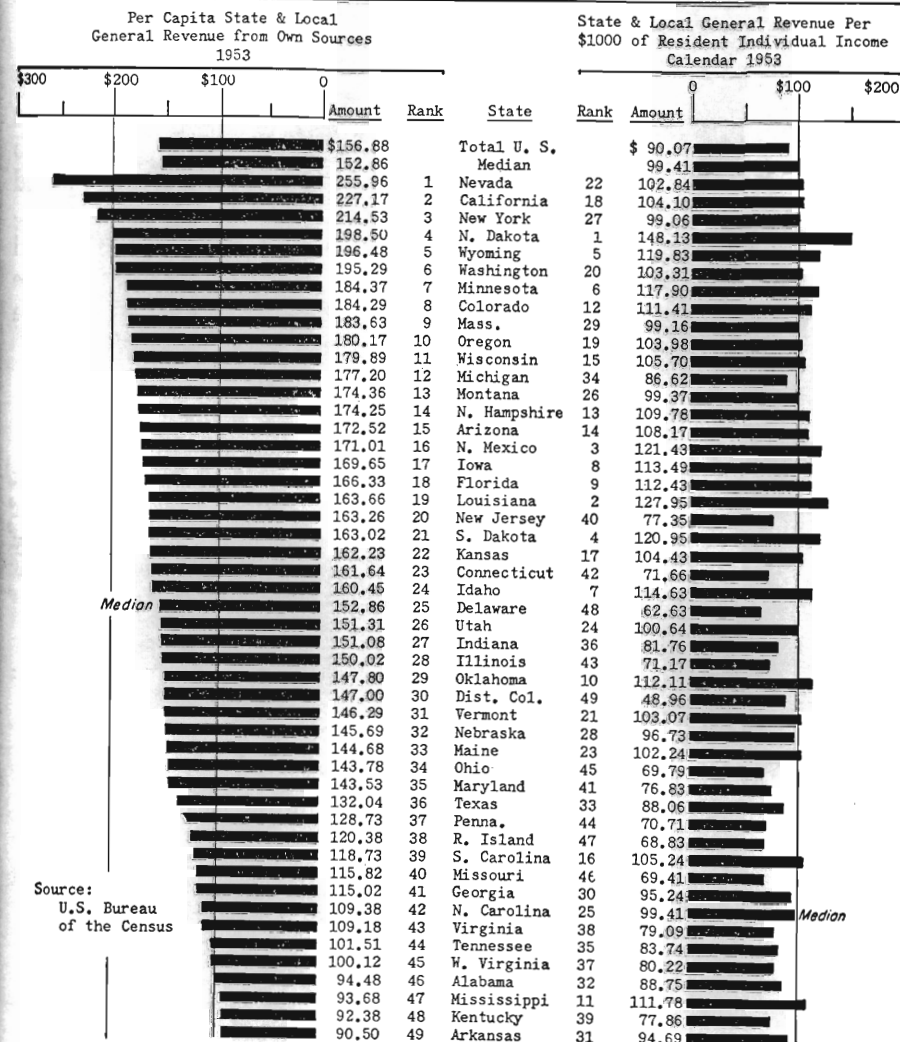
The Commission concludes:

New Jersey counts among its assets a low per capita State tax and a freedom from general sales and income taxes. Attractive as these assets are, however, they are no assurance against high or burdensome taxes to support essential services of both state and local governments.

This is shown by a comparison of total general revenues for all state and local governments among the various states both per capita and as a percentage of individual income payments received in the state. The latest available data for such a composite picture are for 1953, as shown in Chart D, from which it may be generalized that—

CHART D

COMPARATIVE BURDEN OF GENERAL REVENUES, BY STATES, PER CAPITA AND IN RELATION TO INCOME PAYMENTS, 1953



In 1953 New Jersey ranked 20th in the burden of total State and local general revenues per capita of population and 40th as measured in relation to income payments received by individuals in the State. Nothing has occurred over the past five years to suggest any change in the ranking.

COMPARATIVE TAX RATES

Table 2.3 shows the tax rates at which non-property taxes apply in New Jersey and other states. Although New Jersey depends heavily upon selective sales or gross receipts taxes applicable to motor fuels, cigarettes, pari-mutuels, alcoholic beverages, and insurance premiums, its tax rates are moderate even when compared with similar taxes in states imposing general sales and income taxes. With its strong economic base, New Jersey is able to derive substantial income from selective sales and privilege taxes which yield lesser sums elsewhere.

COMPARATIVE TAXES PAID BY INDIVIDUALS

Any realistic comparison of tax positions of individuals must be with reference to specific individuals in specific locations. For purposes of such comparison, all State and local taxes payable by two example individuals have been estimated in Trenton, New Jersey; Albany, New York and Harrisburg, Pennsylvania, as well as in townships suburban to each of these cities.

The two example individual taxpayers are described as follows:

Individual A—\$5,000 annual income

- Residence in city or suburban township.
- Place of work within city.
- Family—wife and two young school age children; wife not employed.
- Automobile—1955 Ford; 7,000 miles annually; wife drives.
- Husband and wife together smoke 400 packs of cigarettes a year.
- Owns small home (mortgaged) in middle class section.

TABLE 2.3
COMPARATIVE TAX RATES FOR NON-PROPERTY TAXES USED IN NEW JERSEY
1957

Tax Base	New Jersey Tax Rate	Number of States Using This Base	Comparative Tax Rates	
			Highest State	Lowest State
Motor Fuel	\$0.04	48	Oklahoma	Missouri
Cigarettes .....	.05	42	Louisiana	Arizona
			Montana	Missouri
				Ohio
Pari-Mutuels—				
Thoroughbred	7%-8%	24	New York	New Mexico
Harness	6%-7%	14	New York	Louisiana
Alcoholic Beverages—				
Beer (gal.) .....	.03½	46	Mississippi	California
				Missouri
Liquors (gal.)	1.50	30	Florida	Wyoming
Wines (gal.) .....	.10-.40	33	Florida	South Dakota
Insurance—				
Gross Premiums	2%	48	Louisiana	Missouri
Auto Licenses ¹	15.00 ¹	48	Iowa	Nebraska
Auto Operator Licenses	3.00	48	New Jersey	Wisconsin
Inheritance	1%-16%	37 ²	Idaho, Illinois, Minnesota, Missouri, West Virginia	Alabama
Estate	Absorb all of Federal Credit	44	Utah, Mississippi	Louisiana
Corporation Net Worth	2 mills	15	Pennsylvania	South Carolina ..
				New Mexico, Louisiana, Maryland
			Where inheritance taxes are highest	Illinois
				Missouri

¹ Based on the cost of licensing a 1954 model 4-door sedan weighing 3,036 pounds.

² Because of the varying rates of progression and the different rates applicable to different classes of legatees, it is difficult to generalize regarding the highest and lowest inheritance tax States.

Individual B—\$20,000 annual income

- a. Residence in city or suburban township.
- b. Place of work within city.
- c. Family—wife and two young school age children; wife not employed.
- d. Automobiles (2) (1955 Ford, 7,000 miles annually; 1957 Buick, 10,000 miles annually) wife drives.
- e. Husband and wife together smoke 600 packs of cigarettes.
- f. Owns comfortable 8- or 9-room home in fashionable section.

In addition to comparability of taxpayers, the three cities are much alike. Each is the capital city of its state. Albany and Trenton are comparable in size, and Harrisburg is only slightly smaller. Each has substantial industry and is surrounded by suburban townships.

Table 2.4 shows that *Individual A* with \$5,000 annual income would pay taxes and water charges of \$495.34 in Trenton, New Jersey, as compared with \$397.85 in Harrisburg, Pennsylvania and \$339.72 in Albany, New York. The same general picture applies in the suburbs as well as in the three cities. Table 2.4 also shows that *Individual A* would pay \$427.93 in Lawrence Township, New Jersey, as compared with \$351.66 in Susquehanna Township, Pennsylvania, and \$286.17 in Bethlehem Township, New York.

The often repeated observation that New Jersey has "low" State taxes and "high" local taxes holds true for this ordinary taxpayer. His State taxes total \$59.02 in New Jersey as compared with \$75.28 in New York with its income tax and \$90.35 in Pennsylvania with its sales tax. The example taxpayer pays gasoline and cigarette taxes and automobile and drivers' licenses in all three states. These are all the State taxes he pays in New Jersey.

As would be expected from the New Jersey tax structure, the local property tax payments are the major components. Property taxes total \$417.76 in Trenton, as compared with \$268 in Harrisburg and \$229.44 in Albany. The Trenton property tax includes \$7.46 of taxes upon household personal property which is not taxable in New York or Pennsylvania.

TABLE 2.4
TAXES PAYABLE BY FAMILY MAN WITH \$5,000 INCOME IN NEW JERSEY, PENNSYLVANIA AND NEW YORK
1957

	In Capitol Cities			In Suburban Townships		
	Trenton, New Jersey ¹	Harrisburg, Pennsylvania ²	Albany, New York ³	Lawrence Township, New Jersey ¹	Susquehanna Township, Pennsylvania ²	Bethlehem Township, New York ³
State Taxes—						
Gasoline Tax	\$18.68	\$23.35	\$18.68	\$18.68	\$23.35	\$18.68
Automobile License	15.00	10.00	16.50	15.00	10.00	16.50
Driver's License	5.34	2.00	2.00	5.34	2.00	2.00
Cigarette Tax	20.00	20.00	16.00	20.00	20.00	16.00
Sales Tax .....	.....	35.00	.....	.....	35.00	.....
Income Tax .....	.....	.....	22.10	.....	.....	22.10
Total State Tax	\$59.02	\$90.35	\$75.28	\$59.02	\$90.35	\$75.28
Local Taxes or Charges—						
Real Estate	\$410.30	\$268.00	\$229.44	\$267.72	\$160.00	\$197.74
Personal Property	7.46	.....	.....	16.52	.....	.....
Per Capita Tax .....	.....	25.00	.....	.....	30.00	.....
Occupation Tax .....	.....	2.60	.....	.....	2.60	.....
Water Tax or Charges	18.56	11.90	35.00	28.17	33.71	13.15
Sewer Charge .....	.....	.....	.....	56.50	35.00	.....
Total Local Tax or Charge	\$436.32	\$307.50	\$264.44	\$368.91	\$261.31	\$210.89
Total State and Local	\$495.34	\$397.85	\$339.72	\$427.93	\$351.66	\$286.17
Veterans' Exemption Reduces Property Tax						
(and Total Tax) by	\$37.30	no exemption	\$167.71*	\$41.80	no exemption	\$94.54*
Total State and Local for Veteran	\$458.04	\$397.85	\$172.01	\$386.13	\$351.66	\$191.63

* Veterans' exemption in New York only if property purchased from pension. This computation assumes the maximum \$5,000 deduction.

¹ Prepared by Henry J. Frank, Princeton Surveys.

² Prepared by Robert Hibbard, Pennsylvania State Chamber of Commerce.

³ Prepared by John J. Joyce, Empire State Chamber of Commerce.

Under a permissive local tax act, Harrisburg City and school district collect per capita taxes totaling \$12.50 for each adult, or \$25 for *Individual A* and his wife. The county (Dauphin) also collects an occupation tax totaling \$2.60 for the example taxpayer and his wife. No such local non-property taxes apply in either Trenton or Albany.

Albany collects a \$35 water tax. Water charges have been included within the Trenton and Harrisburg total for purposes of comparison. The Trenton water charge of \$18.56 is higher than the \$11.90 in Harrisburg, but lower than the \$35 water tax in Albany.

Local property taxes are the major taxes in New Jersey suburbs as well as in the cities. Individual A would pay property taxes totaling \$284.24 in Lawrence Township, New Jersey, as compared with \$160 in Susquehanna Township, Pennsylvania and \$197.74 in Bethlehem Township, New York. Lawrence Township taxes include \$16.52 of taxes upon household personal property which is not taxable in New York and Pennsylvania.

Under the Pennsylvania permissive local tax act, Susquehanna Township, its school district and county (Dauphin) collect per capita and occupations taxes totaling \$32.60 from the example taxpayer and his wife. The combined total of these local non-property taxes and the local property taxes is lower than the property taxes alone in both Bethlehem Township, New York and Lawrence Township, New Jersey.

Water charges in Lawrence and Susquehanna have been included for purposes of comparison with Bethlehem where water is paid for by tax. Lawrence Township and Susquehanna Township sewer charges are also included because they represent a substantial cost not charged in Bethlehem Township.

These comparisons are for non-veterans. The \$500 veterans' exemption in New Jersey reduces the property tax bill for Trenton veterans by \$37.30 causing the total for the example taxpayer to become \$458.04. The Trenton veteran pays more State and local taxes than do non-veterans in Harrisburg and Albany. The Lawrence Township veteran tax bill is reduced by \$41.80 by the exemption and he pays \$386.13 which is more than non-veterans pay in Susquehanna and Bethlehem.

New York allows veterans' exemption up to \$5,000 from county and municipal taxes, provided the taxable property was purchased

from proceeds of veterans' pension, bonus, or insurance. The exemption does not apply to school taxes. It is doubtful that the example individual would qualify. If he did qualify for the full amount, however, his Albany taxes would be reduced by \$167.71 and the total state and local taxes would become \$172.01. Pennsylvania allows no veteran's exemption.

Comparisons such as this do not show the "over-all" bills for the three states. They do show the heavy impact of New Jersey taxes upon a hypothetical "small homeowner" in one of the important cities and its suburbs. This is an unavoidable result of heavy reliance upon local property taxes.

Table 2.5 shows a similar comparison for more prosperous *Individual B*, who pays less taxes in New Jersey than in New York, but more than in Pennsylvania. Taxes and water charges total \$1,267.21 in Trenton, New Jersey as compared with \$1,330.50 in Albany, New York and \$990.35 in Harrisburg, Pennsylvania. In the suburbs this prosperous family would pay taxes and charges totaling \$981.63 in Lawrence Township, New Jersey as compared with \$1,667 in Loudonville, New York and \$848.21 in Susquehanna Township, Pennsylvania. No effort has been made to measure the drinking or betting habits of the example taxpayer or the tax costs associated with them.

State taxes payable by this prosperous family in New Jersey total \$127.34, or slightly more than 1/2 the \$242 State tax bill in Pennsylvania and 1/6 the \$729.10 State tax bill in Albany, or \$704.30 in Loudonville, New York. State taxes differ among towns in New York because local property taxes are deductible from income subject to the State income tax.

New Jersey emphasizes local taxes. Local taxes and charges total \$1,139.87 in Trenton, New Jersey or 52 per cent more than the \$748.35 in Harrisburg, Pennsylvania, and almost double the \$601.40 in Albany, New York. In the suburbs, local taxes and charges total \$854.29 in Lawrence Township, New Jersey, or 1/10 more than \$606.21 in Susquehanna Township, Pennsylvania, but about 1/10 less than \$962.70 in Loudonville, New York.

These comparisons must be considered against the impression that Albany is a low tax city in New York and that Loudonville is an expensive suburb. Pennsylvania local taxes including amusement taxes, per capita taxes and occupations taxes, levied under permissive local taxing authority, for the example family amount to \$37.60 in Harrisburg and \$42.60 in Susquehanna Township.

TABLE 2.5
TAXES PAYABLE BY FAMILY MAN WITH \$20,000 INCOME IN NEW JERSEY, PENNSYLVANIA AND NEW YORK
1957

	In Capital Cities			In Suburban Townships		
	Trenton, New Jersey ¹	Harrisburg, Pennsylvania ²	Albany, New York ³	Lawrence Township, New Jersey ¹	Susquehanna, Pennsylvania ²	Loudonville, New York ³
State Taxes—						
Gasoline Tax	\$52.00	\$65.00	\$52.00	\$52.00	\$65.00	\$52.00
Automobile License	40.00	20.00	37.75	40.00	20.00	37.75
Drivers License ²	5.34	2.00	2.00	5.34	2.00	22.00
Cigarette Tax	30.00	30.00	24.00	30.00	30.00	24.00
Sales Tax .....	.....	125.00	.....	.....	125.00	.....
Income Tax .....	.....	.....	613.35	.....	.....	588.55
Total State Tax	\$127.34	\$242.00	\$729.10	\$127.34	\$242.00	\$704.30
Local Taxes or Charges—						
Real Estate	\$1,074.24	\$693.25	\$566.49	\$668.80	\$483.21	\$920.70
Personal Property	37.30	.....	.....	41.80	.....	.....
Amusement Tax .....	.....	10.00	.....	.....	10.00	.....
Per Capita Tax .....	.....	25.00	.....	.....	30.00	.....
Occupation Tax .....	.....	2.60	.....	.....	2.60	.....
Sewer Charge .....	.....	.....	.....	100.70	35.00	.....
Water Tax or Charge	28.33	17.50	35.00	42.99	45.40	42.00
Total Local Taxes or Charges	\$1,139.87	\$748.35	\$601.46	\$854.29	\$606.21	\$962.70
Total State and Local	\$1,267.21	\$990.35	\$1,330.50	\$981.63	\$848.21	\$1,667.00
Veterans' Exemptions Reduces Property Tax		no			no	
(and Total Tax) by	\$37.30	exemption	\$170.40*	\$41.80	exemption	\$250.65*
State and Local for Veteran	\$1,229.91	\$990.35	\$1,160.10	\$939.83	\$848.21	\$1,416.35

* Veterans' exemption in New York only if property purchased from pension. This computation assumes the maximum \$5,000 deduction.

¹ Prepared by Henry J. Frank, Princeton Surveys.
² Prepared by Robert Hibbard, Pennsylvania State Chamber of Commerce.
³ Prepared by John J. Joyce, Empire State Chamber of Commerce.

The example family pays property taxes totaling \$1,111.54 in Trenton as compared with \$693.25 in Harrisburg and \$566.40 in Albany. In the suburbs property taxes total \$710.60 in Lawrence Township as compared with \$483.31 in Susquehanna Township and \$920.70 in Loudonville. New Jersey property taxes include \$37.30 of personal property taxes in Trenton and \$41.80 in Lawrence Township.

Water charges total \$28.33 in Trenton as compared with \$17.50 in Harrisburg and \$35 in Albany. Water and sewer charges amount to \$143.69 in Lawrence Township as compared with \$80.40 in Susquehanna Township. Loudonville imposes a \$42 water charge.

At this income level, New York stands apart from New Jersey and Pennsylvania because of its graduated personal income tax. State income taxes represent 46 per cent of the example taxpayer's state and local tax bill in Albany and 35 per cent in Loudonville.

The Commission concludes:

It is significant that New York taxes were found substantially lower than both Pennsylvania and New Jersey for the example taxpayer with \$5,000 annual income. This comparison shows New York taxes higher than both Pennsylvania and New Jersey for the example taxpayer with \$20,000 annual income, which is to be expected in a State with a graduated personal income tax.

New Jersey, with its major dependence upon property taxes, collects more from both taxpayers than does Pennsylvania, where a general sales tax applies. Comparisons of this kind are vulnerable to the vagaries of personal expenditures and local assessments. Especially in the higher income groups with their greater freedom of choice, the position of individual taxpayers is in no way uniform even when they live in the same town. The comparisons do show the different impact of unlike tax structures upon specific taxpayers under conditions as nearly the same as possible.

COMPARATIVE TAXES FOR MANUFACTURING CORPORATIONS

A recent study prepared by the Pennsylvania Economy League for the Pittsburgh Regional Industrial Development Corporation shows estimated State and local taxes payable by three representative manufacturing corporations in 185 municipalities within the industrial states. Tables 2.6 and 2.7 show balance sheets and income statements for the three corporations selected to represent distinct types of corporate structures as follows:

TABLE 2.6
BALANCE SHEETS
THREE HYPOTHETICAL MANUFACTURING CORPORATIONS

	Corporation "A"	Corporation "B"	Corporation "C"
Current Assets—			
Cash	\$1,160,000	\$930,000	\$1,830,000
U. S. Government Securities	750,000	860,000	310,000
Investments in Other Corporations .....	.....	860,000	.....
Accounts Receivable	1,560,000	1,265,000	1,860,000
Inventories:			
Finished Products	860,000	1,000,000	1,830,000
Work in Process	220,000	260,000	480,000
Raw Materials	230,000	1,730,000	890,000
Total Current Assets	\$4,780,000	\$6,905,000	\$7,200,000
Plant Property and Equipment—			
Land	\$150,000	\$52,500	\$42,500
Buildings and Improvements	2,430,000	835,000	1,107,500
Machinery, Equipment and Fixtures ...	2,600,000	2,197,500	1,650,000
Total Plant Property & Equipment	\$5,180,000	\$3,085,000	\$2,800,000
Prepaid Expenses—			
Prepaid Insurance	40,000	10,000	.....
Total Assets	\$10,000,000	\$10,000,000	\$10,000,000
Current Liabilities—			
Notes Payable	\$20,000	\$20,000	\$160,000
Accounts Payable	710,000	1,600,000	1,050,000
Miscellaneous .....	.....	60,000	90,000
Accrued State and Local Taxes	500,000	230,000	300,000
Accrued Federal Taxes	1,000,000	770,000	1,000,000
Total Current Liabilities	\$2,230,000	\$2,680,000	\$2,600,000
Notes Payable Maturing After 1 Year	130,000	500,000	780,000
Capital and Surplus—			
Capital Stock	\$7,350,000	\$6,640,000	\$6,355,000
Surplus	290,000	180,000	265,000
Total Shareholders' Equity	\$7,640,000	\$6,820,000	\$6,620,000
Total Liabilities and Surplus	\$10,000,000	\$10,000,000	\$10,000,000

Source: Pennsylvania Economy League, Inc., Western Division, Pittsburgh, Pennsylvania. *The Relative Tax Cost to Manufacturing Industry: 1957 Revision*. Processed (Pittsburgh, Pa.: Nov., 1957), p. 11.

TABLE 2.7
INCOME STATEMENTS
THREE HYPOTHETICAL MANUFACTURING CORPORATIONS

	Corporation "A"	Corporation "B"	Corporation "C"
Sales and Revenues—			
Gross Sales	\$13,910,000	\$17,120,000	\$14,610,000
Dividends .....	.....	7,000	.....
Interest on U. S. Securities	22,500	25,000	9,300
Other Income	47,500	95,000	290,700
Total	\$13,980,000	\$17,310,000	\$14,910,000
Cost and Expenses—			
Cost of Goods Sold	\$6,430,000	\$9,160,000	\$6,410,000
Salaries and Wages	4,080,000	5,130,000	5,180,000
Provision for Depreciation	450,000	270,000	240,000
Taxes—State and Local	500,000	230,000	300,000
Other Expenses	495,000	906,000	879,000
Total	\$11,955,000	\$15,696,000	\$13,009,500
Income Before Federal Taxes	2,025,000	1,614,000	1,900,500
Federal Normal and Surtax	1,000,000	770,000	1,000,000
Net Income	\$1,025,000	\$844,000	\$900,500

Source: Pennsylvania Economy League, Inc., Western Division, Pittsburgh, Pennsylvania. *The Relative Tax Cost to Manufacturing Industry: 1957 Revision*. Processed (Pittsburgh, Pa.: Nov., 1957), p. 12.

Corporation A with a low level of inventories, a high level of fixed assets and a high income return on sales and net worth.

Corporation B with inventories approximately equal to fixed assets and a low net income relative to sales and net worth.

Corporation C with a high level of inventories, a lower level of fixed assets and income comparable to Corporation A.

The 185 municipalities included 14 in New Jersey, 52 in Pennsylvania, two in Delaware, 12 in Illinois, 16 in Indiana, four in Maryland, 11 in Michigan, 15 in New York, 45 in Ohio and 14 in West Virginia. These municipalities were selected on the basis of their suitability as industrial locations competitive with those in the Pittsburgh area.

Table 2.8 shows the wide range of State and local taxes found among selected municipalities within each of the 10 states. Median state and local taxes in the 14 New Jersey municipalities and their comparison with other states, as made by the Pennsylvania study, appear as follows:

Corporation A—New Jersey at \$130,120 was sixth among the 10 states ranging from \$235,579 in Michigan to \$46,088 in Delaware.

Corporation B—New Jersey at \$111,261 was seventh among the 10 states ranging from \$241,100 in Michigan to \$20,221 in Delaware.

Corporation C—New Jersey at \$111,423 was seventh among the 10 states ranging from \$234,455 in Michigan to \$23,741 in Delaware.

The position of Delaware as a "low" business tax state has been abandoned by the adoption of House Bills 433 and 436 (Spec. Sess., December 1957) imposing a 5 per cent corporation net income tax, effective January 1, 1958. This new tax would move the taxes shown for the three corporations to a level close to that shown for New Jersey locations.

Ohio and Illinois show average taxes only slightly below New Jersey for all three corporations. In the case of Corporation A, West Virginia is also lower than New Jersey.

In terms of State and local taxes per \$1,000 of net profit, averages for the 14 New Jersey locations were:

Corporation A—\$64.26 as compared with \$116.34 in Michigan.

Corporation B—\$68.93 as compared with \$149.38 in Michigan.

Corporation C—\$58.63 as compared with \$123.86 in Michigan.

TABLE 2.8

THREE HYPOTHETICAL CORPORATIONS

HIGHEST, MEDIAN, AND LOWEST COMBINED TAXES WITHIN SELECTED MUNICIPALITIES IN TEN STATES

State	Corporation A			Corporation B			Corporation C		
	Highest	Median	Lowest	Highest	Median	Lowest	Highest	Median	Lowest
Pennsylvania	\$194,182	\$169,235	\$154,339	\$127,682	\$119,164	\$113,976	\$156,216	\$145,179	\$138,456
Delaware ¹	61,168	46,088	31,008	25,408	20,220	15,033	30,402	23,740	17,019
Illinois	135,926	112,675	91,015	130,187	108,424	88,149	126,757	105,261	85,237
Indiana	363,855	184,393	143,805	357,768	194,846	157,380	346,647	190,102	147,732
Maryland	278,076	225,673	169,353	264,674	211,764	149,922	275,048	231,910	170,630
Michigan	307,767	248,591	146,295	326,147	247,108	150,342	315,225	242,288	148,238
New Jersey	240,875	128,932	78,814	196,723	109,533	35,496	199,090	108,710	41,560
New York	203,683	191,479	154,267	124,550	116,731	101,600	148,653	142,336	123,647
Ohio	141,343	107,500	54,033	138,130	103,836	51,938	138,197	105,510	53,868
West Virginia	152,475	116,111	94,923	158,358	126,400	102,828	153,453	119,974	97,719

¹ The Delaware data were prepared prior to the adoption of a 5% corporate net income tax, effective January 1, 1958, in that state.

Source: Pennsylvania Economy League, Inc., Western Division, Pittsburgh, Pa. *The Relative Tax Cost to Manufacturing Industry*: 1957 Revision. Processed (Pittsburgh, Pa.: Nov., 1957), p. 61.

Average State and local taxes per \$10,000 of products sold in the 14 New Jersey municipalities appear as follows:

Corporation A—\$93.54 as compared with \$169.36 in Michigan.

Corporation B—\$64.99 as compared with \$140.83 in Michigan.

Corporation C—\$74.73 as compared with \$157.25 in Michigan.

Like all averages, the average tax position for the 14 New Jersey municipalities does not show the variation among individual municipalities. For example, Table 2.9 shows that among the 185 municipalities in 10 states, including two in Delaware where the newly adopted corporations income tax was not reflected, 14 new Jersey locations were spread over this wide range (the higher number showing the higher tax):

Corporation A—Newark occupies 10th place and Freehold Township stands 181st.

Corporation B—Newark stands 20th and Freehold Township stands 183rd.

Corporation C—Newark stands 18th and Freehold Township is again 183rd.

In addition to Newark and Freehold Township, the 14 New Jersey municipalities include Bayonne, Burlington Township, Dover, Edgewater, Edison Township, Florence Township, Logan Township, New Brunswick, North Brunswick Township, Pennsauken Township, Rahway, and Raritan Township (Hunterdon County). At least half of these locations were among the lowest 60 of the 185 tax bills calculated for each of the three corporations.

Importance of local taxes in such comparisons is indicated by the low State taxes in New Jersey:

TABLE 2.9

RANKING OF 14 NEW JERSEY MUNICIPALITIES AMONG 185 MUNICIPALITIES IN 10 STATES IN RELATION TO TOTAL TAXES PAID BY THREE HYPOTHETICAL CORPORATIONS

New Jersey Municipality	Corporation A				Corporation B				Corporation C			
	Local Taxes		Total State and Local Taxes	Rank Among 185	Local Taxes		Total State and Local Taxes	Rank Among 185	Local Taxes		Total State and Local Taxes	Rank Among 185
	Real Estate	Personal Property			Real Estate	Personal Property			Real Estate	Personal Property		
Newark	\$118,261	\$107,333	\$240,875	10	\$40,681	\$142,401	\$196,723	20	\$52,713	\$133,136	\$199,090	18
Bayonne	129,015	31,065	175,361	45	44,380	41,215	99,236	161	57,707	38,533	109,281	137
Burlington Twp.	38,745	89,852	143,878	101	13,328	119,209	146,178	36	17,270	111,453	141,964	88
Florence Twp.	35,678	92,745	143,704	103	12,273	123,048	148,962	35	15,903	115,042	144,186	73
Dover Town	49,612	75,150	140,043	105	17,066	99,704	130,411	42	22,114	93,217	128,572	108
New Brunswick	61,413	63,221	139,915	107	21,126	83,877	118,644	90	27,374	78,420	119,035	119
Rahway	64,579	59,823	139,683	108	22,215	79,369	115,225	120	28,785	74,205	116,231	124
Logan Twp.	41,201	61,700	118,182	126	14,173	81,859	109,673	135	18,365	76,533	108,139	138
Raritan Twp.	37,320	62,496	115,097	134	12,838	82,915	109,394	136	16,635	77,520	107,396	141
N. Brunswick Twp.	35,402	57,321	108,004	149	12,178	76,049	101,868	154	15,780	71,101	100,122	159
Pennsauken Twp.	40,335	43,323	98,939	163	13,875	57,478	84,994	177	17,979	53,738	84,958	177
Edison Twp.	33,317	45,571	94,169	170	11,461	60,460	85,562	175	14,851	56,527	84,619	178
Edgewater	31,415	38,318	85,014	179	10,807	50,838	75,236	180	14,003	47,530	74,774	181
Freehold Twp.	63,533	.....	78,814	181	21,855	.....	35,496	183	28,319	.....	41,560	183

Source: Pennsylvania Economy League, Inc., Western Division, Pittsburgh, Pa. *The Relative Tax Cost to Manufacturing Industry*: 1957 Revision. Processed (Pittsburgh, Pa.: Nov., 1957), pp. 34-48.

Corporation A—New Jersey \$15,281 as compared with \$131,151 in Pennsylvania and \$5,595 in Delaware.

Corporation B—New Jersey \$13,641 as compared with \$106,000 in Pennsylvania and \$6,291 in Delaware.

Corporation C—New Jersey \$13,241 as compared with \$128,121 in Pennsylvania and \$5,691 in Delaware.

The position of Delaware would be modified as a result of its adoption of a 5 per cent corporate net income tax, effective January 1, 1958, as noted on page 34.

Although Pennsylvania shows the highest State taxes of any of the 10 states, it also shows the lowest average local taxes for all three of the example corporations. In terms of average State and local taxes it stands in fifth place for Corporations A and B and in fourth place for Corporation C.

The *Commission* is aware of the dangers of drawing sharp conclusions from such hypothetical tax comparisons, however carefully they may be prepared. However, results of the Pennsylvania Study substantiate these observations of the Commission:

Personal property is the determining factor in New Jersey's competitive tax position. The favorableness of many New Jersey locations is a result of successful negotiation of this badly administered tax. As New Jersey moves toward equalized assessments for personal property and real estate alike, it must be aware that in doing so it will shift taxes from real estate to business personal property and in some measure harm any competitive position based upon unofficial favoritism for such property. A reform of the method of taxing personal property used in business could improve the attraction of this state for industrial location and employment.

CHAPTER III

EFFECT OF 100% ASSESSMENTS

Taxation of property ad valorem has long posed three basic problems in New Jersey, as well as in other states:

- (1) The selection of a standard of value.
- (2) The development of practical methods of achieving that standard on a mass assessment basis.
- (3) The use of processes to test and assure equality of treatment of taxpayers similarly situated.

The legal standard for assessment of property values has been marked by a unanimity among the states looking toward some form of current market value. State constitutional provisions dealing with the subject refer to value, full cash value, according to value in money, fair market value, true value, but all of them denote a similar concept of market value. The great majority of states establish a tax base at 100 per cent of the value so determined.

The states also generally provide for general laws and uniform rules for property taxation. Stated in various ways, these requirements apply the principle that the valuation of taxable property and the amount of tax assessed shall be determined in such manner that like properties are treated alike. Under this rule, which appears in the New Jersey State Constitution, the apportionment of the cost of government to each taxpayer should be in direct proportion to the value of his property.

This rule of proportional assessment of property taxes is deeply embedded in our public policy of taxation. The key problem in local property tax administration is to achieve reasonable equity in determining values under the standard fixed by law. *Despite intensive effort, thought and experimentation, no satisfactory substitute for the rule of proportional taxation of real estate has been evolved in this State or elsewhere.*

It was this problem to which the Court addressed itself in the *Switz case*. The standard fixed by law then, as now, was plain—that is, “true value.” That the taxpayer was aggrieved by a

discriminatory assessment, but below true value, was also plain. The issue was framed directly:

"May a taxpayer of a taxing district require its assessor to perform his constitutional and statutory duty to assess all taxable real estate in the district uniformly and at true value?"

In its now famous decision, the State Supreme Court answered in the affirmative—recognizing that the same principle applies to real and personal property—but put off the effect of its mandate until January 1, 1959.¹

EXPANSION OF TAX BASE

Real Property

The first and most apparent implication of full value assessment is a large increase in total taxable values. For 1957, the full (100 per cent) value of taxable real estate is estimated at \$24.2 billion, 249 per cent more than its assessed value. The statewide increase distributed among major classes of real estate is as follows:

	Real Property		Per Cent Increase
	Assessed Valuation	Full (100%) Value	
	<i>in millions of dollars</i>		
Residential	\$3,858.2	\$15,468.2	301
Commercial and Industrial	2,561.3	6,726.0	163
Vacant Land	239.8	1,155.3	382
Farm	103.5	692.8	569
Class II Railroad	172.0	172.0	...
Total	\$6,934.8	\$24,214.3	249

Potential increases in taxable values would be in no way uniform throughout the State. For example, Table 3.1 shows that the increases in assessed valuations of real estate (except railroad property)—and this does not mean increases in tax—would range from 80 per cent in Hudson County to 643 per cent in Ocean County, while the State total would amount to an average of 255 per cent increase in assessed valuation. Within many of the counties the variations among municipalities would be just as great.

The effect on classes of property would also vary considerably within the several counties, as well as within the State at large. The largest percentage increases would occur on farm property, and thus might be expected to produce the greatest decreases in tax rates.

¹ Switz vs. Township of Middletown, 23 N. J. 580, 130 A. 2d 15.

TABLE 3.1
REAL ESTATE—ASSESSED VALUES AND FULL VALUES
NEW JERSEY COUNTIES
1957
(amounts in millions of dollars)²

(amounts in millions of dollars)

County	Assessed Value				Total Real Estate ¹	Full (100%) Value				Total Real Estate ¹
	Vacant Land	Residential Property	Farm Property	Commercial and Industrial		Vacant Land	Residential Property	Farm Property	Commercial and Industrial	
Atlantic	\$9	\$53	\$2	\$83	\$147	\$50	\$356	\$21	\$276	\$703
Bergen	30	598	3	227	858	172	2,865	16	809	3,863
Burlington	3	64	7	23	98	24	364	72	122	581
Camden	11	219	2	93	326	55	851	16	282	1,204
Cape May	5	51	1	19	77	32	287	8	104	431
Cumberland	2	36	8	19	66	17	192	46	82	337
Essex	34	779	1	634	1,447	89	2,129	3	1,250	3,472
Gloucester	3	52	7	30	92	19	269	48	145	481
Hudson	29	254	a	540	823	46	685	1	752	1,484
Hunterdon	1	21	11	10	42	8	123	72	55	258
Mercer	11	237	9	117	374	49	638	44	291	1,022
Middlesex	15	217	7	140	379	95	1,063	50	492	1,699
Monmouth	16	160	11	58	245	78	878	76	246	1,278
Morris	14	165	6	51	236	85	921	35	263	1,304
Ocean	10	65	3	13	90	88	475	25	81	670
Passaic	17	318	1	192	528	78	1,003	6	440	1,528
Salem	1	21	6	18	46	6	96	36	104	242
Somerset	8	64	7	22	101	58	405	50	131	645
Sussex	3	25	5	7	40	17	162	32	34	245
Union	17	429	1	254	701	82	1,572	3	730	2,387
Warren	1	29	5	11	46	10	131	32	36	208
State Total	\$240	\$3,858	\$104	\$2,561	\$6,763	\$1,155	\$15,468	\$693	\$6,726	\$24,042

¹ Excluding Second-Class Railroad Property.

² Items may not add to total because of rounding.

a Total assessed value only \$367,900.

Source: Unpublished data from Department of the Treasury, Division of Taxation, Local Property Tax Bureau.

TABLE 3.1—Continued
REAL ESTATE—PERCENTAGE INCREASE
FULL VALUES OVER ASSESSED VALUES
NEW JERSEY COUNTIES
1957

County	Percentage Increase				Total Real Estate ¹
	Vacant Land	Residential Property	Farm Property	Commercial and Industrial	
Atlantic	481%	566%	887%	331%	376%
Bergen	473	379	482	256	350
Burlington	640	467	880	426	495
Camden	377	288	658	202	269
Cape May	492	461	552	455	463
Cumberland	701	429	478	320	411
Essex	159	173	310	97	140
Gloucester	632	415	569	385	424
Hudson	59	170	276	39	80
Hunterdon	738	495	577	462	513
Mercer	349	169	386	148	173
Middlesex	543	389	620	251	348
Monmouth	393	448	595	326	422
Morris	509	459	464	418	453
Ocean	788	636	803	532	643
Passaic	364	215	632	129	189
Salem	394	365	471	495	430
Somerset	668	533	580	488	537
Sussex	448	545	583	422	522
Union	376	266	387	187	241
Warren	657	356	498	227	350
State Total	382%	301%	569%	163%	255%

¹ Excluding Second-Class Railroad Property.

Source: Unpublished data from Department of the Treasury, Division of Taxation, Local Property Tax Bureau.

As between Residential property and Commercial and Industrial property, the increases could be grouped as follows:

Substantially similar—Burlington, Cape May, Gloucester, Hunterdon, Mercer, Morris, Somerset.

Residential increases substantially greater—Atlantic, Bergen, Camden, Cumberland, Essex, Hudson, Middlesex, Monmouth, Ocean, Passaic, Sussex, Union, Warren.

Commercial and Industrial increases substantially greater—Salem.

These increases in assessed valuations at 100 per cent bear this important qualification:

Increases in assessments do not determine the amount of tax in any one municipality or for any one taxpayer; as to the municipality, the tax levy is the result of multiplying the assessment times the rate, and to finance any given budget higher assessments will result in lower rates; as to the individual taxpayer, an increase in his assessment under a given budget will result in a higher tax only if his increase is greater than the average increase in the community.

A guide to the relative degree of change in the tax base as among the various counties may be found in the percentage of each class of property as compared with the State total for that class, before and after 100 per cent valuation. For example, as shown in Table 3.2, Atlantic County had 2.14 per cent of the total real estate assessment in the State as actually assessed for 1957, as compared with 2.90 per cent it would have had at 100 per cent. Similarly, Bergen County had 12.41 per cent of the State total assessed as compared with 15.96 per cent it would have had at 100 per cent value; Hudson County had 13.77 per cent actual and would have dropped to 6.67 per cent; Middlesex had 5.56 per cent and would have risen to 7.04 per cent; Somerset had 1.47 per cent and would have risen to 2.67 per cent.

The Commission concludes:

The effect of 100 per cent assessments cannot be generalized for the State as a whole, nor even for an entire county and especially not for an entire class of property. The separately determined increases are very much modified in their meaning when any such increase is compared with other increases or the aggregate effect of them all. The results on real estate must be still further qualified by the addition of 100 per cent assessments for personal property which could, as shown below, cause an entirely different result.

Personal Property

The effect of 100 per cent assessment on personal property may produce an even greater relative increase in valuations than in the case of real property. Any estimate of this effect must be substantially less accurate than for real property. The reasons are technical, but they rest on the essential difference in what is known about each class of property. In the case of real property, the existence of the tax base is readily ascertained from the assessment rolls and it is only the value of that base which must be estimated. In the case of personal property, assessments do not disclose the total quantity of property in existence and it therefore becomes necessary to estimate both the quantity and its value. Personal property which was assessed in New Jersey for the year 1957 as compared to the estimated 100 per cent valuation of all taxable personal property (whether or not assessed) may be summarized as follows for the State as a whole:

	Personal Property		Per Cent Increase
	Assessed Valuation in thousand of dollars	Estimated Full Value	
Household Goods	\$280,065	\$1,214,563	334
Farm Livestock and Farm Machinery	11,262	71,169	532
Business Inventories	387,298	3,291,043	750
Other Business Tangibles	440,221	4,185,002	850
Total Business Tangibles	827,519	7,476,045	803
Total Tangibles	\$1,118,846	\$8,761,777	683

As thus estimated, the assessed valuation of all personal property would increase from \$1.1 billion to \$8.8 billion, or 683 per cent. Business personal property alone, that is inventories of raw materials, work in process, semi-finished goods, finished goods and stock-in-trade, together with business machinery and equipment, would have increased, under the same assumption, from \$827.5 million to \$7.5 billion, or 803.4 per cent.

There are substantial variations in these effects among the various counties, which may be noted in Table 3.3. The results would be extreme in all cases.

TABLE 3.2
PERCENTAGE DISTRIBUTION OF CLASSES OF TAXABLE REAL ESTATE BY COUNTIES
ASSESSED VALUE AND FULL VALUE
NEW JERSEY COUNTIES—1957

County	Assessed Value				Full Value			
	Vacant Land	Residential Property	Farm Property	Commercial and Industrial	Vacant Land	Residential Property	Farm Property	Commercial and Industrial
Atlantic	3.58	1.39	2.03	3.25	4.32	2.30	2.99	4.10
Bergen	12.50	15.50	2.72	8.87	14.85	18.52	2.36	12.03
Burlington	1.33	1.66	7.12	.90	2.05	2.35	10.43	1.81
Camden	4.77	5.68	2.05	3.66	4.72	5.50	2.32	4.20
Cape May	2.29	1.33	1.12	.73	2.81	1.86	1.09	1.55
Cumberland .....	.87	.94	7.66	.76	1.45	1.25	6.62	1.21
Essex	14.26	20.19	.73	24.74	7.66	13.77	.45	18.59
Gloucester	1.10	1.35	6.89	1.17	1.68	1.74	6.88	2.16
Hudson	12.03	6.58	.35	21.10	3.96	4.43	.20	11.18
Hunterdon .....	.40	.54	10.29	.38	.69	.80	10.41	.82
Mercer	4.54	6.14	8.82	4.57	4.23	4.12	6.40	4.33
Middlesex	6.14	5.64	6.69	5.48	8.19	6.87	7.19	7.32
Monmouth	6.60	4.15	10.62	2.25	6.75	5.68	11.03	3.65
Morris	5.81	4.27	5.91	1.98	7.35	5.95	4.98	3.91
Ocean	4.12	1.68	2.71	.50	7.59	3.07	3.66	1.20
Passaic	7.02	8.25	.83	7.50	6.76	6.49	.91	6.54
Salem .....	.48	.54	6.13	.68	.50	.62	5.23	1.55
Somerset	3.17	1.66	7.10	.88	5.05	2.62	7.21	1.95
Sussex	1.28	.65	4.53	.25	1.46	1.05	4.63	.51
Union	7.18	11.12	.50	9.92	7.10	10.17	.36	10.86
Warren .....	.53	.74	5.20	.43	.83	.84	4.65	.53
State Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Unpublished data from Department of the Treasury, Division of Taxation, Local Property Tax Bureau.

TABLE 3.3
PERSONAL PROPERTY IN NEW JERSEY
ASSESSED VALUE AND ESTIMATED FULL VALUE
1957
(amounts in thousands of dollars)

County	Assessed Value						Full Value					
	Household Goods	Farm	Business Inventories	Other Business	Total Business	Total Tangibles	Household Goods	Farm	Business Inventories	Other Business	Total Business	Total Tangibles
Atlantic	\$5,852	\$109	\$781	\$9,846	\$10,627	\$16,588	\$38,990	\$1,031	\$5,396	\$65,953	\$71,349	\$111,370
Bergen	43,887	205	31,628	39,584	71,212	115,304	210,187	1,016	324,054	411,452	735,506	946,709
Burlington	7,795	860	3,666	6,458	10,124	18,779	44,240	6,394	52,519	92,518	145,037	195,671
Camden	16,927	155	15,436	18,679	34,115	51,197	65,712	855	127,991	160,822	288,813	355,380
Cape May	4,491	69	541	2,684	3,225	7,785	25,190	196	6,275	31,141	37,416	62,802
Cumberland	6,953	658	3,343	4,205	7,548	15,159	36,769	3,109	34,600	37,377	71,978	111,856
Essex	55,232	97	99,538	102,288	201,826	257,155	151,031	243	691,219	720,913	1,412,132	1,563,406
Gloucester	7,136	652	4,249	3,837	8,086	15,874	36,786	3,770	65,474	59,118	124,592	165,148
Hudson .....	.....	76	80,596	64,430	145,026	145,102	.....	351	524,578	608,025	1,132,604	1,132,955
Hunterdon	3,193	1,466	1,895	2,873	4,768	9,427	18,986	9,706	15,306	23,207	38,513	67,205
Mercer	15,205	754	23,539	25,288	48,827	64,786	40,951	3,844	164,191	241,836	406,027	450,822
Middlesex	14,565	312	27,729	23,433	51,162	66,039	71,188	1,829	304,422	215,049	519,471	592,488
Monmouth	15,357	1,123	3,036	8,778	11,814	28,294	84,193	7,640	42,262	101,011	143,273	235,106
Morris	14,718	426	6,447	12,504	18,951	34,095	82,222	2,499	88,271	183,864	272,135	356,856
Ocean	8,430	352	801	4,094	4,895	13,676	61,983	3,676	7,966	40,739	48,705	114,364
Passaic	15,633	77	30,185	30,183	60,368	76,078	49,253	301	282,092	313,985	596,077	645,631
Salem	2,370	1,059	2,500	14,258	16,759	20,188	11,007	6,022	32,139	183,269	215,408	232,437
Somerset	7,396	555	4,443	8,207	12,650	20,601	46,839	3,807	62,934	116,239	179,173	229,819
Sussex	2,689	1,080	1,300	807	2,107	5,876	17,337	7,634	8,823	5,482	14,305	39,276
Union	28,229	19	43,774	53,586	97,360	125,608	103,440	80	431,297	529,849	961,146	1,064,666
Warren	4,006	1,159	1,871	4,199	6,070	11,235	18,259	7,166	19,233	43,152	62,385	87,810
State Total	\$280,065	\$11,262	\$387,298	\$440,221	\$827,519	\$1,118,846	\$1,214,563	\$71,169	\$3,291,043	\$4,185,002	\$7,476,045	\$8,761,777

TABLE 3.3—Continued
PERSONAL PROPERTY IN NEW JERSEY
FULL VALUE AS PER CENT INCREASE OVER ASSESSED VALUE
1957

County	Per Cent Increase					
	Household Goods	Farm	Business Inventories	Other Business	Total Business	Total Tangibles
Atlantic	566.27	845.87	590.91	569.85	571.39	571.39
Bergen	378.93	395.61	924.58	939.44	932.84	721.05
Burlington	467.54	643.49	1,332.60	1,332.61	1,332.61	941.97
Camden	288.21	451.61	729.17	760.98	746.59	594.14
Cape May	460.90	184.06	1,059.89	1,060.25	1,060.19	706.71
Cumberland	428.82	372.49	935.00	788.87	853.60	637.89
Essex	173.45	150.52	594.43	604.79	599.68	507.96
Gloucester	415.50	478.22	1,440.93	1,440.73	1,440.84	940.37
Hudson .....	.....	361.84	550.87	843.70	680.97	680.80
Hunterdon	494.61	562.07	707.70	707.76	707.74	612.90
Mercer	169.33	409.81	597.53	856.33	731.56	595.86
Middlesex	388.76	486.22	997.85	817.72	915.35	797.18
Monmouth	448.24	580.32	1,292.03	1,050.73	1,112.74	730.94
Morris	458.65	486.62	1,269.18	1,370.44	1,335.99	946.65
Ocean	635.27	944.32	894.51	895.09	894.99	736.24
Passaic	215.06	290.91	834.54	940.27	887.41	748.64
Salem	364.43	468.65	1,185.56	1,185.38	1,185.33	1,051.36
Somerset	533.30	585.95	1,316.48	1,316.34	1,316.39	1,015.57
Sussex	544.74	606.85	578.69	579.31	578.93	568.41
Union	266.43	321.05	885.28	888.78	887.21	747.61
Warren	355.79	518.29	927.95	927.67	927.76	681.58
State Total	333.67	531.94	749.74	850.66	803.43	683.11

ARITHMETIC OF REVALUATION

Before turning to the effect of 100 per cent assessments on the actual tax bill, it may be helpful to identify the elements which result in tax apportionment of more or less of the tax burden to the individual taxpayer. There is nothing in property revaluation at 100 per cent of true value or at any other percentage to cause total taxes to increase or decrease. Property tax totals are determined by expenditures of counties, municipalities and school districts. If property taxes are increased, it will be because the budgets of one or all of these local governments increase.

Assessed values of taxable property are only the basis for spreading the local tax among taxpayers. Expressed in dollars per \$100 of net valuation taxable, the tax rate is nothing more than the percentage which the amount to be raised by taxation bears to taxable values. An \$8.30 average tax rate for 1957, thus means that an amount equal to 8.3 per cent of taxable values is required to supply local tax revenues as budgeted or appropriated.

It does not follow, however, that property revaluation will affect all taxpayers in the same way. While revaluation will neither increase nor decrease total taxes, it can cause some redistribution of the total among taxpayers. Properties which have been assessed at lower than average percentages of their "true value" will find their taxes increased after revaluation. Properties which have been assessed higher than average percentages of their "true value" will find their taxes reduced after revaluation.

Revaluation, when done correctly, thus offers the promise of equality of tax treatment for all properties. The only change from past practice is the change resulting from a correction of existing inequalities. Contrary to much of the current thinking, this change will be the same whether the revaluation is accomplished at 100 per cent of "true value" or at any other percentage.

Consider, for example, Table 3.4. For purposes of illustration, it has been assumed that a municipality has a tax base of four properties with an aggregate assessed valuation of \$20,000. This municipality has a tax rate of \$9 per \$100 to raise taxes totaling \$1,800. The \$1,800 tax is spread among four properties in amounts ranging from \$180 for one assessed at \$2,000 to \$900 for one assessed at \$10,000.

TABLE 3.4
ARITHMETIC OF PROPERTY REVALUATION

	Property A	Property B	Property C	Property D	Total
Before Revaluation—					
1. Assessed Value	\$2,000	\$3,000	\$5,000	\$10,000	\$20,000
2. Tax at \$9 Rate	180	270	450	900	1,800
3. Assessment Ratio	13.3%	20%	33.3%	66.7%	av. 33.3%
Revaluation at 33.3%—					
4. Assessed Value	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
5. Tax \$9 Rate	450	450	450	450	1,800
6. Tax Change (5-2)	+270	+180	none	—450	none
Revaluation at 100%—					
7. Assessed Value	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
8. Tax at \$3 Rate	450	450	450	450	1,800
9. Tax Change (8-2)	+270	+180	none	—450	none

If each of the four properties has a "true value" of \$15,000, the average assessment ratio for the municipality becomes $33\frac{1}{3}$ per cent—meaning that the assessed valuation (\$20,000) is one-third of the "true value" (\$60,000). Within this average, the assessment ratio for individual properties ranges between 13.3 per cent for Property A to 66.7 per cent for Property D.

By revaluing all properties, at the average level of $33\frac{1}{3}$ per cent, the example municipality would cause each of the four properties to be assessed at \$5,000. With no change in total taxable values or tax rates for the municipality, Properties A and B would receive increased taxes because they were formerly assessed below the average. Property D would have its taxes reduced because it was formerly assessed higher than the average. Assessed at the average for all properties, Property C experiences no change in taxes.

Suppose the example municipality revalued all properties at 100 per cent of their "true value" instead of at the average of $33\frac{1}{3}$ per cent. The assessed value for each of the four properties would become \$15,000 and the total tax base would increase from \$20,000 to \$60,000. To raise the same \$1,800 tax, the municipality could drop its tax rate from \$9 per \$100 to \$3 per \$100. The tax effect upon each of the four properties would be exactly the same as with revaluation at $33\frac{1}{3}$ per cent.

Whatever other consideration may be involved, tax apportionment among taxpayers is not a basis for choosing between re-

valuation at 100 per cent of "true value" and revaluation at any other level less than 100 per cent of "true value." This is something that is not generally understood in New Jersey at this time.

Tax increases or decreases for individual taxpayers will result from revaluation because such changes are necessary to correct past inequities. Any increases in the total amount of taxes which may occur simultaneously with revaluation may occur with or without revaluation and they should in no way be attributed to it.

These generalizations become specific when tested against the experience of Princeton Township (Mercer County) which went all the way in its reassessment program and levied taxes for 1957 upon the full value of all real estate. It is the only municipality which in 1957 used 100 per cent assessments of all real estate as a tax base.

Total property taxes in Princeton Township increased 28 per cent in 1957 over 1956. Rapid population growth and price changes have pushed the Township taxes upward each year since 1943 and there is nothing unusual about 1957 in this trend. To attribute the increase to reassessment only begs the issue.

The Princeton Township tax rate dropped from \$7.48 per \$100 in 1956 to \$1.95 per \$100 in 1957. This was the two-way result of increased taxes (from \$1.1 million to \$1.4 million) and a greater increase in taxable values (from \$14.1 million to \$69.6 million). Here is a demonstration that tax rates will decline as a result of large increases in tax ratables.

Even with an over-all increase of 28 per cent in total taxes, more than 400 Princeton Township real estate parcels had lower taxes in 1957 than they had in 1956. These are the properties which have full value assessments for 1957 less than 3.8 times their assessed value for 1956 (an increase of 283 per cent). A property that had its taxable value increased to three times its former assessment realized a tax saving as a result of equalization accomplished with full value reassessment. Equalization resulting from reassessment is no respecter of size or class of property. Table 3.5 shows example tax changes for selected Princeton Township properties. Tax increases and tax savings for properties of all sizes may be noted. The residential property assessments and taxes were selected to show extremes. The greatest number of properties fall within a range of modest tax changes between 1956 and 1957 when 100 per cent assessment was first put into effect. Princeton Township was not assessed differently from other munic-

ipalities prior to its 1957 reassessment at full value. Adjustments due to appeals may bring some changes, but the general picture will remain.

TABLE 3.5
EXAMPLE PRINCETON TOWNSHIP RESIDENTIAL ASSESSMENTS AND TAXES BEFORE (1956) AND AFTER (1957) 100% REASSESSMENT

1956 (Before)		1957 (After)		Per Cent Change	
Valuation	Tax (at 7.48)	Valuation	Tax (at 1.95)	Valuation	Tax
\$1,800	\$134.64	\$20,600	\$401.70	+1,044%	198%
1,850	138.38	6,300	122.85	+ 241	— 11
2,400	179.52	5,900	115.05	+ 146	— 36
2,800	209.44	7,600	148.20	+ 171	— 29
2,800	209.44	33,000	643.50	+1,079	+207
4,000	299.20	10,800	210.60	+ 170	— 30
4,000	299.20	28,100	547.95	+ 602	+ 83
7,450	557.26	16,100	313.95	+ 116	— 44
7,400	553.52	54,600	1,065.00	+ 638	+ 92
12,500	935.00	81,500	1,589.25	+ 552	+ 70
13,000	972.40	38,900	758.55	+ 199	— 22
21,300	1,593.24	103,000	2,008.50	+ 384	+ 26
34,800	2,603.04	100,400	1,957.80	+ 189	— 25
10,200	762.96	39,100	762.45	+ 283	....
1,750	130.90	6,700	130.65	+ 283	....

SHIFT IN THE TAX BURDEN

The principal effect of any uniform standard of value, be it at 100 per cent, or any fraction of full value, as compared with the present lack of uniformity and gross inequities within the various taxing districts, would be to redistribute the tax burden to correct any present variation in individual assessments from the legal standard. In this respect, there would be no difference in the effect of applying the present law and practice according to uniform rule within each taxing district and of applying any newly defined standard.

It is common knowledge, at least among assessors, that the ratio of assessed valuations to full valuations varies considerably as among classes of property within the same district. If this were not so, the adoption of a new uniform standard would pose no question as to any shift in the burden of taxation as among classes of property.

A full view of the potential shift in the distribution of the tax burden is presented in the pages which follow, including the com-

The effect upon the composition of the real estate assessed valuations for the State as a whole, as shown in Table 3.6 may be summarized as follows:

TABLE 3.6

Class of Property	Per Cent of State	
	Assessed Value	Full Value
Vacant Land	3.46	4.77
Residential Property	55.64	63.88
Farm Property	1.49	2.86
Commercial and Industrial	36.93	27.78
Class II Railroad	2.48	0.71
Total Real Estate	100.0%	100.0%

These redistributions of the tax base from the viewpoint of the State total for real estate alone, show several counties in which residential property would comprise no greater part of the real estate tax base under full value than it does under present assessed values (which are at a state-wide average of about 28 per cent of full value, with substantial variations from the average among the taxing districts). For example, in Bergen and Camden Counties the residential percentage would go up slightly whereas in Burlington County it would go down slightly. In Atlantic, Essex and Hudson it would go up substantially, whereas in Salem it would go down substantially. Among most of the other counties there would be little change.

PERCENTAGE DISTRIBUTION OF TAXABLE REAL ESTATE BY CLASSES ASSESSED VALUE AND FULL VALUE NEW JERSEY COUNTIES—1957

County	Assessed Value					Total Real Estate	Full Value					Total Real Estate
	Vacant Land	Residential Property	Farm Property	Commercial Industrial	Class II Railroad		Vacant Land	Residential Property	Farm Property	Commercial Industrial	Class II Railroad	
Atlantic	5.79%	36.09%	1.42%	56.21%	.49%	100.00%	7.09%	50.67%	2.94%	39.20%	.10%	100.00%
Bergen	3.48	69.49	.33	26.40	.30	100.00	4.44	74.13	.42	20.94	.07	100.00
Burlington	3.27	65.47	7.53	23.59	.14	100.00	4.07	62.57	12.43	20.90	.03	100.00
Camden	3.47	66.51	.64	28.31	1.07	100.00	4.52	70.49	1.33	23.37	.29	100.00
Cape May	7.15	66.70	1.51	24.43	.21	100.00	7.53	66.55	1.75	24.13	.04	100.00
Cumberland	3.16	55.16	12.01	29.43	.24	100.00	4.97	57.18	13.61	24.20	.04	100.00
Essex	2.34	53.28	.05	43.35	.98	100.00	2.54	61.10	.09	35.86	.41	100.00
Gloucester	2.88	56.66	7.76	32.59	.11	100.00	4.02	55.82	9.92	30.22	.02	100.00
Hudson	3.02	26.59	.04	56.62	13.73	100.00	2.83	42.43	.09	46.53	8.12	100.00
Hunterdon	2.27	48.99	25.22	23.17	.35	100.00	3.10	47.64	27.92	21.28	.06	100.00
Mercer	2.83	62.84	2.42	31.08	.78	100.00	4.76	62.23	4.33	28.40	.28	100.00
Middlesex	3.81	56.35	1.79	36.34	1.71	100.00	5.55	62.30	2.92	28.84	.39	100.00
Monmouth	6.45	65.28	4.48	23.50	.29	100.00	6.10	68.68	5.97	19.20	.05	100.00
Morris	5.90	69.73	2.58	21.48	.31	100.00	6.51	70.61	2.65	20.17	.06	100.00
Ocean	10.94	71.58	3.11	14.19	.18	100.00	13.10	70.99	3.78	12.10	.03	100.00
Passaic	3.13	60.11	.16	36.27	.28	100.00	5.10	65.60	.41	28.79	.10	100.00
Salem	2.56	45.15	13.86	38.32	.11	100.00	2.39	39.59	14.96	43.04	.02	100.00
Somerset	7.46	62.75	7.21	21.95	.63	100.00	9.05	62.74	7.74	20.37	.10	100.00
Somerset	7.77	63.69	11.87	16.54	.13	100.00	6.86	66.16	13.06	13.90	.02	100.00
Union	2.44	60.80	.07	36.00	.69	100.00	3.43	65.73	.11	30.53	.20	100.00
Warren	2.69	61.09	11.49	23.37	1.36	100.00	4.56	62.52	15.43	17.18	.31	100.00
State Total....	3.46%	55.64%	1.49%	36.93%	2.48%	100.00%	4.77%	63.88%	2.86%	27.78%	.71%	100.00%

Source: Unpublished data from Department of the Treasury, Division of Taxation, Local Property Tax Bureau.

Source: Unpublished data from Department of the Treasury, Division of Taxation, Local Property Tax Bureau.

NET REDISTRIBUTION OF THE TAX BURDEN WITH 100 PER CENT
ASSESSMENTS OF REAL AND PERSONAL PROPERTY
(Household Personalty Exempt)

The full impact of the Supreme Court's mandate, were it to take effect under the present taxing statutes without change, would have some results which have not been foreseen in the early discussions of the problem. In order to determine these effects, the Commission's staff has calculated the estimated full valuation for each of the taxing districts in the State. To make this calculation realistic, two assumptions were made: First, that household personal property would be exempt because it would be impractical to attempt to assess it at 100 per cent; and, second, that the present veterans' property tax exemption would be increased to the equivalent of \$1,000 in assessed valuation so as to reflect its application to increased assessed values.

On this basis, the total amount of property tax raised in 1957, that is \$645,568,000, would be redistributed among the various classes of taxable property as follows for the State as a whole:

Class of Property	Actual	100 Per Cent Assessment	Change
<i>amounts in thousands of dollars</i>			
Business Property—			
Real Estate	\$208,790	\$144,054	—\$64,736
Personal Property	67,610	161,552	93,942
Total Business	\$276,400	\$305,606	\$29,206
Residential Property—			
Real Estate	\$322,867	\$307,835	—\$15,032
Personal Property	15,538	.....	—15,538
Total Residential	\$338,405	\$307,835	—\$30,570
Farm Property—			
Real Estate	\$10,444	\$10,765	\$321
Personal Property	1,160	1,133	—27
Total Farm	\$11,605	\$11,898	\$293
Vacant Land	\$20,915	\$20,904	—\$11
Class II Railroad	14,513	6,342	—8,171
Gross Tax	\$661,838	\$652,586	—\$9,252
Less Veterans' Exemptions	16,270	7,018	9,252
Net Tax Levied	\$645,568	\$645,568	.....

From a State-wide viewpoint, the shifts in tax burden that would be caused by 100 per cent assessments of all classes of property would include the following:

The average State tax rate would decline from \$8.30 to \$2.05 per 100 of assessed valuation.

All classes of real estate, except farm real estate would realize a tax decrease (and farm real estate would experience a \$321,000 increase over the \$10,444,000 actually levied on this class of property).

Commercial and industrial real estate would realize a tax decrease of \$64,736,000 but this would be more than offset by a tax increase on personal property used in business amounting to \$93,942,000.

The principal net effect would be to transfer some \$30,570,000 from residential real estate and household goods to commercial and industrial personal property.

Veterans' exemptions would become worth \$9,252,000 less in tax credit because of the lower tax rate being applied to the increased exemption.

The effect among the 21 counties, as shown in Table 3.7, follows a similar general trend but illustrates some variations. For example:

In every county except Atlantic and Hudson Counties, residential property would have a lesser tax burden in county total.

In Atlantic and Hudson Counties, there would be a shift from business real estate to business personal property, similar to the State in general, but the aggregate of commercial and industrial tax burdens would be reduced about 7 per cent in Atlantic County and about 8 per cent in Hudson County.

In all the counties, without exception, there would be drastic reduction in the average tax rate, ranging from a minimum of 465 points in Mercer County to a maximum of 1,030 points in Sussex County.

The effect of the shift in tax burden among major municipalities in each county is shown in Table 3.8. While the general State-wide pattern is again evident, there are significant variations among the individual cities.

Atlantic City and Jersey City show a shift to residential property increasing by 20 per cent or more the burden borne by that class of property.

Bayonne, Hoboken, Union City and Lakewood also indicate some shift of the burden to residential property, but not proportionally as great as the above cities.

In the other counties, such cities as Camden, Bloomfield, Irvington, Trenton, Clifton, Newark, Passaic, Paterson, Elizabeth, Vineland, Asbury Park, Morristown and Phillipsburg would have a reduction in the burden of residential property equal to 10 per cent or more of the present levy on residential, real and personal property.

Little can be said about the potential shifts in the distribution of the tax burden which would be caused by equalized assessments without noting the major influence of the increase on business personal property. Any such increase in personal property tax would be intolerable to business enterprise and would have the effect of disuading business from locating or staying in New Jersey. *It would therefore, not be in the best interest of the State as a whole.*

The Commission concludes that 100 per cent assessment of real and personal property would result in reductions in the burden on residential property. Such a reduction would be attributable, in the great majority of taxing districts, to a shift of the tax burden to business personal property which is now taxable but is not taxed or taxed relatively lightly as compared with real estate. To avoid such a shift a change in the law will be required by which personal property will be treated differently from real estate.

TABLE 3.7
PROPERTY TAX REDISTRIBUTION IN 21 NEW JERSEY COUNTIES—1957
FULL VALUE OF REAL AND PERSONAL PROPERTY—HOUSEHOLD GOODS EXEMPT
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Atlantic:										
1. Actual	\$73	\$1,118	\$8,149	\$1,183	\$9,332	\$7,368	\$326	\$658	\$17,559	11.17%
2. Full	19	998	6,934	1,721	8,655	7,750	343	206	17,559	2.29
3. Tax Increase or Decrease..	-54	-120	-1,215	+538	-677	+382	+17	-452	.....	-8.88
Bergen:										
1. Actual	179	2,464	17,376	5,578	22,954	54,439	252	2,642	77,646	8.35
2. Full	39	2,724	12,915	11,857	24,773	50,900	275	1,064	77,646	1.71
3. Tax Increase or Decrease..	-140	+260	-4,461	+6,279	+1,719	-3,539	+22	-1,578	.....	-6.64
Burlington:										
1. Actual	13	346	2,262	1,038	3,300	7,222	876	649	11,108	10.37
2. Full	2	358	1,765	2,240	4,005	5,933	1,008	198	11,108	1.54
3. Tax Increase or Decrease..	-11	+12	-497	+1,202	+705	-1,289	+132	-451	.....	-8.83
Camden:										
1. Actual	264	972	7,205	2,649	9,854	18,779	237	1,190	28,916	8.30
2. Full	81	1,018	5,533	6,077	11,610	16,461	275	529	28,916	1.97
3. Tax Increase or Decrease..	-183	+46	-1,672	+3,428	+1,756	-2,318	+38	-661	.....	-6.33
Cape May:										
1. Actual	16	484	1,694	298	1,992	5,067	117	168	7,507	9.07
2. Full	3	525	1,649	603	2,253	4,685	98	57	7,507	1.61
3. Tax Increase or Decrease..	-13	+41	-45	+305	+261	-382	-19	-111	.....	-7.46
Cumberland:										
1. Actual	14	189	1,755	678	2,433	3,707	744	239	6,848	9.01
2. Full	3	269	1,440	1,215	2,655	3,298	714	91	6,848	1.68
3. Tax Increase or Decrease..	-11	+80	-315	+537	+222	-409	-30	-148	.....	-7.33
Essex:										
1. Actual	1,257	2,514	52,400	17,015	69,415	61,133	55	1,496	132,877	7.90
2. Full	439	2,261	35,449	40,736	76,185	54,970	59	1,038	132,877	2.73
3. Tax Increase or Decrease..	-818	-253	-16,951	+23,721	+6,770	-6,163	+4	-458	.....	-5.17
Gloucester:										
1. Actual	9	306	2,033	630	2,664	5,229	670	431	8,447	8.41
2. Full	2	328	1,591	1,626	3,216	4,312	734	144	8,447	1.40
3. Tax Increase or Decrease..	-7	+22	-442	+996	+552	-917	+64	-287	.....	-7.01

TABLE 3.7—Continued
PROPERTY TAX REDISTRIBUTION IN 21 NEW JERSEY COUNTIES—1957
FULL VALUE OF REAL AND PERSONAL PROPERTY—HOUSEHOLD GOODS EXEMPT
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Hudson:										
1. Actual	11,061	2,351	44,913	11,570	56,483	20,772	29	623	90,073	8.25
2. Full	5,367	1,430	25,993	34,665	60,658	23,128	24	534	90,073	3.30
3. Tax Increase or Decrease..	-5,694	-921	-18,920	+23,095	+4,175	+2,356	-5	-89	.....	-4.95
Hunterdon:										
1. Actual	13	94	814	386	1,199	2,150	1,218	143	4,531	9.24
2. Full	3	126	755	550	1,305	1,931	1,214	48	4,531	1.49
3. Tax Increase or Decrease..	-10	+32	-59	+164	+106	-219	-4	-95	.....	-7.75
Mercer:										
1. Actual	213	543	8,544	3,582	12,126	15,419	777	645	28,433	6.66
2. Full	72	809	5,827	8,534	14,361	12,741	792	342	28,433	2.01
3. Tax Increase or Decrease..	-141	+266	-2,717	+4,952	+2,235	-2,678	+15	-303	.....	-4.65
Middlesex:										
1. Actual	624	1,242	11,901	4,392	16,293	19,893	629	1,571	37,110	8.64
2. Full	121	1,507	7,959	9,154	17,113	18,216	737	583	37,110	1.69
3. Tax Increase or Decrease..	-503	+265	-3,942	+4,762	+820	-1,677	+108	-988	.....	-6.95
Monmouth:										
1. Actual	73	1,855	6,148	1,450	7,598	20,278	1,792	1,461	30,134	11.64
2. Full	16	1,553	5,216	3,297	8,514	18,785	1,728	467	30,134	2.12
3. Tax Increase or Decrease..	-57	-297	-932	+1,847	+916	-1,493	-64	-994	.....	-9.52
Morris:										
1. Actual	77	1,360	5,091	1,986	7,077	18,416	594	988	26,536	10.34
2. Full	12	1,406	4,314	4,396	8,710	16,103	614	309	26,536	1.70
3. Tax Increase or Decrease..	-65	+46	-777	+2,410	+1,633	-2,313	+20	-679	.....	-8.64
Ocean:										
1. Actual	15	1,156	1,591	619	2,209	7,846	421	468	11,180	11.53
2. Full	2	1,313	1,321	814	2,136	7,392	457	120	11,180	1.56
3. Tax Increase or Decrease..	-13	+157	-270	+195	-73	-454	+36	-348	.....	-9.97
Passaic:										
1. Actual	106	1,184	13,004	4,228	17,232	21,839	64	667	39,759	6.75
2. Full	33	1,354	8,610	11,677	20,287	18,328	108	351	39,759	1.89
3. Tax Increase or Decrease..	-73	+170	-4,394	+7,449	+3,055	-3,511	+44	-316	.....	-4.86

TABLE 3.7—Continued
PROPERTY TAX REDISTRIBUTION IN 21 NEW JERSEY COUNTIES—1957
FULL VALUE OF REAL AND PERSONAL PROPERTY—HOUSEHOLD GOODS EXEMPT
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Salem:										
1. Actual	4	90	1,196	1,084	2,281	1,861	617	125	4,728	7.47
2. Full	1	74	914	1,812	2,726	1,400	570	42	4,728	1.03
3. Tax Increase or Decrease..	-3	-16	-282	+728	+445	-461	-47	-83	.....	-6.44
Somerset:										
1. Actual	68	861	2,289	1,329	3,618	7,451	813	495	12,316	10.70
2. Full	10	889	1,814	2,536	4,350	6,391	818	142	12,316	1.50
3. Tax Increase or Decrease..	-58	+28	-475	+1,207	+732	-1,060	+5	-353	.....	-9.20
Sussex:										
1. Actual	8	371	788	260	1,048	3,300	732	185	5,274	12.29
2. Full	1	314	726	309	1,035	3,261	722	59	5,274	1.99
3. Tax Increase or Decrease..	-7	-57	-62	+49	-13	-39	-10	-126	.....	-10.30
Union:										
1. Actual	371	1,300	18,702	7,133	25,835	33,511	45	1,252	59,810	7.44
2. Full	104	1,498	12,678	16,584	29,261	29,524	45	623	59,810	1.80
3. Tax Increase or Decrease..	-267	+198	-6,024	+9,451	+3,426	-3,987	....	-629	.....	-5.64
Warren:										
1. Actual	54	114	933	525	1,458	2,724	598	174	4,775	8.75
2. Full	13	143	650	1,148	1,798	2,328	564	71	4,775	1.74
3. Tax Increase or Decrease..	-41	+29	-283	+623	+340	-396	-34	-103	.....	-7.01
State Total:										
1. Actual	\$14,513	\$20,915	\$208,790	\$67,610	\$276,400	\$338,405	\$11,605	\$16,270	\$645,568	8.30
2. Full	6,342	20,904	144,054	161,552	305,606	307,835	11,898	7,018	645,568	2.05
3. Tax Increase or Decrease..	-8,171	-11	-64,736	+93,942	+29,206	-30,570	+293	-9,252	.....	-6.25

TABLE 3.8
PROPERTY TAX REDISTRIBUTION—1957 WITH FULL VALUE OF REAL
AND PERSONAL PROPERTY IN LARGER NEW JERSEY MUNICIPALITIES
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY—CITY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Atlantic:										
Atlantic City										
1. Actual	\$56	\$197	\$6,708	\$598	\$7,306	\$1,345	....	\$82	\$8,822	9.15%
2. Full	16	237	5,679	1,164	6,844	1,774	....	48	8,822	2.71
3. Tax Increase or Decrease..	-40	+40	-1,029	+566	-462	+429	....	-34	.....	-6.44
Camden:										
Camden										
1. Actual	253	214	4,287	1,679	5,967	5,172	....	202	11,404	7.46
2. Full	79	178	2,791	4,203	6,993	4,279	....	125	11,404	2.32
3. Tax Increase or Decrease..	-174	-36	-1,496	+2,524	+1,026	-893	....	-77	.....	-5.14
Essex:										
Bloomfield										
1. Actual	19	46	1,868	584	2,453	3,731	3	130	6,122	6.73
2. Full	6	106	1,410	1,234	2,644	3,446	3	84	6,122	2.17
3. Tax Increase or Decrease..	-13	+60	-458	+650	+191	-285	....	-46	.....	-4.56
East Orange										
1. Actual	17	86	4,476	610	5,086	4,197	....	125	9,260	7.27
2. Full	7	76	3,585	2,118	5,703	3,573	....	98	9,260	2.85
3. Tax Increase or Decrease..	-10	-10	-891	+1,508	+617	-624	....	-27	.....	-4.42
Irvington										
1. Actual	28	26	2,840	790	3,629	3,692	....	111	7,265	8.58
2. Full	9	18	1,897	2,119	4,016	3,292	....	70	7,265	2.69
3. Tax Increase or Decrease..	-19	-8	-943	+1,329	+387	-400	....	-41	.....	-5.89
Hudson:										
Bayonne										
1. Actual	105	189	6,495	1,529	8,024	2,857	....	85	11,089	7.94
2. Full	40	82	3,162	4,778	7,940	3,093	....	65	11,089	3.02
3. Tax Increase or Decrease..	-65	-107	-3,333	+3,249	-84	+236	....	-20	.....	-4.92
Hoboken										
1. Actual	681	145	4,586	904	5,490	798	....	21	7,093	8.86
2. Full	342	87	2,454	3,335	5,790	895	....	21	7,093	4.45
3. Tax Increase or Decrease..	-339	-58	-2,132	+2,431	+300	+97	....	....	.....	-4.41
Jersey City										
1. Actual	8,195	1,182	18,940	5,325	24,265	9,027	....	277	42,391	8.67
2. Full	4,030	743	11,586	15,449	27,035	10,856	....	273	42,391	4.26
3. Tax Increase or Decrease..	-4,165	-439	-7,354	+10,124	+2,770	+1,829	....	-4	.....	-4.41

TABLE 3.8—Continued
PROPERTY TAX REDISTRIBUTION—1957 WITH FULL VALUE OF REAL
AND PERSONAL PROPERTY IN LARGER NEW JERSEY MUNICIPALITIES
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY—CITY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Union City										
1. Actual	2	56	4,093	773	4,866	1,930	....	52	6,801	9.82
2. Full	1	38	2,619	2,251	4,870	1,939	....	48	6,801	4.49
3. Tax Increase or Decrease..	—1	—18	—1,474	+1,478	+4	+9	....	—4	.....	—5.33
Mercer:										
Trenton										
1. Actual	157	58	5,735	2,241	7,976	6,685	....	223	14,653	7.46
2. Full	59	120	3,461	5,294	8,755	5,888	....	169	14,653	2.82
3. Tax Increase or Decrease..	—98	+62	—2,274	+3,053	+779	—797	....	—54	.....	—4.64
Passaic:										
Clifton										
1. Actual	8	168	2,550	519	3,070	5,149	....	143	8,251	5.62
2. Full	2	207	1,635	2,359	3,994	4,125	....	76	8,251	1.50
3. Tax Increase or Decrease..	—6	+39	—915	+1,840	+924	—1,024	....	—67	.....	—4.12
Essex:										
Newark										
1. Actual	1,131	1,206	34,388	12,667	47,054	15,588	....	361	64,619	8.93
2. Full	395	811	21,167	28,778	49,946	13,719	....	252	64,619	3.12
3. Tax Increase or Decrease..	—736	—395	—13,221	+16,111	+2,892	—1,869	....	—109	.....	—5.81
Passaic:										
Passaic										
1. Actual	27	38	3,276	1,650	4,926	2,063	....	50	7,004	7.49
2. Full	7	43	1,986	3,460	5,447	1,534	....	26	7,004	1.98
3. Tax Increase or Decrease..	—20	+5	—1,290	+1,810	+521	—529	....	—24	.....	—5.51
Paterson										
1. Actual	62	169	5,594	1,545	7,139	6,566	....	127	13,809	6.93
2. Full	21	206	3,601	4,671	8,271	5,398	....	88	13,809	2.39
3. Tax Increase or Decrease..	—41	+37	—1,993	+3,126	+1,132	—1,168	....	—39	.....	—4.54
Union:										
Elizabeth										
1. Actual	235	234	5,105	1,518	6,624	5,153	....	142	12,104	7.95
2. Full	68	203	3,102	4,729	7,831	4,084	....	82	12,104	2.29
3. Tax Increase or Decrease..	—167	—31	—2,003	+3,211	+1,207	—1,069	....	—60	.....	—5.66

TABLE 3.8—Continued
PROPERTY TAX REDISTRIBUTION—1957 WITH FULL VALUE OF REAL
AND PERSONAL PROPERTY IN LARGER NEW JERSEY MUNICIPALITIES
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY—CITY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Bergen:										
Teaneck										
1. Actual	6	140	844	262	1,106	4,375	....	158	5,469	9.29
2. Full	1	131	606	576	1,182	4,223	....	68	5,469	1.99
3. Tax Increase or Decrease..	-5	-9	-238	+314	+76	-152	....	-90	.....	-7.30
Burlington:										
Florence										
1. Actual	1	16	364	155	519	323	25	41	843	11.86
2. Full .....	.1	24	187	340	527	291	14	12	843	1.82
3. Tax Increase or Decrease..	-9	+8	-177	+185	+8	-32	-11	-29	.....	-10.04
Cape May:										
Wildwood City										
1. Actual	5	25	720	86	805	377	....	14	1,198	8.87
2. Full	1	52	620	194	814	337	....	6	1,198	1.73
3. Tax Increase or Decrease..	-4	+27	-100	+108	+9	-40	....	-8	.....	-7.14
Cumberland:										
Vineland										
1. Actual	3	77	623	252	874	1,489	304	100	2,647	10.34
2. Full .....	.4	111	536	534	1,069	1,221	274	28	2,647	1.48
3. Tax Increase or Decrease..	-2.6	+34	-87	+282	+195	-268	-30	-72	.....	-8.86
Gloucester:										
Greenwich										
1. Actual .....	.4	2	709	112	821	78	4	7	899	5.01
2. Full .....	.1	3	573	261	834	61	4	2	899	0.76
3. Tax Increase or Decrease..	-.3	+1	-136	+149	+13	-17	....	-5	.....	-4.25
Hunterdon:										
Flemington										
1. Actual .....	.9	3	119	47	166	196	3	7	362	9.00
2. Full .....	.2	5	116	72	188	169	3	3	362	1.72
3. Tax Increase or Decrease..	-.7	+2	-3	+25	+22	-27	....	-4	.....	-7.28
Middlesex:										
Perth Amboy										
1. Actual	121	40	2,743	933	3,677	1,946	....	60	5,725	9.02
2. Full	30	30	1,502	2,424	3,925	1,769	....	29	5,725	2.21
3. Tax Increase or Decrease..	-91	-10	-1,241	+1,491	+249	-177	....	-31	.....	-4.81

TABLE 3.8—Continued
PROPERTY TAX REDISTRIBUTION—1957 WITH FULL VALUE OF REAL
AND PERSONAL PROPERTY IN LARGER NEW JERSEY MUNICIPALITIES
(amounts in thousands of dollars)

(1) Actual tax assessed. (2) Tax with full value assessment, household personalty exempt, veterans' exemption \$1,000.

COUNTY—CITY	Class II Railroad	Vacant Land	Commercial and Industrial			Resi- dential	Farm Property	Vet. Exempt.	Net Tax	Tax Rate
			Real	Personal	Total					
Monmouth:										
Asbury Park										
1. Actual	12	65	1,382	241	1,623	708	....	17	2,391	8.80
2. Full	3	44	812	958	1,770	583	....	8	2,391	2.10
3. Tax Increase or Decrease..	-9	-21	-570	+717	+147	-125	....	-9	.....	-6.70
Morris:										
Morristown										
1. Actual	11	29	979	221	1,200	878	....	27	2,092	7.91
2. Full	2	29	723	583	1,305	767	....	12	2,092	1.78
3. Tax Increase or Decrease..	-9	....	-256	+362	+105	-111	....	-15	.....	-6.13
Ocean:										
Lakewood										
1. Actual	1	100	571	152	723	676	58	73	1,485	16.50
2. Full .....	.2	97	324	216	540	782	87	21	1,485	2.36
3. Tax Increase or Decrease..	-.8	-3	-247	+64	-183	+106	+29	-52	.....	-14.14
Salem:										
Lower Penns Neck										
1. Actual .....	.07	23	685	767	1,451	222	9	21	1,684	5.78
2. Full .....	.01	11	493	1,054	1,547	126	4	4	1,684	0.62
3. Tax Increase or Decrease..	-.06	-12	-192	+287	+96	-96	-5	-17	.....	-5.16
Somerset:										
Somerville										
1. Actual	14	14	424	132	556	657	....	37	1,204	10.22
2. Full	2	16	270	330	600	598	....	13	1,204	1.80
3. Tax Increase or Decrease..	-12	+2	-154	+198	+44	-59	....	-24	.....	-8.42
Sussex:										
Newton										
1. Actual	1	7	160	82	242	412	3	22	644	12.75
2. Full .....	.2	10	124	115	240	400	3	9	644	2.64
3. Tax Increase or Decrease..	-.8	+3	-36	+33	-2	-12	....	-13	.....	-10.11
Warren:										
Phillipsburg										
1. Actual	44	23	404	207	611	797	1	45	1,431	8.41
2. Full	11	11	218	514	732	699	1	22	1,431	2.03
3. Tax Increase or Decrease..	-33	-12	-186	+307	+121	-98	....	-23	.....	-6.38

CHAPTER IV

CONTROLS AND RESTRAINTS

The source of local taxing power as well as State taxing power, has long been recognized as stemming from the sovereign authority vested in State Legislatures. "Home rule" has never been an element of the taxing power. In New Jersey, as in other states, the power to tax is looked upon as a power which may be exercised solely and exclusively by the State Legislature, or under authority delegated by legislation to popularly elected local representatives for local purposes. The legislative power is limited only by State and federal constitutional requirements.

It has already been noted that the New Jersey Constitution contains a single tax clause which, except for the requirement of general laws and uniform rules, imposes restrictions only on property taxes levied for local purposes, and imposes no restrictions whatsoever on non-property taxes for State or local purposes. It is well established that under the requirement of general laws and uniform rules, property may be classified for purposes of taxation on such basis as may be germane to the taxing purpose. In order to avoid classification of real property assessed for local purposes, the State Constitution goes on to require that all such property shall be assessed according to the same standard of value and at the general tax rate of the taxing district in which the property is situated, for the use of such taxing district. (Art. VIII, Sec. I, par. 1.)

Except for these important but limited controls and restraints on the discretion of the Legislature, the New Jersey Constitution leaves the matter of tax policy exclusively to legislation. In the absence of the delegation of taxing power by the Legislature, local government would have no power to tax. The delegation of such power has long been the tradition, and legislative standards of procedure have been a necessary part of the definition of the power granted by such a delegation.

The general purpose of statutory provisions regulating the manner of exercise of local taxing power, and controlling the levy, assessment, and collection of local taxes, has been essentially to provide a uniform and systematic use of taxes under authority of the State and to assure the taxpayer of due process of law.

With the advent of the Supreme Court mandate that the statutory law of the State means what it says, that it says assessments shall be at 100 per cent of true value, and that assessors shall be required to follow the statute until it is changed, the subject of legislative controls and restraints on the taxing power has assumed a new dimension. It is of major importance to recognize that the *Switz case* deals with 100 per cent assessments but actually gains its lasting importance from its requirement that all taxpayers must be treated alike under any standard to which they are subject. The legislative resolution directing the present study stated in its preamble the "public concern that assessment of real property throughout the State at full true value might create a redistribution of the tax burden not readily foreseen." The data presented in the previous chapters of this report amply justify the popular feeling that the achievement of equality of treatment called for by the court decisions would result in a substantial shifting of existing tax burdens—but *this would occur under equal treatment with or without 100 per cent assessments*. The Commission has interpreted its directive, nevertheless, to require that it consider possible ways of softening the effect of such a shift or at least of narrowing its range.

STANDARDS OF VALUE AND THEIR ENFORCEMENT

The State Constitution, as already noted, requires property assessed for local purposes to be assessed according to the "same standard of value." Much has been made of efforts to define standard of value. For practical purposes, it is sufficient to recognize that values are ordinarily identified by such labels and concepts as market or sales value, income value, replacement value, and often a single concept will be a combination of the others. The important part of the Constitution is not the denotation of standard of value, but rather that there is a requirement that the "same" standard be used as to all real property taxed for local purposes. In this State, "true value" has long been the standard; until 1947 by constitutional provision and before and since that date by statutory provision. The statutes in turn amplify the true value standard as meaning that price at which property would exchange between a willing seller and a willing buyer.

All states including the three states that have tried classification of real estate establish the standard of assessment in such terms as "true value," "true cash value," "fair value" or "full value." The standard is sometimes stated in the form of a fraction of these standards.

The selection of a standard should turn on two requirements: *First*, it should represent a fair basis of proportionate allocation of the burden of taxation among the various taxpayers; and *second*, it should be administratively feasible. The property tax cannot fairly be criticized because it is not an income tax. Similarly a standard of value is not open to criticism because it is not measured by income as such. Any standard which is intended to reflect market price, however, will to a substantial degree represent a capitalization of the income of the property.

The second characteristic, administrative feasibility, is difficult to achieve under any system of taxing values, as distinguished from quantities or amounts of things. The conventional way of determining value is to leave it to the exercise of the informed judgment of the assessor based upon certain general rules. This is essentially the present way in which assessors function. It is a method which does not have the same precision as the addition and subtraction process which marks the calculation of excise tax bases. Efforts to give it a mathematical quality include the use of reproduction costs less depreciation, capitalized income and similar formula methods of determining value.

The Commission recommends:

That the basic standard of true value now prescribed by statute be retained, and that it be applied at such fraction of full valuation as is proposed elsewhere in this report.

JUDICIAL ENFORCEMENT

In the experience of New Jersey, as well as other states, a common factor stands out. The legal standard of assessment has been firm, but the administrative practice has long been uncertain and variable in its effect. Despite this gap between the law in the books and the law in practice, our courts have until recently failed to provide an adequate remedy to correct a discriminatory assessment, where the aggrieved taxpayer was assessed at less than true value or other legal standard.

In the past, the courts would correct intentional discrimination as a violation of the guarantees of equal protection of the laws and due process under the Federal Constitution, but would not interfere where there was only a case of inadequate administration to achieve complete equality of treatment, or where there was equality but at a level below the legal standard (see *Hillsboro Township case*). The new development of the law, as indicated by decisions in Connecticut as well as New Jersey, has been to pro-

vide a taxpayer with a judicial remedy not only to compel equality of treatment, but to enforce that equality at the legal level of assessment. The two elements: (1) the standard of value established by law; and (2) the equality of treatment of taxpayers under whatever standard may prevail, must be clearly distinguished in the problem before the *Commission*.

In New Jersey the courts have since 1954 established the principle that where there is a choice to be made between equality of treatment and compliance with a legal standard, the administrative officer will be required to give effect to equality, even at a lower level of valuation than prescribed by law (Baldwin, Gibraltar, and Lackawanna cases).

The decision in *Switz v. Middletown Township* adds a further remedy by recognizing the right of a taxpayer to compel the administrative officer to follow the legal standard as to all taxpayers in the district as well as to provide the individual taxpayer with equality of treatment. The direct effect of applying the present standard of 100 per cent valuations must be distinguished from the direct effect of revaluation under the present law or under any other legal standard. In a municipality which has already had a revaluation under the present law—and about 150 taxing districts have either completed or have such revaluations in progress—the Middletown Township principle could merely require multiplying each individual assessment by a common factor to achieve 100 per cent valuation. There need be no shift in the tax burden under such a process. In municipalities where inequalities have not been corrected, equality of treatment at any standard, 100 per cent or otherwise, would require a revaluation (see Commission's *Sixth Report*, pp. 55, 75 for sample co-efficients of dispersion).

In the *Middletown Township* case itself, the evidence before the court was as follows:

MIDDLETOWN TOWNSHIP

	Sample	Ratio Range	Average Class Ratio
Vacant Land	124	6.04% to 80%	25.46%
Residential	728	3.08 to 80	14.40
Farm	5	10.43 to 35.16	22.89
Other	5	10.10 to 30.97	12.67
	862	Weighted Average...	15.45%

As the court observed in its opinion, "it would have to be said that residential property fared quite well, the average class ratio being considerably below that found as to vacant land and farm

land and slightly above the category denominated as 'other' " (*Switz v. Middletown Township*, 23 N. J. 580, 603, per Weintraub, J. concurring). Within the residential class itself, the variation was from 3.08 per cent to 80 per cent of true value.

It is the revaluation—not the 100 per cent or other uniform standard of value—that results in a shift in the tax burden, to the extent that existing assessments are not uniform.

A new legal standard would not of itself be responsible for a shift in the local tax burden. This shift results from the correction of disproportionate assessments and is required under the present law. It could be achieved in part by any aggrieved taxpayer under the decisions of the Baldwin, Gibraltar and Lackawanna cases without the *Switz* case. The shift among taxpayers within the same class could be as great, if not greater, than the shift between classes.

Tax Rate Decline

A decline in the tax rate commensurate with the increase in the tax base which would follow 100 per cent assessments is the other major effect which should follow such a change. The average State rate would have been \$2.05 instead of \$8.30 in 1957. It has been earnestly contended that such a decline in the tax rate is purely theoretical in that there would be a tendency to encourage a spending spree because taxpayers are accustomed to the present higher tax rates. To the contrary, taxpayers appear to attach significance only to the *amount* of tax payable as shown on their tax bills, and few taxpayers are able to state the tax rate of the community in which they live.

This Commission does not concur in the view that a more realistic tax base would produce unrealistic local budgets. Nevertheless, the apprehension among taxpayers who associate the phrase, increased assessments, with increased taxes, rather than with a reduced tax rate, must be recognized as real and widespread. The commitments of both political parties are equally plain. For these reasons alone, a fractional standard of value would be more acceptable than 100 per cent assessments. Under such a standard, real property would be uniformly assessed at a certain stated percentage of its full value, as prescribed by law. This percentage cannot be selected without reference to other matters of policy to be determined with reference to the taxation of tangible personal property and the general subject of relief of real estate, which are taken up in a subsequent chapter.

The Commission concludes:

That a uniform fractional valuation of real estate would be a satisfactory way of meeting popular resistance to 100% full value assessment.

EQUALIZATION

Outside of professional tax circles, equalization of assessment is a much misunderstood term. It should hardly be necessary to emphasize that equalization of assessments does not mean equalization of taxes. The reference here is to two different types of equalization: *first*, the establishment of the same assessed valuation for properties whose economic value is the same; *second*, the fair distribution among districts of their relative tax burdens in proportion to the true values of their respective aggregate ratables. In the course of the past ten years, legislative, administrative, and judicial developments have greatly strengthened both forms of equalization in New Jersey.

Tax equity within a property tax environment implies that each taxpayer will contribute to the cost of government in proportion to the value of his property. Through custom and neglect, property assessments in New Jersey have been allowed to rest with unequal weight, as among municipalities and as among taxable properties within single municipalities. Restoration of tax equity therefore requires diligent efforts towards assessment equalization to assure that the property tax cannot be turned into a negotiated contribution, which has happened too often.

In 1954, as part of a new program of State aid for schools, the Legislature adopted the first equalization act to provide for a separate State-determined ratio of assessed to true value for each taxing district in the State. Specifications for the equalization table and procedures for its first application were legislated as follows:

True value for the purpose of this act shall be deemed to be valuation at current market prices or values, determined in such matter as the director may, in his discretion, select. The director shall determine the ratio of aggregate assessed to aggregate true valuation of real estate of each taxing district. He may make such determination by reference to the county equalization table whenever he is satisfied that the table has been prepared according to accepted methods and practices and that it properly reflects true value or a known percentage thereof for the several taxing districts, may use the assessment ratios reported in the Sixth Report of the Commission on State Tax Policy (Trenton, 1953) and may consider such other assessment ratio studies as may be

available. He may make such further and different investigations of assessment practices as he may deem necessary or desirable for the establishment of the assessment ratios required by this act.

. . . N. J. Statutes Anno. 54:1-35.3

Renewed interest in county equalization tables soon followed. In 1954 four counties promulgated equalization tables, and in 1955 five additional counties did so. The Supreme Court held that assessment ratios found in the *Commission's* Sixth Report represented a sufficiently broad sampling of assessments to warrant its use by the Director of the Division of Taxation and its official notice by the Division of Tax Appeals and the Passaic County Board of Taxation.¹ The Court also suggested, that in the absence of a means of its own to determine average assessment ratios, a county board of taxation not only could, but should, use the table of equalized valuations developed by the Director of Taxation, for its own purposes. In the Passaic case, Chief Justice Vanderbilt insisted that not only must county taxes be equalized, but according to statute they must be equalized at true value.

Instructions of Governor Robert B. Meyner to county tax board commissioners, on December 19, 1955, concerning their statutory duty to publish equalization tables, were well heeded, and the following spring all 21 counties published full value equalization tables. In 467 of the State's 567 taxing districts the county assessment ratio for its 1956 equalization table was identical with that appearing in the State equalization table of Oct. 1, 1955. In the county equalization tables of 1957, 426 of the State's municipalities had identical county and State ratios. Apportionment of county property taxes on the basis of the full value of taxable real estate is now standard practice in New Jersey. Similarly equalization of school taxes in districts comprising more than one municipality was provided for by Chapters 93, 94, 95 and 96 of the Laws of 1956.

An important by-product of activities associated with the preparation of annual equalization tables has been notable activity in reassessment programs. These are the programs involving revaluation of taxable property by local assessors, for the purpose of bringing assessed valuations into a more uniform relationship with actual values. The procedure is to examine each parcel of taxable property to determine its true value and change the assessed value accordingly.

¹ *City of Passaic vs. Passaic County Board of Taxation*, 18 N. J. 371, 113 A. 2d 753 (May 2, 1955).

Such revaluations have been completed in about 150 of New Jersey's 566 municipalities since 1950 and are in progress in some 20 or 30 others. However, with the exception of Princeton Township (Mercer County), municipalities have followed the practice of assessing real estate at some fraction of its full or true value. The most common fractions range between 20 per cent and 40 per cent of full values determined by revaluation. Personal property is ordinarily not part of such programs.

Whatever the level of assessment, revaluation offers the promise of equal tax treatment for all taxpayers within the municipality. Property revaluation and assessment equalization mean the same thing insofar as taxpayers within a single municipality are concerned. It is thus through periodic revaluation that the objectives of equitable distribution of the tax burden which equalization tables seek to establish among municipalities can be extended to the ultimate goal of equal treatment among individual property taxpayers.

Conclusion: Where there is more than one taxpayer, there is some need for machinery to equalize the apportionment of the tax burden among taxpayers in proportion to their true taxable basis. So long as the burdens of the cost of government are allocated among taxing districts in proportion to the taxable valuations in each district, machinery will be required to equalize the basis of those valuations among the districts. Neither form of equalization represents a control or restraint which might be useful in providing for a transition to a new standard of value; and inter-taxpayer equalization must continue to be a major source of shifts in the tax burden under whatever standard may be adopted.

CLASSIFICATION

The idea of a classified property tax gains its principal support from the actual practice in many municipalities—of an informal, somewhat irregular and presently illegal, classification of assessments on property roughly according to its use. The practice varies widely and its results are uncertain but it is undeniably present to some degree in most taxing districts. It is common experience, for example, to find that the ratios of assessed to true value are consistently higher for some business properties, or for income properties, than for homes; or for small houses as compared with large houses. *The effect of this kind of classification has been most unequal within "classes," and the differences in assessment ratio between properties in the same class are often as great as the differences between classes* (Table 4.1 below).

TABLE 4.1
AVERAGE ASSESSMENT RATIOS ON CLASSES OF PROPERTY
NEW JERSEY COUNTIES
1957
(in per cent)

County	Locally-Assessed Real Estate					All Real Estate Including Second Class Railroad	Business Personality (Excluding Farm)
	Vacant Land	Residential	Farm	Commercial and Industrial	Total		
Atlantic	17.21	15.01	10.14	30.22	20.99	21.07	14.93
Bergen	17.46	20.88	17.17	28.08	22.22	22.27	9.76
Burlington	13.51	17.62	10.20	19.01	16.82	16.84	6.98
Camden	20.98	25.76	13.19	33.07	27.09	27.30	11.61
Cape May	16.88	17.83	15.33	18.02	17.76	17.79	8.62
Cumberland ...	12.49	18.91	17.30	23.84	19.57	19.60	11.25
Essex	38.61	36.57	24.38	50.68	41.69	41.93	14.19
Gloucester	13.67	19.40	14.95	20.62	19.10	19.11	6.49
Hudson	63.03	37.04	26.57	71.90	55.49	59.10	12.71
Hunterdon	11.94	16.82	14.77	17.81	16.31	16.35	12.38
Mercer	22.27	37.13	20.59	40.25	36.59	36.77	11.94
Middlesex	15.55	20.46	13.90	28.50	22.32	22.62	9.28
Monmouth	20.28	18.24	14.39	23.50	19.14	19.19	8.28
Morris	16.41	17.90	17.72	19.30	18.08	18.13	6.80
Ocean	11.26	13.60	11.08	15.82	13.46	13.48	10.05
Passaic	21.55	31.74	13.66	43.65	34.58	34.64	9.61
Salem	20.22	21.52	17.50	16.81	18.86	18.88	7.78
Somerset	13.01	15.79	14.71	17.01	15.70	15.79	7.06
Sussex	18.23	15.51	14.64	19.16	16.09	16.11	14.73
Union	21.01	27.29	20.52	34.79	29.37	29.51	10.12
Warren	13.22	21.94	16.72	30.54	22.22	22.46	9.73
State Total..	20.75	24.95	14.94	38.08	28.13	28.64	10.81

Only three States use a general classification of both real and personal property for assessment purposes. The most notable is Minnesota (adopted in 1913); West Virginia and Montana also use classification, while North Dakota adopted such a system in 1917 and abolished it in 1923. Another few states have exempted personal property from the general property tax, that is, Delaware, Pennsylvania, New York and Massachusetts. A number of states have tried classification of personal property alone for assessment purposes, a plan particularly well developed in Ohio.

The experience of other states is obviously meager at best, but it is sufficient to cast doubt on the whole idea of classifying real estate. As noted, North Dakota tried and then abandoned the system. In Minnesota, the classification is based upon a compli-

cated scheme of different ratios of assessed to true values for the assessment of property depending upon its location and use. There are at present 13 classes of property subject to varying rates of assessment, ranging from 50 per cent of "full and true" value for iron ore to 5 per cent for rural electrification transmission lines. On top of these classifications, the State imposes per capita expenditure limitations and mill levy tax limitations. While in practice the ratio classifications are meant to be applied against "full and true value," it has recently been recognized in Minnesota that the values as determined by assessors are far below market price and that the State requires a complete reappraisal of property subject to taxation "to be made on the basis of 100 per cent of current market value."¹ As late as 1956, the Minnesota study recognized that under that State's policy some features of their present classification system were justifiable, "but others do not appear to be based on a consistent, rational principle."² The same report proposed various specific reductions to be made in the classification rates for the assessment of personal property.

The West Virginia classification system is based upon a scheme of four classes with varying tax rate limitations applied to each class, as adopted by a tax limitation amendment to the State Constitution in 1933. The classification depends upon whether or not the property is located within or outside municipalities, and in turn fixes separate limits for agricultural products and intangibles, owner occupied residential properties and farms, and real and personal property other than these two classes situated outside of municipalities, and such property situated inside the municipalities. It is plainly apparent from various official reports, that the State of West Virginia has had a trying and relatively unfavorable experience with its property classification system. In a recent report, this experience was summarized as follows:

The problems of adjustments in the State and local tax structures, arising from the adoption of the tax limitation amendment, have been developed in the first report of this Commission. It is sufficient to emphasize here that the over-all tax effect was to shift the major support for State and local government services from property taxes to taxes measured by sales and gross receipts. This was not only a major program of "tax replacement," in which activity taxes "replaced" property taxes, but also a program in which State taxes "replaced" local taxes.³

¹ Report of the Governor's Minnesota Tax Study Committee, 1956, p. 48.

² *Ibid.*, p. 44.

³ The Governor's Commission on State and Local Finance, Tax Facts in West Virginia; The General Property Tax and State-Local Fiscal Relations (1954), p. 5.

The West Virginia Commission which made this observation concluded as follows:¹

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.

There is thus nothing in the experience of other states which have tried property classification for tax purposes, few as there are, which would commend it to consideration by this State. Moreover, it is quite apparent that the adoption of classification brings with it a constant pressure upon the part of the various taxpaying groups to seek and obtain preferred classifications.

The Commission concludes that classification of real estate, as distinguished from personal property, has had little acceptance in other States and has produced nothing to commend it to this State by the few that have tried it.

One of the principal devices that has nevertheless been suggested for New Jersey—at least for the purpose of avoiding the effects of uniform assessments—is some form of classified property taxation. Without accepting this device as a sound basis of taxation, the Commission has tested its feasibility and effect for the purpose intended by its sponsors. For this purpose it is necessary to distinguish between types of classification:

1. Classification of taxing districts to allow each to fix its own standard of value (as in A. C. R. No. 36 of 1956); and
2. Classification of property on some reasonable basis related to its use.

VARIATIONS IN PRESENT PRACTICE

The present condition of the assessment process is the point of beginning to test the utility of any classification system which might be intended to preserve that condition. A study of average assessment ratios, that is, the ratio of assessed valuations to estimated full valuations, by county and by class of property indicates broadly the inequalities of the existing process. For example, as shown in Table 4.1, the average assessment ratio on a county basis (which does not show the individual variations

¹ *Ibid.*, p. V.

among taxing districts within the county), produced assessment ratios in 1957 which ranged from a low of 13.46 per cent in Ocean County to a high of 55.49 per cent in Hudson County, even though the State-wide average was 28.13 per cent.

The differences in the over-all averages among counties are more than duplicated in the county variations in the treatment of individual classes of property. For example, the average ratio on vacant land was 13.67 per cent in Gloucester as compared with 63 per cent in Hudson, whereas the average assessment ratio for residential property was 15 per cent in Somerset as compared with 37 per cent in Mercer County; and the assessment ratio on commercial and industrial properties ranged from lows of 15 or 16 per cent in Ocean and Salem Counties to more than 70 per cent in Hudson County, in the low 30's in Camden and Union Counties and above 40 per cent in Mercer and Passaic Counties.

TABLE 4.2
AVERAGE ASSESSMENT RATIOS ON CLASSES OF PROPERTY
NEW JERSEY MUNICIPALITIES OVER 40,000 POPULATION
1957
(in per cents)

	Locally-Assessed Real Estate					Business Personals (Excluding Farm)
	Vacant Land	Residential	Farm	Commercial and Industrial	Total	
Newark	51.92	38.50	....	56.73	49.61	15.37
Jersey City	78.22	40.89	....	80.39	61.82	16.95
Paterson	28.40	40.85	....	53.72	45.61	11.44
Trenton	18.33	41.16	....	62.66	48.73	16.01
Camden	37.35	35.45	....	47.79	40.25	12.43
Elizabeth	33.16	35.53	....	47.42	40.46	9.25
East Orange	44.42	42.37	....	48.98	45.67	11.30
Bayonne	87.89	35.17	....	78.20	57.32	12.18
Clifton	21.67	32.80	....	41.70	34.85	5.88
Atlantic City	24.58	21.07	....	34.91	31.40	15.18
Irvington	45.13	33.53	....	47.00	38.48	11.70
Passaic	23.32	34.25	....	43.57	39.31	12.60
Union City	66.56	45.51	....	71.47	60.48	15.71
Hoboken	84.11	44.81	....	93.94	80.89	13.63
Bloomfield	14.05	32.48	32.48	42.66	34.98	15.26
Montclair	30.29	40.97	....	45.31	41.73	12.45
Plainfield	29.61	31.85	....	40.99	34.87	14.35
North Bergen Twp.	62.47	35.02	....	70.39	50.59	8.43
Perth Amboy	32.61	26.29	....	44.73	34.74	9.43
Hamilton Twp.	18.58	27.85	22.86	36.44	28.99	5.43

A similar comparison of the larger cities in the State, as shown in Table 4.2, shows that residential property is assessed in some cities at twice the assessment ratio that it is assessed in other cities, for example, 42 per cent in East Orange and 21 per cent in Atlantic City. Similarly there are large differences in the treatment of commercial and industrial properties within the major cities. The same table shows that such property may be assessed on an average of 36 per cent in Hamilton Township but at 78 per cent in Bayonne. It is apparent that even if property were to be classified, any uniform rule of classification that might be applied on a state-wide basis would require substantial changes in tax assessments throughout the State.

The Commission concludes—

that it would not be possible to select an assessment ratio for each class of property to be applied uniformly throughout the State, and at the same time avoid major transfers of the tax burden among classes.

CLASSIFICATION BY TAXING DISTRICT

The principal objective of A. C. R. No. 36 of 1956¹ was to permit each taxing district to select its own assessment ratio which it would in turn be required to apply uniformly to all property within the district. This proposal was decisively defeated at the polls at the November 1956 referendum, and it may be assumed that the vote of the electorate has established the public policy of the State at least for a reasonable time until conditions may change. The Commission has nevertheless re-examined the question in light of the requirements of the Supreme Court decisions.

The proposal that each taxing district be permitted to fix its own assessment ratio without a concurrent proposal that each district be allowed also to fix its separate ratios for each class of property, could not succeed in its purpose, in light of the research of the Commission. Even if each taxing district had been granted authority to select its own over-all ratio, any uniform ratio would have caused as much change in the distribution of local taxes among classes of property and among individual taxpayers within the classes, whether selected by the taxing district itself or selected by the State.

The Commission has also tested the possibilities, however extreme, of a compounded classification, that is, a classification by taxing district and by class of property within taxing districts.

¹ Assembly Concurrent Resolution No. 36 of 1956 proposed to amend the New Jersey Constitution to permit each taxing district to select its own uniform assessment ratio. The Amendment was defeated at the general election of Nov. 6, 1956 by 941,579 votes against it compared to 591,077 votes in its favor.

Again it appears that it is impossible to avoid major shifts in local taxes among taxpayers so long as all taxpayers within the same class, however established, are treated alike. This is the basic requirement of the Supreme Court decisions and the minimum that common decency would sustain.

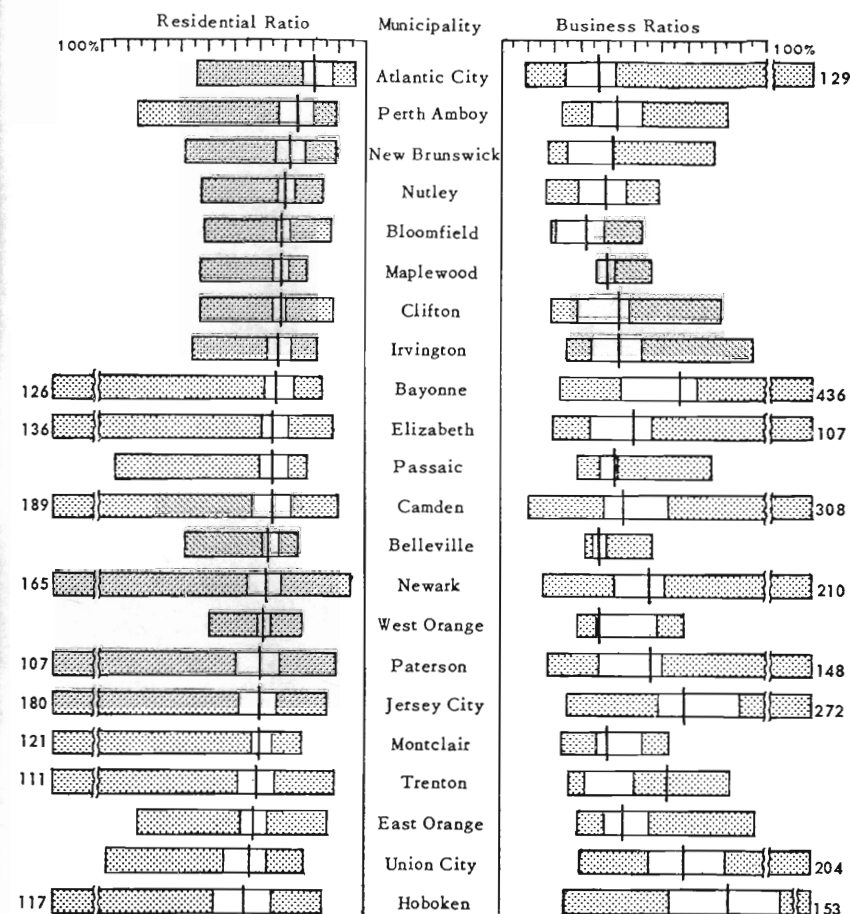
As shown in Chart E, there was not one among 22 of the larger taxing districts in the State that could have selected a ratio for residential property and a ratio for business property which, if uniformly applied, could avoid substantial shifts in the tax burden among at least one half of the taxpayers owning residential real estate and an even greater number owning business real estate. For example, in Atlantic City, which had the lowest average ratio on residential real estate, 21 per cent, to include only one half of the number of residential taxpayers, the chart shows a spread from 13 per cent to 24 per cent. In effect this means, that excluding half of the residential taxpayers, within the other half some properties are paying twice the tax imposed on other properties of comparable value. To include all residential property the bar chart shows a spread ranging from a low of 4 per cent to a high of 65 per cent. It is apparent that the city could not select its own uniform assessment ratio for residential real estate without causing as much shifting of the tax burden as the ratio selected by State legislation.

The assessment ratio on business real estate in Atlantic City, similarly, spreads between a low of 9.1 per cent and a high of 129 per cent, and even half of all the taxpayers could not be included within a spread any narrower than that between 24 per cent and 43 per cent. Again it is apparent that any uniform ratio applied to business real estate, whether selected by the municipality or by the State, will require substantial shifts in tax liabilities if equal treatment is to be achieved.

In Nutley, Bloomfield, Maplewood, Clifton, Belleville, West Orange, Montclair and East Orange the spread required to include one half of the residential ratios, as shown in Chart E, is relatively narrow, but even in these municipalities a uniform ratio that must include all of the taxpayers would cause important shifts in the tax burden. In the same municipalities, moreover, the spread in assessment ratios on business real estate, as shown by the chart, generally shows greater inequality than the residential ratios. Again it is plain that there is no single ratio that any of these better assessed municipalities could select for application to business real estate on a uniform basis which would avoid major corrections in the present distribution of the local tax burden.

CHART E

STATE OF NEW JERSEY
VARIATION IN AVERAGE AND INDIVIDUAL ASSESSMENT RATIOS
RESIDENTIAL AND BUSINESS REAL ESTATE
SELECTED MUNICIPALITIES, 1957



NOTE: Each bar shows the range of highest and lowest individual property ratios. The white area within the bar shows the spread in ratios needed to include one-half of all the property. The bold line crossing each bar shows the average assessment ratio in each municipality for each class of property.

EXAMPLE: This is the range of difference
This is the average ratio
Area of spread needed to include one-half of all properties

TABLE 4.3
EFFECT OF REAL ESTATE ASSESSMENT EQUALIZATION FOR EXAMPLE
RESIDENTIAL AND BUSINESS REAL ESTATE PARCELS
IN 22 MUNICIPALITIES
1957

	Ave. Ratio	Residential			Total	Commercial and Industrial			Total
		Average	High	Low		Average	High	Low	
Atlantic—									
Atlantic City	31.40%	20.34%	64.77%	4.21%	315	34.91%	129.12%	9.14%	80
Camden—									
Camden	40.25	35.17	188.57	10.33	602	47.79	308.33	10.88	36
Essex—									
Belleville	36.76	36.51	69.29	26.43	69	37.42	56.84	31.98	2
Bloomfield	34.98	31.85	61.89	13.33	315	42.66	52.62	19.31	6
East Orange	45.67	42.40	86.25	13.64	330	48.98	95.71	29.00	4
Irvington	38.48	32.74	66.15	17.96	227	47.00	95.09	25.09	12
Maplewood	33.81	33.08	63.20	22.09	194	39.50	57.05	33.56	30
Newark	49.61	38.39	165.00	5.13	1,212	56.73	210.00	15.60	6
Nutley	33.91	31.13	63.33	16.00	261	48.82	59.49	17.38	230
Montclair	41.73	40.97	121.27	24.15	265	45.31	63.20	23.30	4
West Orange	38.16	38.72	60.00	24.47	179	34.28	68.67	29.39	10
Hudson—									
Bayonne	57.32	33.55	126.40	16.43	220	67.28	436.00	21.71	3
Hoboken	80.89	46.14	117.14	15.71	72	86.16	152.63	24.17	25
Jersey City	61.82	40.00	180.00	12.73	888	68.55	271.67	25.33	47
Union City	60.48	44.14	98.18	23.18	149	68.99	204.00	29.79	113
Mercer—									
Trenton	48.73	41.16	111.29	11.48	227	62.66	85.63	26.40	31
Middlesex—									
Perth Amboy	34.74	25.84	87.37	11.11	121	44.73	84.85	23.08	19
New Brunswick	35.15	28.64	63.57	11.18	147	42.41	80.00	17.58	14
Passaic—									
Clifton	34.85	32.35	63.23	12.34	494	43.51	83.24	18.60	5
Passaic	39.31	34.92	95.38	21.76	143	42.89	78.75	28.57	15
Faterson	45.61	39.82	106.78	9.78	486	56.09	147.95	17.70	17
Union—									
Elizabeth	40.46	34.88	136.36	12.17	468	49.77	107.14	20.00	444
					120	588			22
									30
									52

The effect of a compound classification is suggested by the data set forth in Table 4.3. Assuming that each municipality were permitted to select its own assessment ratio, both overall and for specific classes of property, the insurmountable problem of finding a ratio which would fit existing practice becomes apparent from the data set forth. For example, in Camden, the average assessment ratio on all real estate was 40.25 per cent in 1957 as compared with an average on residential property of 35.17 per cent. If the city had selected this ratio (40.25 per cent) for its own use, it would have found at least one residential property as high as 255 per cent and one as low as 14.67 per cent. In order to apply the 40.25 per cent ratio uniformly as required by Federal and State constitutions, it would have been necessary to increase 713 properties and decrease 338, as shown in the same table. Similarly, if the city had applied average ratio to commercial and industrial properties, averaging 46.26 per cent, it would have had to increase 15 properties and decrease 23 within the sample from which the 46 per cent was computed. Even by using different average ratios for each class of property, Camden would not avoid extreme tax shifts among properties of both classes.

In Jersey City, similarly, with an average assessment ratio of 61.82 per cent upon all real estate and an average on residential property of 40 per cent, the range of individual residential properties in the 1957 sample was from 16.67 per cent to 210 per cent and had the city selected its average ratio it would have had to increase 1,028 properties and decrease 117 from the 1957 sample. A comparable result would have occurred among commercial and industrial properties averaging 68.55 per cent following adoption of the Jersey City average ratio of 61.82 per cent also. As shown in Table 4.3, even a compound classification based upon separate average ratios for residential and commercial and industrial properties would necessitate large numbers of changes among individual properties of both classes.

Other examples may readily be found in the table. In none of the cities examined was the range of the high and low assessment ratios narrow enough to permit the use of the local average ratio for either residential property or commercial and industrial property, without major changes in the tax bill of individual taxpayers within each class. In this connection, it should be noted where the table shows a relatively small number of required increases or decreases that this is only a sample based upon an analysis of sales and appraisals over one or two years, and not

on a complete examination of the tax rolls of any taxing district. Such samples are used for the computation of average assessment ratios generally.

The Commission concludes—

That any purpose of avoiding substantial shifts in the tax burden which may be expected under uniform treatment, cannot be accomplished by allowing each district to select its own average assessment ratio nor by allowing it to select both its own average ratio and its own assessment ratio for each class of property. The Commission would add that any such compound classification would be classification run wild.

PROPERTY TAX LIMITS

A tax rate limitation on property taxes has also been considered as a means of controlling local taxation in the event that assessments were to be raised to 100 per cent of true value, thereby greatly expanding the tax base. Such limitations in one form or another have been widely adopted in other states and are not new to New Jersey. There are as many as 32 states with some form of municipal tax limit. The type of limit varies among the states, and a substantial number of states attempt to classify municipalities according to form of government, population, or similar standards, for the application of different limitations. In the states that do not bring all municipalities under the tax limit, the usual reasons given for exemption are: cities with their own limits in their charters, the largest city in the state, or the least populous governmental units. While there has been much dissatisfaction with tax limitations, it is plain from the experience of other states that when they were adopted under depression conditions they forced the adoption of non-property taxes to provide essential governmental revenues.¹ New Jersey's experience with tax limits prior to World War I was discouraging.

In 1905, New Jersey passed the so-called Hillery Act² which was in essence a prototype of many general tax limits in effect in other states. It provided that the maximum rate for counties should be .50 per cent. The maximum aggregate levy of county, school district, and municipal taxes was set at 1.70 per cent in

cities of over 50,000 and 1.50 per cent in cities of less than 50,000 and all boroughs, towns, villages, and townships. The tax limit did not apply to any State tax (there was none at that time), State School Tax, or to judgments against a municipality. Any municipality could exceed the applicable limits whenever its governing body by resolution adopted a higher rate and the same rate was approved by a majority of the voters at the general election preceding the fixing of the rates.

Since the tax rates in some communities were higher than the maximum permitted by the act, it was impossible for the act to become really effective. Consequently it was repealed the following spring, a good six months prior to the general election at which voters could vote excess levies. In its place a law was passed which provided that in all taxing districts in the State where the tax rate was less than 2.00 per cent in 1905 the rate for 1906 should not exceed the rate for 1905 and thereafter the tax limit was reduced .05 per cent per year until a permanent limitation of 1.75 per cent would be reached. In all taxing districts in New Jersey where the rate was more than 2.00 per cent in 1905, the rate for 1906 was not to exceed the 1905 rate and thereafter the limit was reduced .10 per cent per year until the permanent limitation of 1.75 per cent was reached. In all counties the tax rate for 1906 could not exceed the rate for 1905 and thereafter the tax limit was reduced .05 per cent per year until the permanent limitation of .50 per cent was reached. As in the previous act, any State tax, State School Tax, or judgments against a municipality, were not bound by the limits.¹ The act also provided that any taxes levied in excess of the limits were void as to the excess.

The effectiveness of the Hillery Act cannot be determined at this time. However, within two years, the law had been changed to permit counties, upon application to and approval of the county board of taxation, to exceed the statutory limits by .10 per cent. In the case of municipalities, the governing body could apply to the county board of taxation for increases in the applicable rate of up to .30 per cent, although the total increase allowed under the act was not to exceed .30 per cent. This automatically raised the permanent limits to .60 per cent for counties and 2.05 per cent for the aggregate rate.² A few days later the law was amended to exclude the costs of constructing and maintaining sewerage systems by boroughs from the tax limit.³ So, apparently

¹ For a summary of the arguments pro and con property tax limitation, see Commission vs. State Tax Policy. *Sixth Report* (1953), Chapter VI, pp. 125-130.

² P. L. 1905, Chapter 33, approved March 31, 1905, effective January 1, 1906.

¹ P. L. 1906, Chapter 116, approved April 13, 1906, effective immediately.

² P. L. 1908, Chapter 182, approved April 11, 1908, effective immediately.

³ P. L. 1908, Chapter 274, approved April 14, 1908, effective immediately.

New Jersey was experiencing the same difficulties with tax limits in the first decade of the century, that other states are experiencing with theirs now. How well the law worked after the amendments of 1908 is not known, but undoubtedly the county boards of taxation must have had at least a few applications, otherwise the law would never have been passed. Whatever merits the tax limits may have had, the Legislature was evidently disgusted with them, or perhaps with the requests for amendatory legislation that followed in their wake, and all tax limits were repealed on March 10, 1914 effective immediately.¹

The effect of municipal tax limits in states where they have effectively limited property tax levies, has been to compel State aid and local permissive non-property taxes to take their place. The plethora of service charges imposed by many municipalities for water, sewerage, street cleaning and maintenance, and any other governmental activity that lends itself to this type of financing may be traced in part to the tax limits. Municipalities whose financing is hemmed in by property tax limits concern themselves more with financing through non-property levies than in cutting all expenditures to meet the limit. States like Alabama, Illinois, and New York have had to yield to demands for permissive non-property taxes and increased State aid in order to hold the line on the real estate tax limits. Of course, the tax limits themselves are often not too rigid. In many cases, a municipality or all municipalities in a state, may make a policy decision as to whether additional funds shall be sought from property owners, which involves exceeding limits or extra voting levies, or from others, by imposing charges for services or non-property taxes, or going to the Legislature and asking for more State aid or for larger distributions of shared taxes.

One of the principal lessons learned by tax limitation states over the economic cycle has been that you cannot pay 1958 prices for the things that government buys and still maintain assessed valuations and tax rate limitations at 1940 price levels. The attempt to do this in some states has inevitably resulted in general pressure for raising the limit, or for the growth of one form or another of governmental unit not affected by the tax limit, such as public authorities and special districts. It is particularly notable that a recent study, based upon the data set forth in Table 4.4, has concluded that states with property tax limits did not experience any lesser increase in per capita local property taxes

¹ P. L. 1914, Chapter 9, approved March 10, 1914, effective immediately.

CHANGES IN TAX REVENUES 1942-1953, IN SELECTED STATES CLASSIFIED BY TYPE OF TAX LIMITATIONS									
	Per Capita Local Taxes			Per Capita Property Tax			Per Capita State Tax Collections		
	1942 ¹	1953 ²	% Change	1942 ¹	1953 ²	% Change	1942 ¹	1953 ²	% Change
States With no General Property Tax Limit or Unimportant Ones—									
Connecticut	\$49.64	\$76.52	54.15%	\$47.03	\$75.40	60.32%	\$47.83	\$65.77	37.51%
Delaware	17.39	29.42	69.18	16.58	27.53	66.04	50.19	75.66	50.75
Maine	32.32	67.13	107.86	31.42	65.79	109.39	34.30	61.14	77.00
New Hampshire	41.53	103.91	150.20	39.78	98.79	148.34	35.66	61.24	71.73
New Jersey	58.45	105.82	81.04	57.01	95.35	67.25	46.38	44.36	-4.36
Vermont	30.40	63.39	108.52	29.64	60.63	104.55	36.59	72.24	102.90
Average			95.16			92.65			57.59
States With Over-all Property Tax Limits—									
Indiana	30.56	62.78	105.43	30.10	61.39	103.95	36.59	69.23	89.20
Michigan	35.35	62.69	77.34	34.66	61.21	76.60	47.78	86.83	81.73
Nevada	58.90	102.92	74.74	50.10	81.49	62.65	54.95	93.36	69.90
New Mexico	12.51	25.98	107.67	11.43	20.55	79.79	37.49	97.06	158.90
Ohio	27.76	59.16	98.79	29.09	53.97	85.53	43.71	60.14	37.59
West Virginia	15.84	25.31	59.79	14.88	21.36	43.55	35.54	63.53	78.76
Average			87.29			75.35			86.01
States With General Constitutional Limits—									
Alabama	10.11	23.17	129.18	7.45	15.23	104.43	21.99	52.10	136.93
Kentucky	14.67	32.25	119.84	13.57	27.06	99.41	23.52	47.29	101.06
Missouri	26.63	52.26	95.88	23.20	42.09	81.42	28.01	51.09	82.40
New York	66.18	114.29	72.70	59.86	85.42	42.70	47.93	73.78	53.93
Texas	21.19	50.31	137.42	20.34	45.59	124.14	26.48	54.64	106.34
Wyoming	35.88	65.48	82.50	33.80	60.48	78.93	34.46	89.13	158.65
Average			106.25			88.51			106.55
States With General Statutory Limits—									
Georgia	12.98	33.99	161.86	11.60	28.84	148.62	22.71	62.04	173.18
Idaho	30.95	69.44	124.36	30.37	63.43	108.86	30.94	63.76	106.08
Illinois	44.99	78.98	75.55	41.34	70.89	71.48	40.62	57.69	42.02
Iowa	32.68	82.13	151.32	31.88	80.15	151.41	31.60	64.03	102.63
Kansas	33.51	75.69	125.87	32.77	72.54	121.36	27.78	68.55	146.76
Nebraska	31.08	75.94	144.34	29.67	70.32	137.01	20.91	44.22	111.48
Utah	30.16	60.83	101.69	28.73	57.76	101.04	45.65	54.82	51.93
Virginia	16.96	36.21	113.50	14.71	28.39	93.00	28.18	53.93	91.38
Average			124.81			116.60			103.54

¹ Computed from Revised Summary St. and Loc. Gov. Finances in 1942, Bul. b-55 no. 26—June 1948, Dept. of Commerce, Bureau of Census.
² State and Local Gov. Revenue in 1953—G-58 no. 37—Oct. 27—1954, Dept. of Commerce—Bureau of Census.

between 1942 and 1953 than did states without such limits; and that the average increase in total local taxes, property and non-property, was even greater in tax limitation states over that period than in states without municipal property tax limitations.¹

The Commission concludes—

That tax limitations would cause as many problems as they might cure, and that they would be ineffectual as a restraint on local expenditures regardless of the standard of value adopted for local property tax purposes.

HOMESTEAD TAX EXEMPTIONS

The use of some form of homestead tax exemption to relieve real estate has been proposed to the Commission by Mayor Leo Carlin of Newark and by others. This proposal has been carefully examined in light of the assignment set forth in the legislative resolution under which the *Commission* has conducted the present study, and with reference to experience in other states.

Seventeen states have no statutory provisions which permit, to any extent, real property exemptions from tax levies. These States are as follows: Colorado, Delaware, Illinois, Kansas, Kentucky, Missouri, Nebraska, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia, Washington, West Virginia and Wisconsin. The remaining 31 states have either veterans' exemptions or some form of more general real property exemption from the levy of taxes. Exclusive of veterans' exemptions the states which use general homestead tax exemptions are:

Arkansas (\$1,000)	Minnesota (\$4,000-rural)
Florida (\$5,000)	Mississippi (\$5,000)
Georgia (\$2,000)	New Mexico (\$200)
Iowa (\$2,500)	Oklahoma (\$2,000)
Louisiana (\$2,000)	

It is notable that with two exceptions all of the homestead tax exemption states are located in the South. The *Commission* has nevertheless considered the possibility of such a form of exemption to property owners in New Jersey. Any such exemption would, of course, tend to be more valuable for lower assessed valuations of property.

An estimate of the effect of a \$2,000 homestead tax exemption appears in Table 4.5. For the purposes of a more realistic

presentation, the table has been constructed on the assumption that 100 per cent assessments would not become effective and that some form of fractional assessment, for example, Alternative 1 as described in Chapter V of this report might become effective. That alternative would assess real estate and machinery and equipment at 40 per cent of its value and inventories at 10 per cent of their value. Upon this assumption, a homestead tax exemption would cause a shift of taxes from residential properties to other properties amounting to over \$40 million each year. This net tax shift is after taking into account that part of the cost would appear in the tax levied upon that value of the homestead in excess of the exemption. The problem is similar to the present veterans' exemption, which is discussed in Chapter VI of this report.

TABLE 4.5
ESTIMATED EFFECT OF A \$2,000 HOMESTEAD EXEMPTION
NEW JERSEY COUNTIES—1957
(amounts in thousands of dollars)

County	Actual Taxes	Taxes on Residential Property		
		Payable under 40, 40, 10% Assessment*	No Homestead Exemption	With Homestead Exemption
				Shift in Taxes
Atlantic	\$6,710	\$7,561	\$6,355	\$1,206
Bergen	51,797	52,177	49,061	3,116
Burlington	6,572	6,016	5,189	827
Camden	17,589	16,844	13,616	3,228
Cape May	4,899	4,663	4,037	626
Cumberland	3,468	3,436	2,673	763
Essex	59,637	58,657	51,535	7,122
Gloucester	4,798	4,387	3,600	787
Hudson	20,149	25,679	20,912	4,767
Hunterdon	2,006	1,976	1,641	335
Mercer	14,774	13,822	10,325	3,497
Middlesex	18,322	19,667	17,588	2,079
Monmouth	18,817	18,642	16,632	2,010
Morris	17,428	16,378	15,058	1,320
Ocean	7,378	7,316	6,095	1,221
Passaic	21,172	19,664	16,821	2,843
Salem	1,736	1,578	1,302	276
Somerset	6,956	6,515	5,845	670
Sussex	3,116	3,293	2,854	439
Union	32,259	31,072	28,273	2,799
Warren	2,550	2,395	1,998	397
State Total	\$322,133	\$321,738	\$281,410	\$40,328

* Real estate assessed at 40% of market value, machinery and equipment at 40% of book value, inventories 10% of book value, and all household goods exempt.

¹ Sly, J. F. and Miller, W., Tax Policies in Utah (1954), p. 71.

As a matter of policy, this *Commission* is convinced that improvements in the State and local tax system do not lie in the direction of granting further tax exemption without any *in lieu* tax. Such adjustments as are required to reflect the differences in economic ability of taxpayers can and should be made directly rather than through the indirect process of exemptions not based on purely tax considerations. While the total of \$40 million is not large as tax sums go, this is a total for the State as a whole and does not reflect the effect of the exemption on any specific municipality. In those taxing districts which are primarily residential communities, the exemption would have a drastic effect, and its cost would undoubtedly appear in the tax rate to be borne by the non-exempt part of homestead property. As shown in Table 4.6, in more than half of all the municipalities in the State, residential real estate accounts for 60 per cent or more of the local property taxes. The full benefits of homestead tax exemption thus would not be afforded to the homesteaders themselves. With respect to the special purposes of this report, such exemption could not facilitate any transition from the present to a new standard of value.

The Commission concludes—

That homestead tax exemption would not be a desirable modification of the general property tax at this time.

TABLE 4.6
RESIDENTIAL PROPERTY TAXES (AFTER VETERANS' EXEMPTION) AS
PER CENT OF TOTAL PROPERTY TAXES IN NEW JERSEY
MUNICIPALITIES
1957
(number of municipalities)

County	Under 10%	10%-19%	20%-29%	30%-39%	40%-49%	50%-59%	60%-69%	70%-79%	80%-89%	90%	All Municipalities
Atlantic	1	2	1	4	3	4	3	3	2	..	23
Bergen	2	1	..	4	6	5	17	19	14	2	70
Burlington	..	2	4	8	2	7	10	3	3	1	40
Camden	..	..	1	..	4	2	9	11	8	2	37
Cape May	..	..	1	1	1	2	4	5	2	..	16
Cumberland	..	1	..	3	5	5	..	..	..	..	14
Essex	..	..	2	..	3	2	2	6	5	2	22
Gloucester	1	2	1	..	4	3	3	6	3	1	24
Hudson	..	3	1	2	1	..	..	..	..	..	12
Hunterdon	..	1	4	4	5	6	1	5	..	..	26
Mercer	..	..	3	..	3	..	4	1	2	..	13
Middlesex	..	..	4	5	1	..	8	3	1	..	25
Monmouth	1	1	4	3	3	7	7	14	9	3	52
Morris	1	..	..	..	5	8	8	9	7	1	39
Ocean	..	..	1	4	2	4	7	4	11	..	33 ¹
Passaic	..	..	1	..	1	..	7	6	1	..	16
Salem	..	1	4	2	2	..	2	1	..	..	15
Somerset	..	..	..	3	4	5	3	3	3	..	21
Sussex	..	1	3	3	1	6	7	1	2	..	24
Union	..	..	1	..	3	5	5	3	2	2	21
Warren	..	..	1	4	7	6	4	1	..	..	23
Total	6	15	42	50	66	83	111	104	75	14	566 ¹

¹ Excludes Island Beach Boro.

CHAPTER V

THE TOTAL TAX PROBLEMS AND ALTERNATIVE SOLUTIONS

The preceding chapters have described the scope of the problem submitted to this *Commission*, and the conditions under which it may seek its solution. In summary, the conditions found by the *Commission* were these:

1. The amount of State and local taxes in New Jersey has more than doubled over the past decade—an increase of \$556.6 million, averaging almost \$56 million annually.

2. Taxes for State purposes have increased proportionately more than taxes for local purposes, but general property has borne the brunt of increased costs of local government, even though the amount of State aid for schools and other local services has increased by approximately \$100 million.

3. The State treasury has been running low on revenues to meet State needs for operations, State aid and capital purposes; and it appears that the surpluses out of which a portion of annual budget needs have been met, are about to be exhausted.

4. A century of inequities in the administration of the general property tax seems to be coming to an abrupt halt as a result of the decisions of the State Supreme Court requiring all taxpayers to be given equal treatment under the law, and requiring that the standards of assessment prescribed by law shall be followed in practice.

5. The comparative burden of taxation in New Jersey is moderate on an over-all basis but exceptionally high as to the levies on property.

6. The comparative tax burden on business is moderate except for those businesses which require large investments in real estate or are subject to substantial personal property assessments.

7. Potential shifts in the burden of property taxes which appear to be caused by 100 per cent assessments are not due to the use of full values, but solely to uniform treatment of taxpayers under the standards prescribed by law;

8. Neither a legal classification of property for taxation nor any other device permissible under the Federal Constitution can avoid a redistribution of the burden of the property tax in accordance with the principles of uniform treatment of taxpayers similarly situated, whatever standard of assessment or legal classification might be adopted under the State Constitution.

BASIC CHOICES CONFRONTING THIS STATE

Uniformity v. non-uniformity:

The question of uniformity and the question of classification are two sides of the same coin. In its present form, the rule of uniformity requires the same standard of value for all taxable

property within the State. It would be applied even were the statutes to prescribe a different standard of value for all taxable property of a given class. Classification of personal property is permitted, and may be desirable, under the present constitutional provisions. Classification of real property for local tax purposes would require a constitutional amendment.

The theory that real property should be classified is based on assumed economic difference, social objectives, and public values. Different types of property would be valued according to these standards and classified at different rates. Industrial property, residential property, or farm property, with any number of sub-classifications might be permitted.

With or without classification, uniform treatment of taxpayers under the law will, in many cases, require extreme readjustments to correct for the present unequal treatment.

Only three States have attempted a general classification of real property. This policy has opened a Pandora's Box of troubles, with no foreseeable end to group efforts to obtain favored treatment through additional classifications.

The hope that classification might be a way of avoiding a shifting of the tax burden cannot be sustained by the facts. Even were

TABLE 5.1
RANGE OF AVERAGE NEW JERSEY REAL ESTATE ASSESSMENT RATIOS
STATE SUMMARY—1957
(amounts in millions of dollars)

Assessment Ratios	Number Municipalities ¹	Assessed Value	True Value	Per Cent Distribution		
				Number Municipalities	Assessed Value	True Value
Under 10%	13	\$31	\$334	2.30%	0.45%	1.40%
10%-14.9%	119	291	2,251	21.10	4.30	9.41
15%-19.9%	173	904	5,149	30.67	13.37	21.51
20%-24.9%	148	1,159	5,168	26.24	17.14	21.59
25%-29.9%	46	662	2,412	8.16	9.78	10.08
30%-34.9%	28	899	2,715	4.96	13.30	11.34
35%-39.9%	11	423	1,118	1.95	6.25	4.67
40%-44.9%	9	589	1,411	1.60	8.71	5.90
45%-49.9%	7	967	2,007	1.24	14.29	8.38
50% and Over	10	839	1,371	1.77	12.40	5.73
State Total	564	\$6,763	\$23,937	100.0%	100.0%	100.0%

¹ Excludes Shrewsbury Township, Victory Gardens, and Island Beach which report no real estate assessments. This table does not reflect subsequent revisions of ratios by the Division of Tax Appeals in 56 municipalities, the net effect of which is negligible.

Source: State of New Jersey, Department of the Treasury, Division of Taxation. *Certification of Table of Equalized Valuations—1957*. Processed (Trenton, N. J.: Sept. 30, 1957).

TABLE 5.1—Continued
RANGE OF AVERAGE NEW JERSEY REAL ESTATE ASSESSMENT RATIOS
BY COUNTY—1957
(amounts in millions of dollars)

County and Item	Under 10%	10%-14.9%	15%-19.9%	20%-24.9%	25%-29.9%	30%-34.9%	35%-39.9%	40%-44.9%	45%-49.9%	50% and over	Total
Atlantic											
Municipalities	4	14	3	1	1	1	1	1	1	1	23
Assessed Value	\$5.2	\$30.7	\$11.9	\$10.3	.....	\$89.2	.....	.....	.....	.....	\$147.5
True Value	57.3	242.0	67.1	51.5	.....	284.2	.....	.....	.....	.....	702.2
Bergen											
Municipalities	.....	2	23	35	7	2	.....	1	.....	.....	70
Assessed Value	.....	\$3.8	\$197.2	\$472.8	\$112.9	\$53.8	.....	\$17.9	.....	.....	\$858.3
True Value	.....	30.2	1,078.2	2,103.7	405.8	172.0	.....	41.5	.....	.....	3,831.3
Burlington											
Municipalities	3	15	12	9	1	.....	.....	.....	.....	.....	40
Assessed Value	\$1.4	\$22.4	\$40.3	\$30.6	\$3.0	.....	.....	.....	.....	.....	\$97.8
True Value	16.1	178.6	228.5	144.5	11.8	.....	.....	.....	.....	.....	579.5
Camden											
Municipalities	.....	3	11	13	7	1	.....	1	.....	1	37
Assessed Value	.....	\$4.0	\$47.9	\$74.8	\$67.9	\$5.1	.....	\$125.7	.....	\$9	\$326.2
True Value	.....	30.3	264.1	324.1	255.3	16.6	.....	312.2	.....	1.4	1,204.0
Cape May											
Municipalities	.....	3	4	6	3	.....	.....	.....	.....	.....	16
Assessed Value	.....	\$8.6	\$32.0	\$28.2	\$7.8	.....	.....	.....	.....	.....	\$76.6
True Value	.....	76.5	191.6	133.7	23.6	.....	.....	.....	.....	.....	431.5
Cumberland											
Municipalities	.....	2	4	6	1	1	.....	.....	.....	.....	14
Assessed Value	.....	\$2.9	\$28.1	\$18.7	\$14.4	\$1.8	.....	.....	.....	.....	\$65.9
True Value	.....	20.6	174.9	78.3	57.0	5.7	.....	.....	.....	.....	336.6
Essex											
Municipalities	.....	.....	.....	.....	3	7	6	2	3	1	22
Assessed Value	.....	.....	.....	.....	\$60.7	\$252.5	\$205.3	\$137.9	\$733.6	\$57.2	\$1,447.3
True Value	.....	.....	.....	.....	210.0	740.6	543.8	335.4	1,503.9	108.1	3,441.8
Gloucester											
Municipalities	.....	3	11	7	3	.....	.....	.....	.....	.....	24
Assessed Value	.....	\$6.5	\$48.7	\$31.3	\$5.4	.....	.....	.....	.....	.....	\$91.9
True Value	.....	50.4	272.6	137.6	20.3	.....	.....	.....	.....	.....	481.0

TABLE 5.1—Continued
RANGE OF AVERAGE NEW JERSEY REAL ESTATE ASSESSMENT RATIOS
BY COUNTY—1957
(amounts in millions of dollars)

County and Item	Under 10%	10%-14.9%	15%-19.9%	20%-24.9%	25%-29.9%	30%-34.9%	35%-39.9%	40%-44.9%	45%-49.9%	50% and over	Total
Hudson											
Municipalities .....	...	...	...	1	...	...	2	1	1	7	12
Assessed Value .....	...	...	...	\$11.4	...	...	\$74.3	\$5.5	\$19.3	\$713.1	\$823.5
True Value .....	...	...	...	52.3	...	...	187.8	12.7	38.6	1,192.8	1,484.2
Hunterdon											
Municipalities .....	...	9	10	6	1	...	...	...	...	...	26
Assessed Value .....	...	\$16.3	\$13.6	\$9.5	\$2.7	...	...	...	...	...	\$42.1
True Value .....	...	128.3	74.7	45.5	9.7	...	...	...	...	...	258.1
Mercer											
Municipalities .....	...	1	1	6	2	1	...	1	...	1	13
Assessed Value .....	...	\$5.9	\$25.6	\$31.3	\$59.2	\$21.1	...	\$163.6	...	\$67.3	\$374.0
True Value .....	...	40.6	152.2	143.0	205.2	62.4	...	368.2	...	68.7	1,040.3
Middlesex											
Municipalities .....	...	1	17	3	1	1	1	...	1	...	25
Assessed Value .....	...	\$1.8	\$169.9	\$65.0	\$12.2	\$51.9	\$48.5	...	\$30.2	...	\$379.4
True Value .....	...	11.9	974.4	287.5	47.0	149.4	137.9	...	62.3	...	1,670.3
Monmouth											
Municipalities .....	...	1	14	14	17	3	...	1	...	...	51
Assessed Value	\$3.0	\$52.4	\$49.0	\$81.3	\$27.4	...	\$24.2	\$7.3	...	...	\$244.7
True Value	31.7	394.2	284.0	375.4	106.7	...	68.5	17.3	...	...	1,277.7
Morris											
Municipalities .....	...	10	19	5	2	1	...	...	1	...	38
Assessed Value .....	...	\$39.6	\$113.8	\$42.5	\$26.6	\$5.0	...	...	\$8.3	...	\$235.7
True Value .....	...	309.1	661.2	193.1	97.9	16.5	...	...	17.9	...	1,295.6
Ocean											
Municipalities .....	...	4	17	8	4	...	...	...	...	...	33
Assessed Value	\$20.5	\$28.5	\$21.9	\$19.2	...	...	...	...	...	...	\$90.1
True Value	224.8	214.7	133.1	92.1	...	...	...	...	...	...	664.6
Passaic											
Municipalities .....	...	...	2	4	4	4	1	...	1	...	16
Assessed Value .....	...	...	\$7.9	\$65.2	\$45.4	\$163.7	\$70.8	...	\$175.3	...	\$528.2
True Value .....	...	...	41.9	276.5	162.9	477.4	180.0	...	384.3	...	1,623.0

TABLE 5.1—Continued
RANGE OF AVERAGE NEW JERSEY REAL ESTATE ASSESSMENT RATIOS
BY COUNTY—1957
(amounts in millions of dollars)

County and Item	Under 10%	10%-14.9%	15%-19.9%	20%-24.9%	25%-29.9%	30%-34.9%	35%-39.9%	40%-44.9%	45%-49.9%	50% and over	Total
Salem											
Municipalities .....	...	2	6	6	1	...	...	...	...	...	15
Assessed Value .....	...	\$2.2	\$22.7	\$14.8	\$6.1	...	...	...	...	...	\$45.7
True Value .....	...	17.7	137.5	63.9	23.3	...	...	...	...	...	242.4
Somerset											
Municipalities .....	...	9	9	3	...	...	...	...	...	...	21
Assessed Value .....	...	\$46.3	\$27.8	\$27.2	...	...	...	...	...	...	\$101.2
True Value .....	...	358.9	161.1	121.9	...	...	...	...	...	...	641.9
Sussex											
Municipalities .....	...	10	8	6	...	...	...	...	...	...	24
Assessed Value .....	...	\$15.4	\$8.8	\$15.3	...	...	...	...	...	...	\$39.5
True Value .....	...	118.7	54.1	72.6	...	...	...	...	...	...	245.5
Union											
Municipalities .....	...	...	2	5	5	7	...	2	...	...	21
Assessed Value .....	...	...	\$26.9	\$104.4	\$200.1	\$238.6	...	\$131.1	...	...	\$701.1
True Value .....	...	...	138.2	447.0	731.4	737.2	...	324.0	...	...	2,377.8
Warren											
Municipalities .....	...	1	4	9	5	2	...	...	...	...	23
Assessed Value	\$3	\$3.7	\$10.5	\$5.2	\$9.9	\$16.6	...	...	...	...	\$46.3
True Value	4.2	28.8	59.8	23.9	37.8	53.5	...	...	...	...	208.0
State Total											
Municipalities ¹	13	119	173	148	46	28	11	9	7	10	564
Assessed Value	\$30.6	\$290.9	\$904.4	\$1,158.8	\$661.5	\$899.4	\$422.9	\$589.1	\$966.6	\$838.5	\$6,762.8
True Value	334.1	2,251.4	5,149.0	5,168.0	2,411.9	2,715.5	1,118.0	1,411.3	2,007.0	1,371.0	23,937.2
Per Cent Distribution											
Municipalities	2.30%	21.10%	30.67%	26.24%	8.16%	4.96%	1.95%	1.60%	1.24%	1.77%	100.0%
Assessed Value	0.45	4.30	13.37	17.14	9.78	13.30	6.25	8.71	14.29	12.40	100.0
True Value	1.40	9.41	21.51	21.59	10.08	11.34	4.67	5.90	8.38	5.73	100.0

¹ Excludes Shrewsbury Township, Victory Gardens, and Island Beach, which report no real estate assessments.

each taxing district authorized to select its own ratio of assessed to true value, as proposed in A. C. R. No. 36 which was rejected at the polls in 1956, there would be just as much redistribution of the tax burden under a uniform local ratio selected locally as there would be under a uniform State ratio selected by the Legislature. For example, if under such a plan, Middletown Township had selected its own average ratio of 14 per cent in 1957, the constitutional requirement of uniform treatment of all taxpayers similarly situated would demand that Mrs. Switz be given a substantial reduction in her assessment and that many of her neighbors be given a substantial increase.

If the purpose is to avoid a redistribution of the burden as among classes, by allowing each taxing district to preserve its present situation, it would be necessary to allow it to select not only its own uniform ratio, but also to select the ratio it would apply to the various classes of property within the district. Even though such a classification were made, the courts would still require that all taxpayers within the same class be given equal treatment, and the effect of such uniformity within the classes would similarly result in an extreme redistribution of the tax burden in municipalities where great variation in assessment prevails. There is no form of constitutional amendment which could circumvent this result.

In brief, to effectuate the idea of classification would require not only the legalization of a classification according to use, but on top of that, a classification according to location by political subdivision.

Such a multiple scheme of classification would mean that each type of property could conceivably be making a different relative contribution for the support of government in every taxing district. It would become impossible to continue to use the municipal tax rolls for the apportionment of the county tax burden, since discrimination between identical taxpayers cannot be legalized under the federal requirement of equal protection of the laws. A separate county tax roll equalized by class of property within each taxing district would be required.

In summary, to abandon the legal requirement of uniform and equal treatment would mean to accept a principle of unequal treatment for every taxpayer in the State—in other words, a legalizing of the present situation, with few if any, adjustments among taxpayers. This is at present illegal. It could not be made constitutional. *It would certainly be unfair.*

The Commission concludes—

Even if some classification were legalized, unequal treatment of taxpayers within an established class (what the *Switz* case actually prohibited) could not be legalized under the Federal constitution. It cannot be emphasized too often that the cause of the shifting of tax liabilities anticipated under the court decision is due solely to the court's enforcement of the uniformity rule, and not to any standard, classification or lack of classification.

The Commission recommends retention of the uniform standard of assessment of real estate. --

100 PER CENT ASSESSMENTS OR FRACTIONAL ASSESSMENTS

So far as the taxpayer is concerned, assessments at a fraction of full value will make no difference in his tax liability. It would cause no greater shift in the tax burden among classes or among individuals regardless of what the present differences may be. He will pay the same under 100 per cent, 60 per cent, 40 per cent, or 10 per cent assessments—provided local budget requirements remain unchanged. It will, however, make a difference in the tax rate. If a uniform assessment requires that the local average ratio of assessed value to true value be lowered, the tax rate will increase; conversely, assessments at a higher local ratio would cause the tax rate to decrease.

For psychological reasons, it seems best to adopt a fractional valuation. This valuation must be selected so as to bring a minimum disturbance to conventional tax rates. No matter what uniform fractional valuation is used, however, some tax rate adjustments will be large, but this need not change the tax bill received by any taxpayer. Shifts of tax burden among taxpayers in the same class and among classes of taxpayers will occur—but only because of the establishment of uniform treatment, not because of the fraction selected.

The Commission has conducted extensive experiments in the selection of an assessment ratio in the range between the present State-wide average of about 28 per cent and the legal standard of 100 per cent, for the assessment of real estate. To select a ratio which would be high enough to cover the present practice in all of the taxing districts in the State, would require a ratio of 98 per cent (found in Princeton Township) according to the table of equalized valuations promulgated by the Division of Taxation for 1957. In Hudson County, Hoboken (80.89 per cent), Bayonne (57.32 per cent), Jersey City (61.82 per cent), Union City (60.48

per cent, and West New York (61.20 per cent) had average ratios of assessed to true value of real property which were 51 per cent or greater in 1957.

Table 5.1 shows that 10 New Jersey municipalities had real estate assessment ratios averaging more than 50 per cent of true value in 1957. Located in four counties, these 10 municipalities contain 12.4 per cent of all real estate assessed values and 5.7 per cent of all real estate true values. Sixteen other municipalities in 10 counties had real estate assessment ratios averaging between 40 per cent and 50 per cent. These 16 municipalities account for 23 per cent of all New Jersey real estate assessed values and 14.28 per cent of all true values.

At the other extreme, Table 5.1 shows 13 municipalities with real estate assessment ratios averaging less than 10 per cent. Situated in five counties, these 13 municipalities contain less than half of 1 per cent of all assessed values and 1.4 per cent of all true values. Another 119 municipalities had real estate assessment ratios averaging between 10 per cent and 15 per cent. This 21 per cent of all New Jersey municipalities contains 4.3 per cent of all real estate assessed values and 9.4 per cent of all true values.

In general, three considerations must dominate the selection of a new ratio:

- (1) To fit a new assessment ratio to the highest existing in the State would provide no comfort for the hundreds of districts which have been assessing at an average of between one-quarter and one-third of full value.
- (2) To select the present average rate of 28 per cent might cause excessive increases in the tax rate in 65 municipalities containing over half of all the net valuation taxable in the State.
- (3) In either event, the actual effect on the tax rate of any given assessment ratio, will depend not only upon the real estate ratio but upon what changes are made at the same time with respect to personal property taxation.

The *Commission* has deemed it desirable that the new ratio of assessed valuation to true value shall be established at a point which would give due weight to the average practice throughout the State and at the same time be not so low as to fall substantially below the ratios found in any large number of taxing districts. The *Commission* has also deemed it desirable that the ratio established by law for New Jersey should not be too far from the general practice in other states, if a general practice is apparent,

to avoid an artificial element of interstate competition in the location of industry. The Commission has accordingly examined with interest a recent survey of State-wide average assessment ratios conducted by the Federation of Tax Administrators. As shown in Table 5.2, reporting the results for some 22 states, the statutory standard of assessment is 100 per cent in all but four of the states. The actual State-wide average assessment ratios range from a low of 13 per cent for Idaho to a high of 57.82 per cent for Wisconsin.

The mean of the State-wide ratios shown in the table has been computed as 31.19 per cent, and it is notable that in both New York and Pennsylvania the average State ratio reported by the tax administrators was approximately 39 per cent.

TABLE 5.2
STATE-WIDE ASSESSMENT RATIOS IN SELECTED STATES

State	Ratio Year	State-wide Average	Statutory Standard	County Ratios	
				Low	High
Arkansas	1949	16.34%	20%	11.24%	35.57%
California	1955	22.8	100	20.0	30.0
Idaho	1952-53	13.00	100	8.94	25.53
Illinois	1952	51.32	100	na	na
Indiana	1951	30.00	100	24.00	37.00
Iowa	1954	26.99	60	21.55	40.62
Kansas	1954	23.49	100	13.0	52.0
Kentucky	1955	31.8	100	22.2	50.0
Maine	1954	34.56	100	29.17	42.67
Maryland	1952	40.00	100	25.0	60.0
Minnesota	1954	35.99	100	16.91	51.99
Missouri	1955	29.75	100	18.21	44.20
Montana	1954	30.5	100	19.3	51.8
Nebraska	1955	31.0	50	na	na
New Jersey	1955	21.28*	100	14.22	51.78
New York	1954-55	39.34	100	na	na
Oregon	1955	24.29	100	14.97	34.22
Pennsylvania	1955	39.8	100	19.3	65.7
Virginia	1950	30.0	100	6.1	60.9
Washington	1955	19.22	50	13.2	26.3
West Virginia	1955	36.96	100	17.89	63.72
Wisconsin	1954	57.82	100	32.08	80.59

* Assessment ratios compiled by the Tax Administrators are unweighted averages in which small taxing districts and large ones have equal influence. This accounts for the difference between the ratio of 21 per cent (1955) shown above for New Jersey and the weighted average of 28 per cent (1957) shown elsewhere in this report.

Source: Federation of Tax Administrators. *Equalization Programs and other State Supervisory Activities in the Property Tax Field*, Preliminary Report. Processed (Chicago: Jan. 1957), p. 16.

The Commission recommends—

In view of the wide public reluctance to accept 100% assessments, and despite the fact that there is no real difference between the two in the distribution of the tax burden, a uniform Statewide assessment ratio for real estate should be established at 40% of the full valuation.

A PROPERTY BASE OR A REPLACEMENT BASE

Senate Concurrent Resolution No. 28 (Dec. 27, 1956) under which the Commission has been working was in two parts:

Section 1 requested a solution to problems associated with enforced assessment of real property at 100 per cent of its true value;

Section 2 requested a report on temporary, transitional and permanent changes in the State tax structure.

Section 1 could stand alone; namely, uniform valuations could be assigned to real and personal property, appropriate exemptions provided (for example, household personal property), and adjustments made in debt limitations, veterans' exemptions and special taxes related to real estate assessments. This would have the following advantages and disadvantages:

Advantages

Brings uniformity of tax treatment with minimum of apparent change from present practice.

Requires no property tax replacement from "new taxes"; and

Eliminates from the tax base the unpopular and abused household personal property measures.

Disadvantages

Permits important and sometimes extreme tax shifts for single taxpayers as uniformity is substituted for assessments which are not now uniform.

Provides no "property tax relief" and continues heavy dependence upon local property taxes.

Emphasizes the position of business personal property within the tax base, with resulting excessive adjustments and possible detriment to economic development of the State.

Provides no additional revenues for State purposes.

Section 2, A long-term tax policy: Whatever the political implications may be, this *Commission* cannot recommend a policy of unequal treatment for taxpayers. It is recognized, however, that much disturbance can be caused by a sudden and complete correction of extreme inequalities. The *Commission* has considered, therefore, the beginning of a shift of the tax burden from property to activities within the State, through the use of a replacement tax which could accomplish three purposes:

1. Removal of the property tax from business inventories (\$31 million) to cushion the adjustment for many businesses faced with the threat of "tax lightning" under 100 per cent assessments applied to all machinery and equipment as well as inventories.

2. Abolition of the property tax on household goods (\$15 million) to eliminate one of the glaring weaknesses of the general property tax, and to bring some relief to the homeowner;

3. Provision of the basis, at least in part, for raising needed State revenues as determined by the State budget.

Replacement could be determined by a formula that would replace losses to municipalities from the exemption of household goods and business inventories plus a possible additional amount to bring further relief to real estate. This policy could be continued with other tax bases as rapidly as the Legislature desired. At present it would have these advantages and disadvantages:

Advantages

Removes household goods and business inventories from the property tax base—both long-sought reforms.

Substitutes activity measures such as net earnings for property values as a partial basis of business taxes.

Provides a tax base which could also be used for State purposes.

Disadvantages

Introduces a "new tax" to New Jersey.

Requires future local property tax needs to be met from a narrower base, even though the loss is more apparent than real.

Makes a portion of local tax support subject to variations in business activity or net income.

A third objective—major relief of real estate, would be possible only through the adoption of a major new tax, that is, a consumers' sales tax, or an individual income tax. If the State is to consider the total impact of all Federal as well as State and local taxes, it must recognize the fact that the Federal Government has practically pre-empted the individual income tax by the imposition of steeply progressive rates. This leaves the consumer sales tax available for real estate tax relief.

The total amount raised by taxation of property, real and personal, in 1957, was \$645.6 million for local purposes. Within this total, real estate alone provided all but \$84 million in the tax yield. *To provide substantial relief for real estate, for example, a one-third cut in the average burden, would require a non-property tax to yield approximately \$200 million annually and more as budgets increased with future growth.* What this would mean in terms of "replacement taxes" is indicated by the following estimated yields:

Consumers' Sales Tax

3 per cent without exemptions	\$212 million
4 per cent with food exempt	206 million

Personal Income Tax

Base, exemptions and deductions as in New York at one and a half times the New York rate ..	\$210 million
--	---------------

Business Income Tax

11 per cent Corporation net income (on income before federal taxes)	\$198 million
10 per cent Business net income—Corporation and unincorporated—(on income before federal taxes)	\$220 million

The striking sums that are required to make any major impression on current State and local tax problems have been apparent to other states as well as New Jersey. It is notable that among all the new State fiscal programs since 1945 the sales tax has predominated:

Two States (Rhode Island—1947; Delaware—1957) adopted a corporate income tax—it is now used by 33 States.

Ten States added consumer sales tax—this is the most noticeable trend, and it has occurred in Connecticut, Florida, Georgia, Maine, Maryland, Nevada, Pennsylvania, Rhode Island, South Carolina, and Tennessee.

—One State (Michigan) adopted a new business value added tax, known as the "adjusted receipts tax"—the first of its kind in the United States.

The Commission concludes—

Its first assignment—a solution to the property tax problems created by recent court decisions—can be fulfilled within the framework of the present property tax, without new taxes and granting considerable improvement in the law;

Its second assignment—a basis of providing for over-all revenue needs of State and local government—cannot be met without a new tax, and the present political environment would leave no alternative to some form of business tax;

Major relief of real estate—requiring the adoption of a new broad based tax, such as the individual income tax or a consumer sales tax—would require both major political parties to reconsider their 1957 tax planks, possibly under a referendum to the voters.

ALTERNATIVE PROGRAMS

The Commission has considered and evaluated a large number of alternative programs, both with and without new taxes. Upon analysis, an effective choice which would meet all of the conditions which have been described, a majority of the Commission believes would be between either of two alternatives:

ALTERNATIVE 1

General Description (40 per cent-40 per cent-10 per cent)

- Real estate assessment at 40 per cent of its full value.
- Business machinery and equipment at 40 per cent of its value.
- Business inventories at 10 per cent of its value.
- Household personalty exempt.
- Veterans' exemptions unchanged (\$500).

Specific Standards

- Real estate—40 per cent measured from current market values.
- Farm personal property—
 - Farm inventories, crops and livestock, 10 per cent market or book value.
 - Farm machinery—40 per cent depreciated cost.
- Business personal property—
 - Business inventories—10 per cent book value.
 - Other business personalty—40 per cent book value.

Assessment Administration

- Business personal property—
 - State assessed for certification to municipalities.
 - All other property locally assessed.

COMPARED TO 100 PER CENT ASSESSMENTS

The *Commission* has not considered 100 per cent assessments of real and personal property as a practical alternative, for two reasons: *first*, as already noted in Chapter I full value assessments are not psychologically acceptable; *second*, 100 per cent assessment of personal property—household and business inventories, machinery and equipment is a theoretical possibility—but it would cause a greater shift in tax liabilities from real estate to personal property than other available alternatives.

Solely for the purpose of illustrating the effect of enforcing the law as written—in compliance with the court decision—Table 5.3 presents the effects on the amount of taxes raised by 100 per cent assessments as compared with actual assessments in 1957, including business personalty at 100 per cent. To make the tax estimates somewhat realistic, veterans' exemptions have been figured at \$1,000 and household personalty has been omitted as impractical to assess at 100 per cent. Granting the basic weakness in such a broad application of the general property tax to the complex modern economy, certain results which are contrary to general expectations, may be noted:

1. There would be practically no change in the amount of tax to be raised from farm property.
2. Assuming that railroad property is now assessed at 100 per cent, if all other property were assessed on this basis, railroad taxes would be reduced by \$8.1 million.
3. Residential property taxes could be reduced by \$30.6 million, while business property taxes would be increased by \$29.2 million, Statewide.

The general merit of Alternative 1 rests on the fact that it retains New Jersey's character as a "property tax State" and would achieve a transition to the uniform treatment required by the court decisions without any important shifts of the property tax burden as between business and residential property for the State as a whole.

Alternative 1 would have the important effect of reducing the amount of tax raised from assessments on business real estate and substantially increasing the amount of tax raised from assessments on business personalty, but the net effect would be to add only \$5.8 million to the total business property tax of \$276.4 million in 1957.

This shift within the business class from real to personal property permits Alternative 1 to add only \$8 million to the

amount of tax raised from residential property and this is more than offset by the proposed exemption of household goods which reduces residential assessments by \$15.5 million, for a net reduction of \$7.4 million.

In farm communities, the fractional assessments proposed by Alternative 1 would cause relatively little change in the share of the property tax raised from farm property.

The effect of any alternative on the amount of tax to be raised from railroad property cannot be projected without certain assumptions as to the present level of assessment on such property. The data in Table 5.3 are presented on the assumption that railroad property is now assessed at 100 per cent of its true value in the communities where it is located. Under the decision of the Supreme Court in the *Lackawanna Case*, the assessment ratio on railroad property must be reduced to the same level as that on other property assessed for local purposes, but the extent of present actual discriminations against railroad property and the corrective measures that will be adopted by the State assessor are still a matter of contention. Granted the assumption that railroad property is now assessed at 100 per cent, Table 5.3 shows that under the proposed Alternative 1 the reduction will amount to \$7.2 million.

The *Commission* has considered the effect of all of the alternatives on the veterans' exemption, but the *Commission* has been obliged to recognize that under the present Constitution (Art. VIII, Sec. I, para. 3) the amount of the veterans' exemptions is limited "to an aggregate assessed valuation not exceeding \$500, which exemption shall not be altered or repealed." This is considered in detail in Chapter VI.

In summary, Alternative 1 would have these principal effects—

The total tax levied in 1957 (\$645.6 million) could be raised with a minimum shifting of the source of property taxes among business, residential and farm properties;

There would be a major shift of the source of business property taxes from real estate (reduced \$47.5 million) to personal property (increased \$53.4 million);

The requirements of uniform treatment under the present constitution, as interpreted and enforced by the Supreme Court, would be fully met.

Individual taxpayers would experience shifts depending on whether they are now above or below the average prevailing in

their municipality. The net effect on any individual business would vary depending upon the combined result of the new standards for real estate and personal property assessments. The Compendium Tables provide a detailed statement on each class of property in each county and each municipality.

The Commission recommends—

As a solution to the "100% assessment problem," that the tax law be revised to provide for assessment of all real estate and business machinery and equipment at 40% of their valuation, and of all business (including farms) inventories at 10% of their valuation, and that all household goods be exempt from property taxation. This will avoid any shift of the tax burden among classes of property on a Statewide basis, and will not require any new tax. To provide for shifting some of the property tax to non-property tax bases for local purposes, or for additional revenue for State purposes, at least one new tax would be required—as shown in Alternative 2 which follows.

ALTERNATIVE 2

The elements of an alternative plan complying with Section 2 of the Legislative Resolution (S. C. R. No. 28, Dec. 27, 1956) and which Commissioners Alexander and Dumont believe is the only alternative, may be summarized as follows:

Item	Tax in 1957
<i>Exempt from Property Taxation</i>	
Business inventories including farm crops and produce held for sale	\$31.0 million
Household personal property	15.5 million
Total	\$46.5 million
<i>Other Property (real and personal)</i>	
Uniform assessment at 40 per cent of full value— with provision that full value of business personalty may be presumed to be book value subject to review.	
<i>Replacement Tax</i>	
Business net income tax—applicable to corporations and unincorporated business—with present Cor- poration Franchise Tax as a deduction (corporation pays greater of two taxes).	
Revised Franchise Tax with 3 per cent income alternative	\$68 million
Present Franchise Tax	26 million
Increased corporation tax	\$42 million
Unincorporated business tax (3 per cent)	9 million
Total additional tax	\$51 million

TABLE 5.3
NEW JERSEY TAX SOURCES—1957
ACTUAL TAXES COMPARED WITH 100% ASSESSMENT
AND TWO ALTERNATIVES
(amounts in millions of dollars)

Class of Property	Actual Taxes	Taxes at 100% Assessment ¹	Alternative 1 40-40-10 ²	Alternative 2 40-40 Replacement ³	Tax Change		
					100%	40-40-10	40-40+ Replacement
Business Property—							
Real Estate	\$208.8	\$144.1	\$161.2	\$155.1	-\$64.7	-\$47.6	-\$53.7
Personal Property	67.6	161.6	121.0	95.7	+ 94.0	+ 53.4	+ 28.1
Net Income .....	.....	.....	.....	51.0	.....	.....	+ 51.0
Total Business	276.4	305.6	282.2	301.8	+ 29.2	+ 5.8	+ 25.4
Residential Property—							
Real Estate	322.9	307.8	331.0	313.3	- 15.1	+ 8.1	- 9.6
Personal Property	15.5	.....	.....	.....	- 15.5	- 15.5	- 15.5
Total Residential	338.4	307.8	331.0	313.3	- 30.6	- 7.4	- 25.1
Farm Property—							
Real Estate	10.4	10.8	11.1	10.3	+ .4	+ .7	- .1
Personal Property	1.2	1.1	1.2	1.2	- .1	.....	- .1
Total Farm	11.6	11.9	12.3	11.4	+ .3	+ .7	- .2
Vacant Land	20.9	20.9	22.0	20.7	.....	+ 1.1	- .2
Class II Railroad	14.5	6.3	7.3	7.1	- 8.2	- 7.2	- 7.4
Gross Tax	661.8	652.6	654.8	654.3	- 9.2	- 7.0	- 7.5
Less Veterans' Exemptions	-16.2	-7.0	-9.3	-8.8	+ 9.2	+ 7.0	+ 7.5
Total Taxes	\$645.6	\$645.6	\$645.6	\$645.6	\$.....	\$.....	\$.....

¹ Household personal property exempt, veterans' exemption of \$1,000.

² Household personal property exempt, inventories 10%, other property 40%, veterans' exemption of \$500.

³ Household personal property exempt and inventories exempt, other property 40%, business income tax replacement \$51 million, veterans' exemption of \$500.

Apportionment of Replacement to Municipalities

By formula which would allocate to each taxing district that portion of the total yield of the replacement tax which total taxes levied locally is of the total taxes levied in all taxing districts.

State Assistance to Assessors

State advice, guidance and supervision in assessment process—possible State assessment of business personal property for certification to municipalities.

State Revenues.

Business income tax rates can be increased to provide additional State revenue—approximately \$22 million for each 1 per cent of tax rate.

The key element in Alternative 2 is acceptance of a new tax to provide replacement revenues that would make possible the complete exemption of business inventories from the property tax and also provide the foundation for a solution for the State's revenue problem. These are related problems only because both of them appear to require a new tax for their respective solutions. They are sufficiently important, in the *Commission's* judgment, to warrant a re-examination of the "no new tax" policy, especially in view of the findings of Chapters I and II of this Report that the benefits of that policy have been less apparent in practice than in theory.

This *Commission* has long resisted the use of any new tax in New Jersey so long as the property tax remained badly in need of improvement. That tax is, and will probably remain, the mainstay of local government in this State. It is divided about equally between residential and business properties. The State and local governments having now embarked upon a program of correcting its inequities and improving its administration, the time may well have come for some sharing of its load with other non-property tax sources.

A second major objection the *Commission* has had in the past, related to the first, has been that it did not want to exhaust a major new tax base without a concurrent solution of the tax lightning problem on business personal property. The *Commission* has repeatedly urged the Governor and the Legislature to take steps to correct this situation which has been unsound in tax policy and imprudent for the economic development of the State. In a previous report the *Commission* recommended the use of a gross receipts tax on business for this purpose. That tax having failed

to receive public acceptance, some alternative is required. The business net income tax, which is the heart of Alternative 2, would fulfill the conditions of a solution.

REVIEW OF PERSONAL PROPERTY TAX PROBLEM

Emphasis upon real estate assessments has diverted attention from personal property which is perhaps an even darker corner in the New Jersey local property tax structure. Including machinery, equipment and inventories of business and farms and household properties, tangible personal property represents more than 13 per cent of the general property tax base. Erratic and uneven assessment of this important class of property is more the rule than the exception.

In 1957, personal property taxes totaled \$84.2 million. Like the tax on real estate, personal property taxes more than doubled during the 10 years between 1947 and 1957. Table 5.4 shows that personal property taxes have not deviated substantially from a general level of 13 per cent of all local property taxes at any time since 1940.

Whatever may be said about inadequacies or the inequity of the personal property tax, it is maintaining its position within the local property tax structure. The same pressures of growth and inequality which necessitate reforms in the assessment and taxation of real estate apply with even greater force to the assessment and taxation of personal property.

In 1944 the Commission on Taxation of Intangible Personal Property arrived at the following conclusion with regard to tangible personal property:

The question of the taxation of tangible personal property used in business is as vital as the question of intangibles. Though neither as extreme nor as drastic as the intangible problem, "tax lightning" is a real hazard on business personalty and has the additional danger of being more widespread, more continuously applied and equally subject to abuse and discrimination.¹

In 1947, the *Commission on State Tax Policy* examined the personal property tax and made the following observations:

... personal property is not now and never has been truly a part of the general property tax base. But the letter of the law which places it within that base has caused negotiations to be substituted for taxation, and an unhealthy atmosphere of caprice to take the place of clear-cut official responsibility. The result, to be expected under such conditions, has been discriminatory, unequal and sometimes arbitrary assessments.²

¹ Report of the Commission on Taxation of Intangible Personal Property, 1945, p. 85.

² Second Report of the Commission on State Tax Policy, 1947, p. 4.

TABLE 5.4
POSITION OF PERSONAL PROPERTY WITHIN GENERAL PROPERTY TAX

Year	General Property Tax Levy	Personal Property Tax— Amounts in Millions of Dollars				Personal Property as % of Total Tangible Personalty— Percentages			
		Intangible Personalty	Business			Intangible Personalty	Business		
			Household	Farm	Total		Household	Farm	Total
1957	645.6	...	67.5	15.5	84.2	...	10.45	2.41	13.04
1956	579.8	...	61.5	13.6	76.1	...	10.62	2.34	13.13
1955	533.9	...	57.9	12.3	71.3	...	10.86	2.31	13.34
1954	509.8	...	55.8	11.7	68.4	...	10.95	2.29	13.42
1953	464.6	...	50.8	10.4	62.1	...	10.94	2.23	13.36
1952	433.4	...	47.7	9.5	58.0	...	11.01	2.19	13.38
1951	394.8	...	42.6	8.6	51.9	...	10.79	2.18	13.15
1950	368.7	4.1	40.7	7.6	49.0	1.11	11.04	2.06	13.29
1949	355.7	4.9	38.4	7.5	46.6	1.38	10.80	2.11	13.10
1948	334.3	5.3	35.3	6.8	42.7	1.59	10.56	2.03	12.77
1947	297.7	5.1	32.0	6.5	39.0	1.71	10.75	2.18	13.10
1946	266.6	4.7	28.6	5.6	34.7	1.76	10.73	2.10	13.01

Again in 1950, the *Commission* turned its attention to the personal property tax and reported as follows:

Experience throughout the State shows that there has been the greatest disparity among municipalities in the extent of their use and enforcement of the personal property tax.

An analysis of the experience of individual taxpayers, moreover, shows a disgraceful degree of inequality and inequity in the application of the tax not only among municipalities but even within the same municipality.¹

The passing years have made the problem worse rather than easier. In 1946, the personal property tax appeared to be a \$34.7 million problem spread \$28.6 million upon business tangibles and \$6.1 million upon household goods and farm tangibles. In 1957, personal property taxes total \$84.2 million divided as between \$67.5 million upon business tangibles and \$16.7 million upon household goods and farm tangibles. Personal property taxes thus increased by \$49.5 million—or 143 per cent—between 1946 and 1957 to account for 13 per cent of the \$379 million by which total real and personal property taxes increased during this period (from \$266.6 million to \$645.6 million). *It is clear that the longer the State defers action on this problem the more difficult it will be to find a solution.*

In contrast to real estate which can be equalized more or less satisfactorily at market values (what a willing buyer would pay a willing seller), equalization of personal property is handicapped by lack of generally accepted standards and procedures. None-the-less, the requirements of uniform assessments apply to personal property as well as to real estate and the State cannot avoid this part of the equalization problem if it is going to continue the taxation of personal property.

Household personal property (furniture, etc.) is the weakest member of the personal property family. As it has been assessed, it represents what amounts to an additional real estate tax in most instances. Totalling approximately \$15.5 million for the entire State, these taxes could be abandoned without creating serious revenue problems. Such abandonment would leave few mourners.

Farm tangibles are an even smaller source of tax revenue. Totalling less than \$1 million, these taxes are in the nature of a poorly administered business tax upon farmers. Although small in terms of total property taxes, farm personal property taxes are an important source of revenue in some rural municipalities.

¹ Fifth Report of the Commission on State Tax Policy, 1950, p. 64.

Business inventories and business machinery, furniture and fixtures represent the major personal property tax problem. Totaling \$67.5 million (1957) business tangible personal property taxes are an important source of revenue in industrial areas.

The *Commission* has found no alternative to a complete exemption of household goods from assessment as personal property. The present form of assessment has been recognized throughout the country as impractical and unenforceable. It is neither a necessary or desirable part of an effective tax system. In this Report, the *Commission* renews its previous recommendation that the taxation of household goods as property be abolished.

The taxation of tangible personal property used in business, that is, machinery and equipment and inventories of raw materials, semi-finished goods, finished goods and stock in trade, have been the subject of long and continuous study by this *Commission* as well as tax policy groups in other states. It is necessary merely to summarize in this Report much that the *Commission* has developed in previous reports. As part of the current study, however, the *Commission* has given serious consideration to the possibility of a complete exemption of all business personal property, both machinery and equipment and inventories, from local taxation as property. This alternative has been rejected for several compelling reasons:

First, the emerging nature of modern industry is requiring a greater and greater share of capital investment in equipment rather than in buildings, and a tax proportional to capital values which did not include the equipment would thus contain an inherent inequity;

Second, in administration, it would be extremely difficult to separate machinery and equipment from real estate in certain industries;

Third, the amount of the replacement required would be so large, upwards of \$84 million for business personalty and household goods combined, that it would require a comparatively high ratio business income tax to provide replacement revenues and some additional funds for financing State needs. Such a replacement would seem impractical without some use of a personal income tax or a consumer sales tax, either of which appear unable to pass the test of political acceptibility at the present time;

Fourth, to exempt machinery and equipment from local assessment, would eliminate practically 40 per cent of the remaining business property tax base after inventories are exempted, and would subject the remaining business real estate and residential real estate to the entire local impact of future increases in local revenue needs not met from the substitute taxes;

Fifth, there are substantial economic differences between inventories (current assets) and machinery and equipment (depreciable assets) which justify the exemption of the former from property taxation without necessarily exempting the latter.

THE EXEMPTION OF BUSINESS INVENTORIES

In its *Fifth Report*, the *Commission* analyzed the characteristics of personal property taxation, and came to the conclusion that "any system of taxation which attempts to treat both (fixed assets and current assets) in the same manner must obviously be unsuited to one or the other." Some eight years later it is still plainly apparent that inventory as a current asset is constantly fluctuating in amount and in character as between inventory and accounts receivable or cash, as distinguished from machinery, equipment, furniture and fixtures, which are fixed in their location and character. These are significant differences from the viewpoint of property taxation.

As among industries, the economic character of inventories varies greatly. In some industries it may turn over twice a year whereas in others it may turn over twelve times or more. In some businesses such sales may be very profitable while in others the margin may be small. The volume of inventory is sometimes controllable and sometimes not. Inventories are mobile and are consumption goods, whereas other classes of business personal property are relatively fixed in location and are production goods. It is neither logical nor practical to tax them in the same way.

After a two-year study of the subject of personal property taxation generally, as it existed and could be improved among the various states, the committee on personal property taxation of the National Tax Association reported in 1953 as follows:

"The classical theoretical basis of the taxation of property ad valorem as applied to tangible personal property used in business has become vague and generally unsatisfactory; it is based on fundamental assumptions which are no longer applicable to the present-day economy."

"On theoretical, equitable, and administrative grounds, the taxation of merchants' and manufacturers' inventories ad valorem is a sore spot in existing taxation of business personalty. In the case of household goods and automobiles, there is precedent for the exemption of tangible personal property and, with respect to automobiles, the substitution of in-lieu taxes. It has been contended that similar exemptions should be granted to inventories and like property. Inventories are movable and subject to control for tax-minimization purposes. Due to the economic nature of inventories, they make, even when

accurately appraised, an undesirable subject of ad valorem taxation from the standpoint of equity and equality of treatment. These characteristics make the burden of ad valorem taxation an uneven one when applied to this particular base. This situation calls for either special treatment within the property tax framework or the adoption of in-lieu taxation."¹

The Commission accordingly concludes—

As part of its second assignment—to examine the need for State revenues as well as to provide for the improvement of the property tax—a program which exempts from taxation both business inventories and household goods, while leaving business machinery and equipment subject to property taxation, would meet the requirements of a long-range improvement in the State and local tax system.

Table 5.3 shows the estimated effect of Alternative 2 upon the over-all sources of property taxes for 1957, as compared with actual tax levies, estimated results of 100 per cent assessment, and Alternative 1. For example:

Business property taxes would increase—property and income combined—under Alternative 2 by \$25.4 million from \$276.4 million (on property alone) to \$301.8 million (on the combination). Each of these changes is the two-way effect of reduced business real estate taxes more than offset by increased taxes upon personal property or net income.

Residential property taxes (before veterans' exemptions) would be reduced \$25.1 million from \$338.4 million to \$313.3 million (including real and personal property tax reductions) as compared with a net reduction of \$7.4 million under Alternative 1.

Veterans' exemptions would be reduced in tax value by \$7.5 million, as compared with \$7.0 million in Alternative 1.

Farm property taxes would be reduced \$200,000 from \$11.6 million to \$11.4 million with some reduction for both real estate and personal property, as compared with a slight real estate increase in Alternative 1.

Class II Railroad property taxes would be reduced under any alternative based upon uniformity—\$7.2 million under Alternative 1 and \$7.4 million under Alternative 2.

Replacement of the present tax yield from assessments on business, farm crops and produce, and household personalty—which would become exempt—would require \$46.1 million for which an estimated \$51 million would become available.

¹ Report of the Committee on Personal Property Taxation on Possible Substitutes for Ad Valorem Taxation on Tangible Personal Property Used in Business, *Proceedings of the 46th Annual Conference, National Tax Association, 1953*, pp. 365, 366-367.

OPERATION OF THE BUSINESS INCOME TAX

If a business income tax is to be adopted, the *Commission* contemplates that it would apply both to corporations and unincorporated business. In order to give equality to the tax base for these two different forms of business organizations, the legislation should provide for a deduction of reasonable compensation of partners or individual proprietors from the gross income of the enterprise in arriving at taxable net income. The *Commission's* recommendation for these and other details of the proposals are being incorporated in recommended legislative bills which will be separately submitted following the Report.

The effect of the recommendation that each taxpayer pay the greater of the net worth or the corporate income tax, in the case of corporate taxpayers, is shown in Table 5.5 for various industries.

EFFECTS OF ALTERNATIVES ON COUNTIES AND MUNICIPALITIES

The total effect of either Alternatives 1 or 2 from the viewpoint of municipal government should be considered as a composite result of the various elements, and not solely from the viewpoint of the 40 per cent ratio of assessed to true value on real estate.

In the tables that follow, the comparative effect of the present actual practice, 100 per cent assessments and the two alternatives, is illustrated for all the counties and the principal municipalities with respect to the effect on the tax rate, the amount of taxes to be raised from each class of property, the relative effect on residences, business and farms, and their specific differences in relation to business total personal property and business inventories.

It is proposed that the yield of the new business income tax be divided as follows. An amount equal to the revenue from the net worth part of Corporation Franchise Tax be retained for State use. The balance of the yield of the franchise tax, including the 3 per cent net income alternative and the yield of the 3 per cent net income levy on unincorporated business shall be placed annually in a replacement fund. Each municipality's share of the replacement fund would be the equivalent of the proportion that its local property tax levy bears to the total of all local property tax levies throughout the State. Any yield of the business income tax from an increase of the rate above 3 per cent would be for State purposes.

TABLE 5.5
VARIATION IN INCOME TAX EQUIVALENT OF A NET WORTH TAX
MANUFACTURING INDUSTRIES IN FISCAL YEAR 1956-1957

Code	Industry	Rate of Return on Stockholders' Equity Before Federal Taxes Fiscal 1956-57 ¹	Income Tax Rate Equiva- lent in New Jersey ²	Index of Variation	Rate of Return on Stockholders' Equity After Federal Taxes Fiscal 1956-57 ¹	Income Tax Rate Equiva- lent in New Jersey ²	Index of Variation
	All Manufacturing Industries	21.6%	.925%	100.0	11.8%	1.695%	100.0
20	Food	17.8	1.123	121.4	8.7	2.299	135.6
21	Tobacco	24.5	.816	88.2	11.8	1.695	100.0
22	Textile Mill Products	10.6	1.887	204.0	5.2	3.846	226.9
23	Apparel and Related Products	16.2	1.235	133.5	8.4	2.381	140.5
24	Lumber and Wood Products	10.2	1.961	212.0	5.7	3.509	207.0
25	Furniture and Fixtures	21.0	.952	102.9	10.2	1.961	115.7
26	Paper and Allied Products	20.2	.990	107.0	10.4	1.923	113.5
27	Printing and Publishing (except newspapers)	23.4	.855	92.4	12.0	1.667	98.3
28	Chemicals and Allied Products	25.6	.781	84.4	13.6	1.471	86.8
29	Petroleum and Coal Products	16.0	1.250	135.1	8.2	2.439	143.9
2911	Petroleum Refining	16.7	1.198	129.5	13.7	1.460	86.1
30	Rubber Products	23.2	.862	93.2	11.8	1.695	100.0
31	Leather and Leather Products	14.2	1.408	152.2	6.4	3.125	185.0
32	Stone, Clay and Glass Products	25.6	.781	84.4	13.3	1.504	88.7
332	Primary Iron and Steel	23.7	.844	91.2	12.0	1.667	98.3
333	Primary Nonferrous Metal	21.8	.917	99.1	12.5	1.600	94.4
34	Fabricated Metal Products	20.2	.990	107.0	10.2	1.961	115.7
35	Machinery (except electrical)	24.9	.803	86.8	12.4	1.613	95.2
36	Electrical Machinery	25.8	.775	83.8	12.4	1.613	95.2
37	Transportation Equipment (except motor vehicles)	32.1	.623	67.3	15.2	1.316	77.6
371	Motor Vehicles and Equipment	29.0	.690	74.6	14.2	1.408	83.1
38	Instruments and Related Products	26.6	.752	81.3	12.9	1.550	91.4
39	Miscellaneous (including ordinance)	19.7	1.015	109.7	10.2	1.961	115.7

¹ Average annual rate of return on stockholders' equity for the four quarters in the period July 1, 1956 through June 30, 1957.

² Rate of return divided into two mills, the basic rate of the New Jersey Corporation Franchise Tax.

Source: U. S. Federal Trade Commission and U. S. Securities and Exchange Commission, Quarterly Financial Report for Manufacturers Corporation, Third Quarter, 1957, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 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801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

Under the *Commission's* proposal, \$26 million would have been retained by the State and \$51 million would have been used as the replacement fund for distribution to local taxing districts in 1957, under the proposed distribution formula. The amount that would have been received by every municipality in the State is shown in line 3 of the Compendium Table at the end of this Report. A comparison of the amount of business taxes and replacement funds receivable by all municipalities, in county total and for 29 selected municipalities, with the business taxes payable at present, under 100 per cent assessment, and under Alternative 1, appears in the third column of Table 5.8 below.

The Commission concludes—

The net effect of the distribution formula on a county basis will be for business taxpayers as a group (excluding railroads) to provide at least as large a part of the local tax needs as at present. In state total and in the great majority of municipalities, on the basis of 1957 data, there would be a definite shift in the tax burden from residential property to business taxpayers.

This *Commission* is aware that because of present assessment practices regarding railroad and non-railroad property, the transition to Alternative 1 or Alternative 2 may be especially difficult for some Hudson county municipalities. However, the *Commission* would like to point out that such a transition is necessitated by the decision of the Supreme Court in the *Lackawanna Case*¹ and not by any program that it has suggested. As a matter of fact, a transition to 100 per cent assessment would cause a greater loss of railroad revenue by these municipalities than a transition to either of the alternatives suggested by this *Commission*.

Nevertheless, this *Commission* recommends that the Legislature consider the feasibility of distributing some of the railroad tax revenues now retained by the State to these municipalities to help smooth the transition to a uniform assessment ratio applicable alike to railroad and non-railroad property.

¹ Delaware, Lackawanna and Western RR Co. v. Neeld, 23 N. J. 561, 130 A. 2d 6 (Mar., 1957).

The Commission recommends—

As a solution of the long-range problem—the elimination of tax lightning on business personal property and the recognition of the pressing revenue needs of the State—the following tax program would be practical and effective:

1. Assessment of all residential business and farm real estate at 40% of its market value;
2. Exemption of household goods and business and farm inventories from property taxation;
3. Assessment of business and farm machinery and equipment at 40% of its book value (depreciated cost);
4. Adoption of a business income tax to provide replacement revenues for distribution to municipalities in lieu of the present yield of assessments on business inventories and household goods and to provide a base from which the State can obtain modest additional revenue.

TABLE 5.6
ESTIMATED LOCAL PROPERTY TAX RATES IN SELECTED
NEW JERSEY MUNICIPALITIES—1957
(\$ per \$100 net valuation taxable)

Municipality	Actual Rate	100% Assessment	40, 40, % + Replacement	40, 40, 10% Assessment
Atlantic City	\$9.15	\$2.71	\$6.24	\$6.77
Camden	7.46	2.32	6.69	6.84
Bloomfield	6.73	2.17	5.61	5.92
East Orange	7.27	2.85	7.09	7.55
Irvington	8.58	2.69	8.31	8.32
Newark	8.93	3.12	9.19	9.33
Bayonne	7.94	3.02	8.89	9.03
Hoboken	8.86	4.45	13.42	13.53
Jersey City	8.67	4.26	12.02	12.37
Union City	9.82	4.49	10.40	11.04
Trenton	7.46	2.82	7.93	8.16
Clifton	5.62	1.50	3.88	4.10
Passaic	7.49	1.98	6.83	6.59
Paterson	6.93	2.39	6.47	6.74
Elizabeth	7.95	2.29	6.05	6.34
Teaneck	9.29	1.99	4.70	5.08
Florence	11.86	1.82	6.60	6.27
Wildwood City	8.87	1.73	4.12	4.44
Vineland	10.34	1.48	3.91	4.10
Greenwich	5.01	0.76	2.13	2.20
Flemington	9.00	1.72	4.46	4.70
Perth Amboy	9.02	2.21	8.12	7.68
Asbury Park	8.80	2.10	5.46	5.74
Morristown	7.91	1.78	5.34	5.39
Lakewood	16.50	2.36	5.55	6.00
Lower Penns Neck	5.78	0.62	1.42	1.55
Somerville	10.22	1.80	4.50	4.79
Newton	12.75	2.64	7.43	7.65
Phillipsburg	8.41	2.03	5.22	5.51

TABLE 5.7
ESTIMATED RESIDENTIAL PROPERTY TAXES (BEFORE VETERANS'
EXEMPTIONS) IN NEW JERSEY COUNTIES—1957
(amounts in thousands of dollars)

County	Actual Tax	100% Assessment	40, 40, % + Replacement	40, 40, 10% Assessment
Atlantic	\$7,368	\$7,750	\$7,217	\$7,822
Bergen	54,439	50,900	50,135	53,555
Burlington	7,222	5,933	5,907	6,280
Camden	18,779	16,461	16,529	17,547
Cape May	5,067	4,685	4,374	4,735
Cumberland	3,707	3,298	3,355	3,558
Essex	61,133	54,970	57,342	60,079
Gloucester	5,229	4,312	4,306	4,578
Hudson	20,772	23,128	25,517	26,322
Hunterdon	2,150	1,931	1,918	2,041
Mercer	15,419	12,741	13,736	14,306
Middlesex	19,893	18,216	19,732	20,431
Monmouth	20,278	18,785	17,839	19,240
Morris	18,416	16,103	15,677	16,782
Ocean County	7,846	7,392	6,896	7,468
Passaic	21,839	18,328	19,214	20,143
Salem	1,861	1,400	1,612	1,640
Somerset	7,451	6,391	6,271	6,701
Sussex	3,300	3,261	3,140	3,370
Union	33,511	29,524	30,232	31,914
Warren	2,724	2,328	2,346	2,490
Total	\$338,405	\$307,835	\$313,294	\$331,001

TABLE 5.7—Continued

ESTIMATED RESIDENTIAL PROPERTY TAXES (BEFORE VETERANS'
EXEMPTIONS) IN SELECTED NEW JERSEY MUNICIPALITIES—1957

(amounts in thousands of dollars)

Municipality	Actual Tax	100% Assessment	40, 40, % + Replacement	40, 40, 10% Assessment
Atlantic City	\$1,345	\$1,774	\$1,636	\$1,776
Camden	5,172	4,279	4,933	5,043
Bloomfield	3,731	3,446	3,570	3,763
East Orange	4,197	3,573	3,555	3,787
Irvington	3,692	3,292	4,066	4,071
Newark	15,588	13,719	16,180	16,421
Bayonne	2,857	3,093	3,637	3,695
Hoboken	798	895	1,079	1,088
Jersey City	9,027	10,856	12,251	12,599
Union City	1,930	1,939	1,797	1,906
Trenton	6,685	5,888	6,620	6,818
Clifton	5,149	4,125	4,587	4,499
Passaic	2,063	1,534	2,278	2,043
Paterson	6,566	5,398	5,837	6,076
Elizabeth	5,153	4,084	4,315	4,521
Teaneck	4,375	4,223	3,981	4,300
Florence	323	291	422	401
Wildwood City	377	337	322	346
Vineland	1,489	1,221	1,291	1,353
Greenwich	78	61	69	71
Flemington	196	169	175	184
Perth Amboy	1,946	1,769	2,602	2,459
Asbury Park	708	583	605	637
Morristown	878	767	922	930
Lakewood	676	782	735	794
Lower Penns Neck	222	126	117	127
Somerville	657	598	598	637
Newton	412	400	450	463
Phillipsburg	797	699	718	758
Total	\$87,087	\$79,921	\$89,348	\$91,566

TABLE 5.8

ESTIMATED PROPERTY TAXES ON BUSINESS
REAL AND PERSONAL PROPERTY AND REPLACEMENT
NEW JERSEY COUNTIES—1957

(amounts in thousands of dollars)

County	Actual Tax	100% Assessment	40, 40, % + Replacement	40, 40, 10% Assessment
Atlantic	\$9,332	\$8,655	\$9,311	\$8,621
Bergen	22,954	24,773	25,838	22,296
Burlington	3,300	4,005	4,134	3,679
Camden	9,854	11,610	11,692	10,626
Cape May	1,992	2,253	2,613	2,209
Cumberland	2,433	2,655	2,623	2,364
Essex	69,415	76,185	73,969	71,170
Gloucester	2,664	3,216	3,284	2,950
Hudson	56,483	60,658	57,581	56,556
Hunterdon	1,199	1,305	1,401	1,182
Mercer	12,126	14,361	13,450	12,801
Middlesex	16,293	17,113	15,715	14,909
Monmouth	7,598	8,514	9,748	8,142
Morris	7,077	8,710	9,293	8,066
Ocean	2,209	2,136	2,770	2,072
Passaic	17,232	20,287	19,556	18,561
Salem	2,281	2,726	2,535	2,469
Somerset	3,618	4,350	4,558	4,019
Sussex	1,048	1,035	1,231	927
Union	25,835	29,261	28,693	26,961
Warren	1,458	1,798	1,835	1,643
Total	\$276,400	\$305,606	\$301,830	\$282,225

TABLE 5.8—Continued

**ESTIMATED PROPERTY TAXES ON BUSINESS
REAL AND PERSONAL PROPERTY AND REPLACEMENT
SELECTED NEW JERSEY MUNICIPALITIES—1957**
(amounts in thousands of dollars)

Municipality	Actual Tax	100% Assessment	40, 40, % + Replacement	40, 40, 10% Assessment
Atlantic City	\$7,306	\$6,844	\$7,008	\$6,853
Camden	5,967	6,993	6,356	6,243
Bloomfield	2,453	2,644	2,540	2,347
East Orange	5,086	5,703	5,745	5,516
Irvington	3,629	4,016	3,273	3,268
Newark	47,054	49,946	47,388	47,131
Bayonne	8,024	7,940	7,404	7,345
Hoboken	5,490	5,790	5,529	5,516
Jersey City	24,265	27,035	25,139	24,650
Union City	4,866	4,870	4,990	4,880
Trenton	7,976	8,755	8,069	7,872
Clifton	3,070	3,994	3,931	3,687
Passaic	4,926	5,447	4,865	4,938
Paterson	7,139	8,271	7,845	7,600
Elizabeth	6,624	7,831	7,611	7,397
Teaneck	1,106	1,182	1,444	1,121
Florence	519	527	390	412
Wildwood City	805	814	833	805
Vineland	874	1,069	986	907
Greenwich	821	834	826	824
Flemington	166	188	182	173
Perth Amboy	3,677	3,925	3,088	3,233
Asbury Park	1,623	1,770	1,748	1,714
Morristown	1,200	1,305	1,150	1,141
Lakewood	723	540	602	530
Lower Penns Neck	1,451	1,547	1,558	1,548
Somerville	556	600	603	565
Newton	242	240	191	178
Phillipsburg	611	732	718	678
Total	\$158,249	\$171,352	\$162,012	\$159,072

TABLE 5.8—Continued

**ESTIMATED PROPERTY TAXES ON BUSINESS
PERSONAL PROPERTY AND REPLACEMENT
NEW JERSEY COUNTIES—1957**
(amounts in thousands of dollars)

County	Actual Tax	100% Assessment	40% + Replacement	40, 10% Assessment
Atlantic	\$1,183	\$1,721	\$2,894	\$1,660
Bergen	5,578	11,857	12,390	8,159
Burlington	1,038	2,240	2,295	1,752
Camden	2,649	6,077	5,844	4,507
Cape May	298	603	1,060	532
Cumberland	678	1,215	1,153	806
Essex	17,015	40,736	34,348	30,390
Gloucester	630	1,626	1,590	1,182
Hudson	11,570	34,665	28,598	26,759
Hunterdon	386	550	645	380
Mercer	3,582	8,534	7,080	6,192
Middlesex	4,392	9,154	6,788	5,765
Monmouth	1,450	3,297	4,706	2,731
Morris	1,986	4,396	4,932	3,449
Ocean	619	814	1,530	731
Passaic	4,228	11,677	9,898	8,642
Salem	1,084	1,812	1,576	1,467
Somerset	1,329	2,536	2,699	2,057
Sussex	260	309	516	164
Union	7,133	16,584	14,985	12,715
Warren	525	1,148	1,174	943
Total	\$67,610	\$161,552	\$146,701	\$120,982

TABLE 5.8—Continued
ESTIMATED PROPERTY TAXES ON BUSINESS
PERSONAL PROPERTY AND REPLACEMENT
SELECTED NEW JERSEY MUNICIPALITIES—1957
(amounts in thousands of dollars)

Municipality	Actual Tax	100% Assessment	40% + Replacement	40, 10% Assessment
Atlantic City	\$598	\$1,164	\$1,770	\$1,165
Camden	1,679	4,203	3,139	2,954
Bloomfield	584	1,234	1,079	807
East Orange	610	2,118	2,178	1,717
Irvington	790	2,119	931	923
Newark	12,667	28,778	22,424	21,794
Bayonne	1,529	4,778	3,686	3,568
Hoboken	904	3,335	2,570	2,533
Jersey City	5,325	15,449	12,065	11,205
Union City	773	2,251	2,564	2,306
Trenton	2,241	5,294	4,178	3,865
Clifton	519	2,359	1,244	1,904
Passaic	1,650	3,460	2,126	2,292
Paterson	1,545	4,671	3,951	3,547
Elizabeth	1,518	4,729	4,334	3,963
Teaneck	262	576	873	504
Florence	155	340	118	154
Wildwood City	86	194	242	169
Vineland	252	534	430	314
Greenwich	112	261	182	161
Flemington	47	72	62	46
Perth Amboy	933	2,424	879	1,145
Asbury Park	241	958	905	827
Morristown	221	583	281	264
Lakewood	152	216	191	201
Lower Penns Neck	767	1,054	1,104	1,054
Somerville	132	330	333	277
Newton	82	115	51	33
Phillipsburg	207	514	494	441
Total	\$36,581	\$94,113	\$74,384	\$70,133

TABLE 5.9
ESTIMATED PROPERTY TAXES ON BUSINESS INVENTORIES
AND LOCAL SHARE OF THE REPLACEMENT TAX
NEW JERSEY COUNTIES—1957
(amounts in thousands of dollars)

County	Actual Tax	100% Assessment	Business Income Tax Replacement	10% Assessment
Atlantic	\$105	\$124	\$1,387	\$31
Bergen	2,386	5,539	6,134	1,478
Burlington	367	809	878	215
Camden	1,157	2,518	2,284	677
Cape May	49	101	593	26
Cumberland	310	582	541	157
Essex	8,425	18,902	10,497	5,278
Gloucester	311	918	668	250
Hudson	6,536	17,288	7,116	5,023
Hunterdon	165	229	356	60
Mercer	1,727	3,894	2,246	1,089
Middlesex	2,358	5,148	2,932	1,441
Monmouth	365	898	2,381	231
Morris	669	1,500	2,097	393
Ocean	99	125	883	32
Passaic	2,139	5,325	3,141	1,486
Salem	233	330	374	87
Somerset	447	946	973	252
Sussex	160	176	417	45
Union	3,125	7,770	4,725	2,158
Warren	160	335	377	89
Total	\$31,293	\$73,457	\$51,000	\$20,498

TABLE 5.9—Continued

**ESTIMATED PROPERTY TAXES ON BUSINESS INVENTORIES
AND LOCAL SHARE OF THE REPLACEMENT TAX
SELECTED NEW JERSEY MUNICIPALITIES—1957**

(amounts in thousands of dollars)

Municipality	Actual Tax	100% Assessment	Business Income Tax Replacement	10% Assessment
Camden	\$903	\$2,261	\$901	\$666
Bloomfield	312	659	322	180
East Orange	191	664	732	176
Irvington	682	1,830	574	566
Newark	6,203	14,093	5,105	4,217
Bayonne	964	2,389	876	714
Hoboken	452	1,668	560	507
Jersey City	2,662	7,724	3,349	2,241
Union City	219	637	537	156
Trenton	1,104	2,607	1,158	755
Clifton	180	818	652	223
Passaic	1,106	2,320	553	773
Paterson	670	2,026	1,091	570
Elizabeth	492	1,532	956	424
Teaneck	49	109	432	28
Florence	138	304	67	110
Wildwood City	17	39	95	10
Vineland	158	335	209	93
Greenwich	69	162	71	47
Flemington	26	40	29	11
Perth Amboy	822	2,133	452	742
Asbury Park	68	269	189	74
Morristown	184	487	165	148
Lakewood	17	24	117	6
Somerville	37	92	95	24
Newton	82	115	51	33
Phillipsburg	58	143	113	39
Total	\$17,865	\$45,480	\$19,451	\$13,533

TABLE 5.10

**ESTIMATED FARM PROPERTY TAXES IN 26 NEW JERSEY MUNICIPALITIES
WHERE FARM TAXES EXCEED 50% OF TOTAL TAXES—1957**

County and Municipality	Real Estate Ratios	Actual Tax	100% Assessment	40, 40, %+ Replacement	40, 40, 10% Assessment
Burlington					
Chesterfield	12.38%	\$51,352	\$52,303	\$48,937	\$52,950
Mansfield	20.05	53,495	49,350	47,051	50,684
North Hanover	9.95	44,036	39,361	37,545	40,422
Shamong	11.86	23,105	23,064	21,325	23,136
Springfield	10.10	80,633	87,985	81,542	88,429
Cumberland					
Stow Creek	22.06	40,134	36,924	34,588	37,418
Gloucester					
South Harrison	16.50	45,484	45,553	42,058	45,665
Woolwich	26.57	87,281	59,333	58,726	62,634
Hunterdon					
Franklin	12.17	107,626	111,078	104,574	112,992
Kingwood	14.11	105,204	103,473	96,263	104,320
Monmouth					
Atlantic Twp.	14.02	177,377	168,591	157,939	170,819
Freehold Twp.	11.36	222,590	217,965	201,182	218,438
Howell	18.87	334,216	316,362	296,666	321,007
Upper Freehold	16.11	164,278	157,077	146,997	159,062
Salem					
Alloway	14.26	65,017	59,301	35,197	59,830
Lower Alloway Creek	19.96	45,009	46,973	43,462	47,189
Mannington	24.78	81,990	78,094	79,509	84,150
Pilesgrove	18.97	98,822	95,114	89,231	96,498
Upper Pittsgrove	11.45	89,446	101,568	94,189	102,121
Somerset					
Bedminster	18.94	155,975	132,790	123,458	133,781
Sussex					
Fredon	10.73	49,942	43,308	40,043	43,453
Green	20.97	56,641	43,615	40,750	44,106
Lafayette	21.51	55,688	53,187	51,434	55,152
Wantage	14.09	131,518	117,866	110,095	119,169
Warren					
Allamuchy	19.67	32,563	25,191	23,441	25,397
Hardwick	8.04	17,777	24,168	22,528	24,392
Total 26 Municipalities ..	...	\$2,417,199	\$2,289,594	\$2,128,730	\$2,323,214
State Total Farm Tax ..	...	\$11,604,609	\$11,898,325	\$11,391,113	\$12,251,326
26 Municipalities as per cent of all Farm Taxes	...	20.83 %	19.24 %	18.69 %	18.96 %

CHAPTER VI

COLLATERAL USES OF TAXABLE VALUATIONS

The *Commission* has deemed its first responsibility directed to a sound tax system; secondary collateral matters may then be adjusted to meet the requirements of such a system. Since taxable valuations are such a convenient and available measure of the financial capacity of local governments, they are often used in collateral ways, beyond their primary purpose for the apportionment of the cost of government. In New Jersey, there are five principal ways in which taxable valuations are so used:

1. State aid for schools and municipal welfare costs.
2. County apportionment of its budget requirements.
3. Veterans' exemptions from taxation.
4. Tax rate on gross receipts of public utilities.
5. Debt limits of local governments.

SCHOOL AID

Since the adoption of the Equalization Law described in Chapter I of this Report, State aid for schools has been apportioned according to a formula which uses the equalized assessed valuations in each taxing district as a measure of local ability to support schools. The equalization which does not affect any local assessed valuations is based upon a theory of raising the aggregate tax roll in each taxing district to what it would be if all property were assessed at 100 per cent. Because it was impractical to do so, this equalization was not applied to personal property in the original law. Such property is merely added to the total equalized amount for each district at its assessed valuation. Since some taxing districts have been enforcing the personal property tax more consistently than others, this has been a matter of contention among the districts, with those assessing personal property claiming that they should not be penalized in State aid for schools because others do not assess personal property. Whatever may be the merits of the argument pro and con, either Alternative 1 or Alternative 2 may resolve it:

Under Alternative 1, with an established ratio of assessments for business personal property, and the assistance of State administration, there should be an automatic equalization of personal property assessments among the various taxing districts.

Personal property could thus be equalized together with real estate to measure local taxable capacity in each district and appropriate adjustments in local share could be developed.

Under Alternative 2, with household goods and business inventories exempt in all districts, the amount assessed on business machinery and equipment, also with the assistance of State assessors, could be equalized together with real estate in the same manner and with appropriate adjustments in local share.

COUNTY TAX APPORTIONMENT

The apportionment of county taxes is now made to each taxing district in the county according to the equalized valuations of taxable property within each district. These equalizations are for the aggregate of the tax rolls in the district and again are used not to adjust any individual assessments of taxpayers, but rather as a basis of apportioning county government costs. In the great majority of cases, assessment ratios used for State aid for schools and those used for apportionment of county cost of government are the same, though each county board of taxation is free to develop its own data.

Neither Alternative 1 nor Alternative 2 would require any change in the present method of apportioning county taxes. They would both bring a new equity to this process because assessment of personal property, which has not heretofore been equalized or subject to effective equalization, would be automatically equalized. If local assessments were to be retained, it would be perfectly feasible to establish an equalization ratio for personal property, based upon a sampling of balance sheet data which would be acquired by the State in connection with the administration of the business income tax.

The Commission concludes:

Neither Alternative 1 nor 2 requires any change in the present method of apportioning county taxes.

VETERANS' EXEMPTIONS

Veterans' exemptions from property taxes are so susceptible to emotional discussion that they are rarely the subject of serious analysis.

The New Jersey veterans' exemption excludes from taxation the first \$500 of assessed value on veteran owned property. The veteran is taxed on assessed values in excess of \$500. Some com-

pletely disabled veterans are eligible for full exemption for their homes.

A veteran owned home assessed at \$5,000 is thus taxable upon a value of \$4,500 representing the excess of assessed value over the \$500 exemption. This \$4,500 is subject to the local tax rate in the municipality where the property is located.

In 1957, all veterans' exemptions in New Jersey totaled \$175,637,506. These exemptions represent approximately \$16,270,000 of tax savings for veterans.

This presumption is only partly true. The position of the veterans and veterans' exemptions in any shift to full value assessment depends upon numerous adjustments not directly related to the exemptions themselves. Tax rates are determined by what is required to meet local budgets from the net assessed valuation of taxable property after all deductions. By reducing the amount of taxable values, veterans' exemptions increase the tax rate upon all remaining values, including the value of veteran properties in excess of the \$500 exemption. Their effect upon any single taxpayer (veteran or non-veteran) depends upon the relative position of his valuation within the total of all valuations in his municipality.

The result is that the \$16,270,000 of veterans' tax exemption is in fact a shift of taxes not only to non-veteran taxpayers but also to that portion of the veterans' properties which remains taxable.

The \$8.30 per \$100 average New Jersey property tax rate for 1957 would become \$8.12 if there were no veterans' exemption. All non-exempt property of all classes thus pays an average of 18 cents per \$100 assessed value to support the exemption. The average veteran property owner pays 18 cents per \$100 upon his assessed value in excess of \$500 in order to save \$40.60 of taxes upon the \$500 exemption ($\$500 \times .0812 = \40.60).

This means that the veterans' exemption tends toward some graduation in the tax rate for veterans. *The net value of the exemption decreases as the value of the property increases.*

At the average State property tax rate in 1957, the exemption represents a net saving of \$36.10 for the veteran property assessed at \$3,000. With an assessment of \$10,000, the net saving becomes \$23.50. When the assessed value reaches \$23,055 the exemption is a matter of indifference because it has no net

value to the veteran. *Veteran properties assessed above \$23,055 pay more taxes with the exemption than they would pay if there was no exemption.*

Averages are convenient, but sometimes misleading things to use. Tax rates and the effective shift of taxes due to veterans' exemptions are determined in each municipality and the State-wide average must be recognized as nothing more than a composite of various actual results. Table 6.1 shows that the 18 cent per \$100 assessed value Statewide average tax rate to provide veterans' exemptions, includes county averages ranging from a low of 6 cents in Hudson County to a high of 55 cents in Burlington County. Among individual municipalities these tax rates range from none in five municipalities (Teterboro, Audubon Park, Pine Valley, Tavistock and Shrewsbury Township) to a high of \$2.49 in Hammonton (Atlantic County). The veterans' exemption tax rate exceeds \$1 per \$100 in 39 municipalities.

The average veteran taxpayer in Burlington County pays an extra 55 cents per \$100 upon assessed values in excess of \$500 in order to save \$49.10 of taxes upon the \$500 exemption. The average Burlington County veteran with an assessed value of more than \$9,427 pays more taxes with the exemption than he would pay if there was no exemption. The extra 55 cents per \$100 tax rate upon veteran property assessed values in excess of \$500 applies to the entire taxable value of non-veteran property.

Hainesport Township (Burlington County) veterans pay \$1.26 per \$100 of assessed value in excess of \$500 in order to save \$63.50 of taxes upon their \$500 exemption. Hainesport veterans with assessed valuations exceeding \$5,540 pay more taxes with the exemption than they would if there were no exemption.

Hudson County illustrates the other extremes within the State-wide average. Here the average veteran pays approximately 6 cents per \$100 of assessed value in excess of \$500 in order to save \$40.96 in taxes upon the \$500 exemption. The Hudson County veteran would require property assessed in excess of \$68,750 to make his taxes with the exemption higher than they would be without it.

Jersey City (Hudson County) veterans also pay approximately 6 cents per \$100 upon non-exempt property in order to save \$43.06 upon the \$500 exemption.

The major difference among municipalities in this respect relates to the importance of exempt veteran property within the total of all property assessed. In Hudson County and Jersey City, the deductions are minimized by the presence of large industrial and other non-exempt property values. It is a matter of legislative policy whether the present relative value of veterans' exemptions should be maintained after any change in the tax structure.

Table 6.1 shows that to maintain the present \$41.50 average differential between veteran and non-veteran taxpayers with full value assessment would require increasing the veterans' exemption from the present \$500 to something between \$1,500 and \$2,000. With exemptions at \$1,500 the average differential would become \$32.56, with exemptions at \$2,000 it would become \$42.00. The same table shows that under Alternative 1 or Alternative 2 a veterans' exemption of \$750 to \$800 would be required to approximate parity with the present value.

Non-veteran taxpayers would, of course, be required to pay the cost of any increase in veterans' exemption. With full value assessments and an increase in veterans' exemption from \$500 to \$2,000, an average non-veteran homeowner with full value assessment of \$11,880 would find his taxes increase by \$5.94 (from \$254.23 to \$260.17) to offset an average veteran's reduction of \$27.16 (from \$243.53 to \$216.37). Over-all results shown here represent a composite of averages of things which are in fact different for each municipality and for each taxpayer. The averages have validity only as an over-all indication of what is involved. Taxpaying veterans with properties presently assessed higher than the average within their municipality may realize a tax reduction as a result of full value assessments even with no change in the exemption. Those with property presently assessed lower than the average may realize tax increase even with generous upward adjustments in the exemption. An attempt to maintain parity of present value of the exemption, moreover, overlooks the fact that the exemption has grown more valuable due to progressive under-assessment of property, causing rising tax rates to be applied to the flat \$500 valuation exemption. In any event, it is the net effect of the new program, including its reduction in residential real estate taxes generally, that should be covered under a new system to determine the full effect of all the variables.

The Commission recommends—

That any application of a parity value of veterans' exemptions be deferred and that adjustments requiring a constitutional amendment await some experience with the many variables of a new form of property tax administration.

TABLE 6.1

EFFECT OF ALTERNATIVE STANDARDS OF VALUE ON VETERANS' EXEMPTIONS FOR VETERAN WITH PRESENT ASSESSMENT OF \$3,000

	Actual (Average)	Exemption Required to Maintain Parity Full Value	Alt. 1	Alt. 2
Assessed Value—				
Real Estate	\$3,000	\$11,880	\$4,750	\$4,750
Personal Property	300	None*	None*	None*
Total	\$3,300	\$11,880	\$4,750	\$4,750
Deductions—				
Veteran Exemption	\$500	\$2,000	\$750	\$800
Household	100	None	None	None
Total	\$600	\$2,000	\$750	\$800
Valuation Taxable—				
Veterans	\$2,700	\$9,880	\$4,000	\$3,950
Non-veterans	3,200	11,880	4,750	4,750
Tax Rate per \$100	\$8.30	\$2.05	\$5.59	\$5.28
Amount of Tax—				
Veteran	\$224.10	\$202.54	\$223.60	\$208.56
Non-veteran	265.60	243.54	265.53	250.80
Differential	\$41.50	\$41.00	\$41.93	\$42.24

* Assuming outright exemption of all household personal property.

GROSS RECEIPTS TAX ON PUBLIC UTILITIES

The gross receipts on public utilities is assessed in lieu of local taxes on certain property of street railway, sewer, traction, gas and electric light, heat and power companies using the public street highways, roads or other public places. As amended by Chapter 15 of the Laws of 1956, the tax is assessed at the average rate of taxation upon property in the State, upon the gross receipts of the taxpayer, provided that the rate may not exceed 7.5 per cent nor be less than 5 per cent upon such gross receipts.

The average rate of taxation as determined for the year 1957 was \$8.30 per \$100 of net valuation taxables with a result that the ceiling rate of 7.5 per cent was applied to utility gross receipts.

Under this rate the yield of the tax, levied against 33 corporations and two municipal electric corporations was \$31.3 million for 1957. The entire yield is apportioned by the State to the various municipalities in the proportion that the value of certain schedule property of the taxpayer located in each municipality as of the preceding July 1st is to the total value of the schedule property of the taxpayer in the entire State. The State retains only the cost of administration which was \$17,183.49 in 1957.

Under Alternative 1 the average tax rate for 1957 would have been \$5.59 and under Alternative 2 it would have been \$5.28. In either case there would have been a substantial reduction in gross receipts tax, and a corresponding loss in revenue to the municipalities.

In the *Commission's* previous studies of gross receipts taxes on public utilities in this and other states, it has become convinced that New Jersey taxes on public utilities are among the highest in the nation. Were the question a matter of first impression, or principal inquiry at this time, it might well be appropriate to reconsider the basis upon which the gross receipts tax is levied and collected. Although it is in lieu of a property tax, on a type of property which would otherwise remain taxable under either alternative, there is no necessary relationship between the average tax rate on gross receipts which might equate the tax to what would otherwise be paid under a direct property tax. As a matter of transition, however, the *Commission* deems it inappropriate to suggest a basic change in the taxation of public utilities merely as an incident to the adoption of a uniform method of fractional assessment of real estate and taxable personal property generally.

The Commission recommends—

That the public utility gross receipts tax be stabilized at a fixed rate of 7½% upon gross receipts, and that the average State rate be abandoned for this purpose, pending a fundamental inquiry into public utility taxation.

MUNICIPAL AND SCHOOL DEBT LIMITATIONS

Full value assessment of real estate in New Jersey suggests large increased borrowing power for counties, municipalities and school districts under present statutory debt limits.

Debt limits apply to the latest three-year average assessed valuations of real estate at the following percentages:

Counties	4%
Municipalities	7%
School districts without high school	6%
School districts with high schools	8%
Regional schools	6%*

* In addition to component districts.

Although no county had debt in excess of 4 per cent of its three-year average assessed valuations of real estate at the end of 1956, 219 municipalities had net debts exceeding 7 per cent of average assessed valuations. Also 312 school districts had debts exceeding the 8 per cent limit allowed districts with high schools. Municipal and school debt combined were more than 19 per cent of three-year average real estate assessed valuations in 162 of New Jersey's 567 municipalities. (See Table 6.2.) Another 135 municipalities had combined debts ranging between 12 per cent and 19 per cent.

Substitution of "full value" of real estate for assessed value changes the picture, and brings the "debt-to-property" ratio into the focus of the Local Bond Law of 1936, which established the present debt limits.

By this measure only two municipalities had combined municipal and school debt amounting to more than 12 per cent of average "full values" at the close of 1956.

Whereas more than half of all municipalities had debts exceeding 12 per cent of average assessed values, almost 60 per cent of all municipalities had debts totaling less than 4 per cent of average "full values" without counting the 46 municipalities with no school or municipal debt.

TABLE 6.2

**MUNICIPAL AND SCHOOL DEBT RELATED TO ASSESSED VALUE AND
FULL VALUE OF REAL ESTATE DECEMBER 31, 1956
(3-year Average Valuations)**

Total Debt as Per Cent of Valuation	Assessed Valuations		Full Valuations	
	Municipalities	Per Cent	Municipalities	Per Cent
No Debt	46	8.1%	46	8.1%
Under 2%	22	3.9	161	28.4
2%- 3.99%	18	3.2	176	31.0
4%- 5.99%	31	5.5	127	22.4
6%- 7.99%	49	8.6	43	7.6
8%-11.99%	104	18.3	12	2.1
12%-18.99%	135	23.3	2	0.4
19% and Over	162	28.6	0	...
Total	567	100.0%	567	100.0%

There are however, some complicating features to modify this over-all debt picture. Debt limits apply to what is called "net debt" which excludes such self-liquidating debt as that incurred by self-supporting utilities. These exclusions have been made from debts used in this analysis. School districts may borrow in excess of their limit by using some of the limit for their municipalities. In the case of regional schools there is no effective limit.

For all practical purposes, municipal and school district debt limits must be considered together. This means a combined municipal and school limit of 13 per cent where there is no high school (7 per cent + 6 per cent), 15 per cent where a high school exists (7 per cent + 8 per cent), or 19 per cent in regional high school districts (7 per cent + 6 per cent + 6 per cent). Even these limits may be exceeded upon emergency order by a superior governmental authority or through what is called "extensions of credit" for schools granted by the Director of Local Government and the Commissioner of Education. There were 152 such extensions of credit granted between January 1, 1956 and February 21, 1957.

AVAILABLE DEBT MARGINS

The amount of the additional debt that may be incurred by a municipality within existing debt limits is known as its debt margin. The debt status of local governments as of December 31, 1956 indicates the present limits, low as they are with under-assessments of real estate, leave ample room for additional borrowing by the majority of municipalities and school districts as shown in Table 6.3.

TABLE 6.3
DEBT STATUS OF NEW JERSEY LOCAL GOVERNMENTS
AS OF DECEMBER 31, 1956
(amounts in thousands of dollars)

Item	Municipalities (Including Schools)		Counties Under Limit	All Local Governments
	Under Limit	Over Limit		
Number of Units	328	236	21	585 ¹
Statutory Debt Limits (based upon assessed values) ..	\$703,083	\$228,846	\$250,151	\$1,182,080
Net debt authorized	438,485	360,167	117,797	916,449
Unused borrowing power	264,598	.....	132,354	396,952
Excess of net debt .....	.....	131,321	.....	131,321
Statutory Debt Limit (based upon full values)	\$1,961,121	\$1,050,651	\$809,543	\$3,821,315
Net debt authorized	438,485	360,167	117,797	916,449
Unused borrowing power	1,522,636	690,484	691,746	2,904,866
Net debt as per cent statutory limit:				
Assessed Values	62.37%	157.38%	47.09%	77.53%
Full Values	22.36%	34.28%	14.55%	24.04%

¹ Excludes 3 municipalities with no taxable real estate. (Shrewsbury Township, Victory Gardens, Island Beach Boro.)

(1) 328 municipalities had unused borrowing power under existing debt limits at the close of 1956. Debts of these municipalities and their school districts totaled \$438 million—or \$265 million less than their debt limits.

Full value (100 per cent) assessment of real estate would place the debt limits for the 438 municipalities at \$1,961 million. With only \$438 million of debts, this suggests potential new borrowing of \$1,523 million. Here again, however, the fact that these municipalities do not use their full borrowing power under present debt limits suggests that they probably will not use the increased borrowing power resulting from full value assessment.

(2) 236 other municipalities had municipal and school debts totaling \$360 million at the close of 1956, against debt limits totaling \$229 million. These are the municipalities where changed circumstances or extensions of credit have pushed debts through the statutory limitation ceiling.

(3) Full value (100 per cent) assessment of real estate would increase the debt limits from these 236 municipalities from \$229 million to \$1,051 million. However, \$131 million of this \$822 million increase in debt limits would only cover debts already owed in excess of present limits. The potential increase in debt under full value debt limits thus becomes \$691 million—or the difference between the new debt limits (\$1,051 million) and actual debts on December 31, 1956 (\$360 million).

(4) County debts were \$118 million, or less than half county debt limit of \$250 million at the close of 1956. Full value (100 per cent) assessment would place the county debt limits at \$810 million.

The Commission concludes that—

Even with 100% assessments, expanded borrowing power does not necessarily mean expanded borrowing—in view of the record of unused borrowing power among all the counties and 328 municipalities.

Present limits based upon assessed valuations have proved excessively restrictive for large numbers of municipalities—as shown by the “extensions of credit” granted to some 152 school districts in little more than one year, and to approximately 400 school districts in an aggregate amount of over \$330 million since 1952.

EFFECT OF CHANGE IN STANDARD OF VALUE

The effect of going to 100 per cent assessments (full value) or of any change in the legal standards of valuation will vary among the individual municipalities and school districts. Based upon separate computations for each municipality in the State, Table 6.4 shows the relative debt situation by county totals, under the present debt limits measured by assessed valuations, as compared with 100 per cent full valuation measure. For example:

County	Debt Ratio To		Debt Margin Under	
	Assessed Value	Full Value	Assessed Value	Full Value
Atlantic	16.04%	3.51%	+	\$6,954
Essex	12.71	5.71	+	3,595
Hudson	8.62	5.30	+	91,287
Passaic	12.07	4.51	+	5,680
State Totals	14.65%	4.53%	+	96,895
			+	176
			+	34,481
			+	665
			+	187,861
			+	\$396,952
			+	\$2,904,866

The + signs indicate borrowing margin for all municipalities in the county under the debt limit and — signs indicate borrowing deficit for all municipalities in the county over the limit.

It is apparent that increased borrowing power would accrue in large amounts in all counties, under 100 per cent assessments.

TABLE 6.4
LOCAL GOVERNMENT DEBT IN NEW JERSEY AS OF DECEMBER 31, 1956
BORROWING POWER UNDER ASSESSED AND EQUALIZED VALUATIONS—BY COUNTIES
(amounts in thousands of dollars)

County	Municipal and County Debt	School Debt	Total Debt	% of Average Assessed Valuation			% of Average Equalized Valuation			On Valuation—Borrowing Margin	Borrowing Deficit	Borrowing Margin on Equalized Valuation
				Municipal Debt	School Debt	Total Debt	Municipal Debt	School Debt	Total Debt			
Atlantic	\$19,457	\$3,024	\$22,481	13.88%	2.16%	16.04%	3.04%	0.47%	3.51%	\$6,954	\$3,595	\$93,589
Bergen	41,120	91,867	132,986	5.48	12.25	17.73	1.31	2.92	4.23	39,546	31,312	460,021
Burlington	5,238	13,271	18,510	6.38	16.15	22.53	1.09	2.76	3.85	2,939	5,828	73,411
Camden	29,068	20,940	50,008	9.65	6.95	16.60	2.87	2.07	4.94	10,933	4,400	140,150
Cape May	7,066	1,823	8,889	10.16	2.62	12.78	2.05	0.53	2.58	4,522	338	56,178
Cumberland	3,472	7,593	11,065	5.74	12.55	18.28	1.25	2.72	3.97	2,820	2,613	40,740
Essex	91,100	83,202	174,302	6.64	6.07	12.71	2.99	2.72	5.71	91,287	5,680	403,703
Gloucester	2,139	7,255	9,394	2.60	8.80	11.40	0.50	1.72	2.22	6,388	1,147	65,151
Hudson	60,254	21,543	81,797	6.35	2.27	8.62	3.90	1.40	5.30	96,895	176	208,038
Hunterdon	11	7,753	7,763	0.03	20.25	20.28	0.005	3.61	3.62	3,210	2,262	41,160
Mercer	19,168	18,871	38,039	6.73	6.63	13.36	2.20	2.17	4.37	17,748	2,386	124,924
Middlesex	29,775	31,898	61,672	9.54	10.23	19.77	2.16	2.32	4.48	17,348	21,391	190,984
Monmouth	23,242	24,902	48,144	10.52	11.27	21.79	2.25	2.41	4.66	6,496	13,356	144,438
Morris	11,188	40,380	51,568	5.88	21.20	27.08	1.14	4.11	5.25	2,753	17,497	139,167
Ocean	3,877	10,680	14,557	5.24	14.43	19.67	0.73	2.02	2.75	3,316	3,207	89,077
Passaic	30,832	26,759	57,591	6.46	5.61	12.07	2.41	2.10	4.51	34,481	665	187,861
Salem	71	5,378	5,450	0.17	13.16	13.33	0.04	2.74	2.78	2,553	435	30,717
Somerset	3,775	15,933	19,707	4.11	17.37	21.48	0.76	3.20	3.96	3,172	6,296	70,280
Sussex	320	3,556	3,876	0.88	9.78	10.66	0.15	1.70	1.85	3,263	801	32,483
Union	33,196	58,299	91,495	5.21	9.15	14.36	1.70	3.00	4.70	37,326	5,822	286,258
Warren	1,722	5,431	7,153	3.90	12.32	16.22	0.92	2.90	3.82	3,002	2,114	26,535
State Totals....	\$416,091	\$500,358	\$916,449	6.65%	8.00%	14.65%	2.06%	2.47%	4.53%	\$396,952	\$131,321	\$2,904,866

TABLE 6.5
DISTRIBUTION OF MUNICIPALITIES AND COUNTIES SHOWING PER CENT TOTAL LOCAL
DEBT TO EQUALIZED VALUATION, DECEMBER 31, 1956

County	40% of Full Value Scale . 5.00 Full Value Scale01-1.99	Under 5.00	5.00-9.99 2.00-3.99	10.00-14.99 4.00-5.99	15.00-17.49 6.00-6.99	17.50-19.99 7.00-7.99	20.00-29.99 8.00-11.99	30.00 & over 12.00-18.99	No Debt	Total Units
Atlantic	11	6	3	...	...	...	...	...	3	23
Bergen	16	24	20	5	5	2	1	1	1	70
Burlington	10	11	6	5	5	1	1	...	6	40
Camden	4	17	5	2	2	2	3	...	4	37
Cape May	9	5	2	...	...	...	...	...	...	16
Cumberland	6	6	...	...	...	...	1	...	1	14
Essex	...	12	9	...	...	...	1	...	...	22
Gloucester	12	8	3	...	...	...	...	...	1	24
Hudson	3	5	1	...	...	2	1	...	...	12
Hunterdon	9	3	12	2	2	...	...	...	...	26
Mercer	1	6	4	1	1	...	...	...	1	13
Middlesex	6	6	5	5	5	1	...	...	2	25
Monmouth	18	13	13	1	1	3	1	1	2	52
Morris	7	10	14	4	4	1	2	...	1	39
Ocean	17	9	6	...	...	...	...	...	2	34
Passaic	6	4	4	1	1	...	...	...	...	16
Salem	2	9	...	...	...	...	...	...	4	15
Somerset	5	9	5	...	...	...	...	...	2	21
Sussex	12	3	3	...	...	...	...	...	6	24
Union	2	5	10	2	2	1	...	...	1	21
Warren	5	5	2	...	...	1	1	...	9	23
State Total of Municipalities	161	176	127	28	28	15	12	2	46	567
Counties	18	...	...	...	...	...	...	...	3	21
Grand Total	179	176	127	28	28	15	12	2	49	588

Use of three-year average assessed valuations of real estate as a measure of debt limitation means that complete impact of "full value" assessment would not become effective for three years. Subject to this transition period, however, "full value" assessments would not only bring most existing debts within the legal debt limits, but would also provide substantial margins of new borrowing power. The \$916.4 million of municipal and school debt outstanding at the close of 1956 could be multiplied by more than four to become \$3,821 million (an increase of \$2,905 million) without violating present statutory debt limits expressed in terms of full valuations (100 per cent) in place of assessed values.

Under Alternative 1 or 2 full value would not be used, but only 40 per cent of such value. This is somewhat higher than the present State-wide average of 28 per cent, but considerably lower than the assessment ratio in about 26 municipalities. In effect, therefore, the 40 per cent ratio will decrease the borrowing power of these municipalities even though it will moderately increase the others, as shown in Table 6.5.

Under full value assessments there would be no municipalities over the debt limit.

Under Alternative 1 or 2 with a uniform 40 per cent real estate assessment there would be 57 municipalities over the debt limit, as compared with 236 under present assessments.

The Commission recommends—

That no change in present debt limits be made under Alternative 1 or 2, pending further study.

COMPENDIUM TABLES

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COMPENDIUM TABLE

STATE TOTALS

SUMMARY OF ALL MUNICIPALITIES BY COUNTY

ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957

(amounts in thousands of dollars)

1. Actual tax assessed - (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

COUNTY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Atlantic County										
1. Actual	\$73	\$1,118	\$8,149	\$1,183	.....	\$9,332	\$7,368	\$326	\$17,559	11.17%
2. Full	19	998	6,934	1,721	.....	8,655	7,750	343	17,559	2.29
3. 40%, Replacement	18	931	6,416	1,507	.....	9,311	7,217	323	17,559	5.33
4. 40%, 10%	19	1,008	6,962	1,660	.....	8,621	7,822	349	17,559	5.78
Bergen										
1. Actual	179	2,464	17,376	5,578	.....	22,934	54,439	252	77,646	8.35
2. Full	39	2,774	12,915	11,857	.....	24,733	50,900	275	77,646	1.71
3. 40%, Replacement	45	2,454	12,248	6,255	6,134	25,838	50,135	263	77,646	4.28
4. 40%, 10%	45	2,444	12,133	8,159	.....	22,936	53,555	283	77,646	4.56
Burlington										
1. Actual	13	346	2,262	1,038	.....	3,300	7,222	876	11,108	10.37
2. Full	2	358	1,765	2,240	.....	4,005	5,933	1,008	11,108	1.54
3. 40%, Replacement	2	355	1,839	1,418	878	4,134	5,907	959	11,108	3.85
4. 40%, 10%	2	378	1,927	1,752	.....	3,679	6,280	1,033	11,108	4.09
Camden										
1. Actual	264	972	7,205	2,649	.....	9,854	18,779	237	28,916	8.30
2. Full	81	1,018	5,533	6,077	.....	11,610	16,461	275	28,916	1.97
3. 40%, Replacement	93	1,006	5,848	3,560	2,284	11,692	16,529	257	28,916	4.99
4. 40%, 10%	95	1,073	6,119	4,507	.....	10,626	17,547	278	28,916	5.29
Cape May										
1. Actual	16	484	1,694	298	.....	1,992	5,067	117	7,507	9.07
2. Full	3	525	1,649	603	.....	2,253	4,685	98	7,507	1.61
3. 40%, Replacement	3	491	1,553	467	593	2,613	4,374	93	7,507	3.77
4. 40%, 10%	3	531	1,677	532	.....	2,209	4,735	100	7,507	4.08
Cumberland										
1. Actual	14	189	1,755	678	.....	2,433	3,707	744	6,848	9.01
2. Full	3	269	1,440	1,215	.....	2,655	3,298	714	6,848	1.68
3. 40%, Replacement	3	271	1,470	612	541	2,623	3,355	712	6,848	4.27
4. 40%, 10%	3	288	1,558	806	.....	2,364	3,558	757	6,848	4.53
Essex										
1. Actual	1,257	2,514	52,400	17,015	.....	69,415	61,133	55	132,877	7.90
2. Full	439	2,261	35,449	40,736	.....	76,185	54,970	59	132,877	2.73
3. 40%, Replacement	512	2,354	39,622	23,850	10,497	73,969	57,342	57	132,877	7.32
4. 40%, 10%	521	2,467	40,780	30,390	.....	71,170	60,079	61	132,877	7.64
Gloucester										
1. Actual	9	306	2,033	630	.....	2,664	5,229	670	8,447	8.41
2. Full	2	328	1,591	1,626	.....	3,216	4,312	734	8,447	1.40
3. 40%, Replacement	2	323	1,694	923	667	3,284	4,306	711	8,447	3.61
4. 40%, 10%	2	345	1,768	1,182	.....	2,950	4,578	763	8,447	3.82
Hudson										
1. Actual	11,061	2,351	44,913	11,570	.....	56,483	20,772	29	90,073	8.25
2. Full	5,367	1,430	25,993	34,665	.....	60,658	23,128	24	90,073	3.30
3. 40%, Replacement	6,011	1,567	28,983	21,482	7,116	57,581	25,517	23	90,073	8.82
4. 40%, 10%	6,192	1,621	29,798	26,759	.....	56,556	26,322	25	90,073	9.57
Hunterdon										
1. Actual	13	94	814	386	.....	1,199	2,150	1,218	4,531	9.24
2. Full	3	126	755	550	.....	1,305	1,931	1,214	4,531	1.49
3. 40%, Replacement	3	122	756	289	356	1,401	1,918	1,148	4,531	3.63
4. 40%, 10%	3	131	802	380	.....	1,182	2,041	1,238	4,531	3.89
Mercer										
1. Actual	213	543	8,544	3,582	.....	12,126	15,419	777	28,433	6.66
2. Full	72	809	5,827	8,534	.....	14,361	12,741	792	28,433	2.01
3. 40%, Replacement	80	829	6,369	4,834	2,246	13,450	13,736	806	28,433	5.37
4. 40%, 10%	83	875	6,609	6,192	.....	12,801	14,306	853	28,433	5.61
Middlesex										
1. Actual	624	1,242	11,901	4,392	.....	16,293	19,893	629	37,110	8.64
2. Full	121	1,507	7,959	9,154	.....	17,113	18,216	737	37,110	1.69
3. 40%, Replacement	137	1,556	8,927	3,856	2,932	15,715	19,732	704	37,110	4.54
4. 40%, 10%	140	1,636	9,144	5,765	.....	14,909	20,431	758	37,110	4.73

* Net taxes after veterans exemptions.
 a Less than \$500.

STATE TOTALS—Continued
Summary of all municipalities by county
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

COUNTY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Monmouth County										
1. Actual	\$73	\$1,855	\$6,148	\$1,450	....	\$7,598	\$20,278	\$1,792	\$30,134	11.64%
2. Full	16	1,558	5,216	3,297	....	8,514	18,785	1,728	30,134	2.12
3. 40%, Replacement	15	1,461	5,042	2,325	\$2,381	9,748	17,839	1,625	30,134	5.06
4. 40%, 10%	16	1,577	5,411	2,731	....	8,142	19,240	1,756	30,134	5.46
Morris										
1. Actual	77	1,360	5,091	1,986	....	7,077	18,416	594	26,536	10.34
2. Full	12	1,406	4,314	4,396	....	8,710	16,103	614	26,536	1.70
3. 40%, Replacement	13	1,349	4,361	2,836	2,096	9,293	15,677	583	26,536	4.16
4. 40%, 10%	13	1,450	4,617	3,449	....	8,066	16,782	628	26,536	4.45
Ocean										
1. Actual	15	1,156	1,591	619	....	2,209	7,846	421	11,180	11.53
2. Full	2	1,313	1,321	814	....	2,136	7,392	457	11,180	1.56
3. 40%, Replacement	2	1,224	1,240	646	883	2,770	6,896	428	11,180	3.65
4. 40%, 10%	2	1,326	1,341	731	....	2,072	7,468	464	11,180	3.95
Passaic										
1. Actual	106	1,184	13,004	4,228	....	17,232	21,839	64	39,759	6.75
2. Full	33	1,354	8,610	11,677	....	20,287	18,328	108	39,759	1.89
3. 40%, Replacement	37	1,304	9,658	6,757	3,141	19,556	19,214	103	39,759	5.04
4. 40%, 10%	38	1,384	9,919	8,642	....	18,561	20,143	111	39,759	5.27
Salem										
1. Actual	4	90	1,196	1,084	....	2,281	1,861	617	4,728	7.47
2. Full	1	74	914	1,812	....	2,726	1,400	570	4,728	1.03
3. 40%, Replacement	1	80	959	1,203	374	2,535	1,612	561	4,728	2.54
4. 40%, 10%	1	83	1,002	1,467	....	2,469	1,640	598	4,728	2.71
Somerset										
1. Actual	68	861	2,289	1,329	....	3,618	7,451	813	12,316	10.70
2. Full	10	889	1,814	2,536	....	4,350	6,391	818	12,316	1.50
3. 40%, Replacement	10	873	1,858	1,726	973	4,558	6,271	779	12,316	3.76
4. 40%, 10%	11	933	1,962	2,057	....	4,019	6,701	839	12,316	4.00
Sussex										
1. Actual	8	371	788	260	....	1,048	3,300	732	5,274	12.29
2. Full	1	314	726	309	....	1,035	3,261	722	5,274	1.99
3. 40%, Replacement	1	295	715	99	417	1,231	3,140	679	5,274	4.76
4. 40%, 10%	1	319	763	164	....	927	3,370	734	5,274	5.12
Union										
1. Actual	371	1,300	18,702	7,133	....	25,835	33,511	45	59,810	7.44
2. Full	104	1,498	12,678	16,584	....	29,261	29,524	45	59,810	1.80
3. 40%, Replacement	109	1,529	13,708	10,260	4,725	28,693	30,232	44	59,810	4.78
4. 40%, 10%	114	1,616	14,246	12,715	....	26,961	31,914	47	59,810	5.00
Warren										
1. Actual	54	114	933	525	....	1,458	2,724	598	4,775	8.75
2. Full	13	143	650	1,148	....	1,798	2,328	564	4,775	1.74
3. 40%, Replacement	13	137	661	797	377	1,835	2,346	532	4,775	4.32
4. 40%, 10%	14	148	700	943	....	1,643	2,490	575	4,775	4.61
State Total										
1. Actual	\$14,513	\$20,915	\$208,790	\$67,610	....	\$276,400	\$338,405	\$11,605	\$645,568	8.30%
2. Full	6,342	20,904	144,054	161,552	....	305,606	307,835	11,898	645,568	2.05
3. 40%, Replacement	7,109	20,711	155,129	95,702	\$50,998	301,830	313,294	11,391	645,568	5.28
4. 40%, 10%	7,319	22,032	161,243	120,982	....	282,225	331,001	12,251	645,568	5.59

* Net taxes after veterans exemptions.
 a Less than \$500.

ATLANTIC COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Absecon										
1. Actual	\$2	\$34	\$53	\$24	....	\$77	\$191	....	\$271	14.36%
2. Full	a	28	33	19	....	52	198	....	271	1.64
3. 40%, Replacement	a	27	31	14	\$21	67	186	....	271	3.86
4. 40%, 10%	a	29	34	16	....	50	202	....	271	5.18
Atlantic City										
1. Actual	56	197	6,708	598	....	7,306	1,345	....	8,822	9.15
2. Full	16	237	5,679	1,164	....	6,844	1,774	....	8,822	2.71
3. 40%, Replacement	15	218	5,239	1,073	697	7,008	1,636	....	8,822	6.24
4. 40%, 10%	16	237	5,688	1,165	....	6,853	1,776	....	8,822	6.77
Brigantine										
1. Actual .....	....	121	42	2	....	44	330	....	458	14.56
2. Full .....	....	56	56	2	....	58	353	....	458	1.91
3. 40%, Replacement .....	....	52	52	1	36	90	328	....	458	4.42
4. 40%, 10% .....	....	56	57	2	....	58	356	....	458	4.79
Buena Boro										
1. Actual	a	8	35	15	....	49	101	\$34	173	18.51
2. Full	a	4	25	10	....	35	102	37	173	1.78
3. 40%, Replacement	a	4	24	7	14	44	96	35	173	4.17
4. 40%, 10%	a	4	26	8	....	33	103	38	173	4.51
Buena Vista Twp.										
1. Actual	a	23	12	11	....	23	69	54	156	16.52
2. Full	a	16	15	6	....	22	68	53	156	1.37
3. 40%, Replacement	a	15	14	6	12	32	63	49	156	3.17
4. 40%, 10%	a	16	15	6	....	22	69	53	156	3.44
Corbin City										
1. Actual	a	2	2	1	....	3	9	2	15	13.74
2. Full	a	2	4	1	....	5	6	3	15	1.97
3. 40%, Replacement	a	2	4	1	1	6	6	2	15	4.60
4. 40%, 10%	a	2	4	1	....	5	6	3	15	4.99
Egg Harbor City										
1. Actual	a	12	70	25	....	95	223	....	303	15.03
2. Full	a	8	50	29	....	79	225	....	303	2.53
3. 40%, Replacement	a	8	48	18	24	90	216	....	303	6.07
4. 40%, 10%	a	9	51	22	....	74	233	....	303	6.54
Egg Harbor Twp.										
1. Actual	a	65	108	58	....	166	202	27	427	19.97
2. Full	a	78	133	36	....	169	167	19	427	1.78
3. 40%, Replacement	a	72	124	32	34	190	154	18	427	4.12
4. 40%, 10%	a	78	134	35	....	169	168	19	427	4.48
Estelle Manor										
1. Actual	a	18	2	4	....	6	6	12	40	14.29
2. Full	a	13	3	3	....	6	9	11	40	1.77
3. 40%, Replacement	a	12	3	3	3	9	9	10	40	4.09
4. 40%, 10%	a	14	3	3	....	6	9	11	40	4.44
Folsom										
1. Actual	a	6	11	13	....	25	14	1	44	9.95
2. Full	a	7	9	10	....	20	16	2	44	1.09
3. 40%, Replacement	a	8	11	a	3	15	19	2	44	3.25
4. 40%, 10%	a	8	11	3	....	15	19	2	44	3.29
Galloway										
1. Actual	2	58	67	24	....	90	125	37	290	12.73
2. Full	a	43	78	16	....	94	116	41	290	1.28
3. 40%, Replacement	a	42	76	....	23	99	114	40	290	3.12
4. 40%, 10%	a	45	82	4	....	86	122	43	290	3.34
Hamilton Twp.										
1. Actual	a	64	133	62	....	195	162	24	425	10.97
2. Full	a	68	152	56	....	209	121	33	425	1.44
3. 40%, Replacement	a	63	142	49	34	225	113	30	425	3.35
4. 40%, 10%	a	68	154	54	....	208	123	33	425	3.63
Hammonton										
1. Actual	a	23	174	95	....	269	403	76	729	14.56
2. Full	1	33	130	84	....	214	409	84	729	1.85
3. 40%, Replacement	1	31	123	65	58	246	386	79	729	4.36
4. 40%, 10%	1	34	133	74	....	207	417	86	729	4.71
Linwood										
1. Actual	a	42	16	11	....	27	216	4	258	14.42
2. Full	a	26	37	10	47	189	4	258	1.86
3. 40%, Replacement	a	24	34	9	20	64	176	4	258	4.32
4. 40%, 10%	a	26	37	10	47	191	4	258	4.69

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 a Less than \$500.

ATLANTIC COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes				Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax	Total				
Longport										
1. Actual .....	....	\$15	\$17	\$1	....	\$17	\$300	....	\$323	13.38%
2. Full .....	....	26	20	1	....	21	279	....	323	2.09
3. 40%, Replacement .....	....	24	19	....	\$25	44	258	....	323	4.83
4. 40%, 10% .....	....	26	20	a	....	20	280	....	323	5.24
Margate										
1. Actual .....	....	95	112	20	....	132	1,171	....	1,329	15.27
2. Full .....	....	82	93	18	....	111	1,154	....	1,329	1.95
3. 40%, Replacement .....	....	76	86	14	105	205	1,068	....	1,329	4.52
4. 40%, 10% .....	....	82	93	16	....	110	1,159	....	1,329	4.91
Mullica										
1. Actual	a	42	16	16	....	32	96	\$24	181	13.55
2. Full	a	42	15	15	....	30	84	29	181	1.79
3. 40%, Replacement	a	39	14	13	14	41	78	27	181	4.15
4. 40%, 10%	a	42	15	14	....	29	85	29	181	4.50
Northfield										
1. Actual	a	29	8	15	....	23	219	4	244	11.40
2. Full	a	24	10	13	....	23	201	4	244	1.41
3. 40%, Replacement	a	22	9	11	19	40	187	4	244	3.28
4. 40%, 10%	a	24	10	12	....	23	203	4	244	3.56
Pleasantville										
1. Actual	\$7	123	276	93	....	369	796	....	1,208	15.63
2. Full	1	82	212	115	....	327	828	....	1,208	2.78
3. 40%, Replacement	1	77	199	94	95	389	777	....	1,208	6.53
4. 40%, 10%	1	84	216	105	....	321	841	....	1,208	7.07
Port Republic										
1. Actual .....	....	3	1	2	....	4	17	4	24	12.35
2. Full .....	....	3	1	2	....	3	16	3	24	1.69
3. 40%, Replacement .....	....	2	1	2	2	5	15	3	24	3.98
4. 40%, 10% .....	....	3	1	2	....	3	17	3	24	4.31
Somers Point										
1. Actual	a	45	33	32	....	65	259	3	345	15.55
2. Full	a	22	24	28	....	52	275	4	345	2.00
3. 40%, Replacement	a	21	22	22	27	71	258	3	345	4.69
4. 40%, 10%	a	22	24	25	....	49	279	4	345	5.07
Ventnor City										
1. Actual .....	....	81	250	59	....	309	1,105	....	1,455	13.30
2. Full .....	....	90	151	82	....	233	1,149	....	1,455	2.70
3. 40%, Replacement .....	....	83	140	72	115	327	1,064	....	1,455	6.25
4. 40%, 10% .....	....	90	152	79	....	231	1,155	....	1,455	6.78
Weymouth										
1. Actual	a	11	1	2	....	4	10	19	39	15.31
2. Full	a	9	2	1	....	3	11	17	39	1.35
3. 40%, Replacement	a	8	2	1	3	6	10	16	39	3.15
4. 40%, 10%	a	9	2	1	....	3	11	17	39	3.42
County Total										
1. Actual	\$73	\$1,118	\$8,149	\$1,183	....	\$9,332	\$7,368	\$326	\$17,559	11.17%
2. Full	19	998	6,934	1,721	....	8,655	7,750	343	17,559	2.29
3. 40%, Replacement	18	931	6,416	1,507	\$1,387	9,311	7,217	323	17,559	5.33
4. 40%, 10%	19	1,008	6,962	1,660	8,621	7,822	349	17,559	5.78

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BERGEN COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Allendale										
1. Actual	\$1	\$27	\$24	\$11	....	\$36	\$270	\$3	\$325	8.29%
2. Full	a	30	23	22	....	45	251	3	325	1.56
3. 40%, Replacement	a	28	22	16	\$26	63	236	3	325	3.66
4. 40%, 10%	a	31	23	18	....	42	255	3	325	3.96
Alpine										
1. Actual .....	....	38	23	23	....	46	64	....	147	4.80
2. Full .....	....	45	15	47	....	62	40	....	147	0.96
3. 40%, Replacement .....	....	44	15	38	12	65	40	....	147	2.36
4. 40%, 10% .....	....	47	16	43	....	59	42	....	147	2.53
Bergenfield										
1. Actual	1	30	398	76	....	474	1,689	....	2,088	9.16
2. Full	a	35	377	135	....	512	1,577	....	2,088	1.60
3. 40%, Replacement	a	33	352	108	165	624	1,437	....	2,088	3.73
4. 40%, 10%	a	36	381	122	....	503	1,596	....	2,088	4.04
Bogota										
1. Actual	2	6	166	67	....	233	546	....	760	9.33
2. Full	a	9	107	135	....	243	519	....	760	1.84
3. 40%, Replacement	a	10	118	17	60	195	570	....	760	5.06
4. 40%, 10%	1	11	122	52	....	174	591	....	760	5.25
Carlstadt										
1. Actual	a	13	226	111	....	336	212	4	555	6.39
2. Full	a	19	136	209	....	346	182	11	555	1.18
3. 40%, Replacement	a	21	147	140	44	331	196	12	555	3.18
4. 40%, 10%	a	22	153	168	....	321	204	13	555	3.31
Cliffside										
1. Actual .....	....	30	309	106	....	414	1,037	....	1,448	9.04
2. Full .....	....	18	216	223	....	439	1,004	....	1,448	1.86
3. 40%, Replacement .....	....	18	213	128	114	456	991	....	1,448	4.60
4. 40%, 10% .....	....	19	228	161	....	389	1,058	....	1,448	4.91
Closter										
1. Actual	1	34	81	50	....	131	672	1	793	10.82
2. Full	a	33	62	93	....	155	622	1	793	1.96
3. 40%, Replacement	a	31	58	75	63	196	585	1	793	4.61
4. 40%, 10%	a	33	63	85	....	148	633	1	793	4.99
Cresskill										
1. Actual	a	27	29	35	....	64	672	....	727	7.94
2. Full	a	29	27	88	....	116	600	....	727	1.97
3. 40%, Replacement	a	27	26	77	57	160	561	....	727	4.60
4. 40%, 10%	a	29	28	85	....	113	607	....	727	4.98
Demarest										
1. Actual	a	20	3	13	....	16	399	....	417	8.05
2. Full	a	21	3	28	....	31	372	....	417	1.68
3. 40%, Replacement	a	20	3	26	33	61	345	....	417	3.89
4. 40%, 10%	a	21	3	28	....	31	374	....	417	4.23
Dumont										
1. Actual	7	21	211	144	....	355	1,368	2	1,654	11.46
2. Full	1	17	166	242	....	409	1,258	2	1,654	1.89
3. 40%, Replacement	1	16	158	190	131	479	1,195	1	1,654	4.48
4. 40%, 10%	1	17	170	216	....	386	1,289	2	1,654	4.83
E. Paterson										
1. Actual	a	26	637	97	....	733	952	16	1,665	8.75
2. Full	a	32	422	211	....	634	1,007	20	1,665	1.87
3. 40%, Replacement	a	33	437	38	132	606	1,041	20	1,665	4.83
4. 40%, 10%	a	34	461	88	....	548	1,098	22	1,665	5.10
E. Rutherford										
1. Actual	2	40	333	152	....	485	296	....	812	6.63
2. Full	a	38	227	312	....	539	239	....	812	1.33
3. 40%, Replacement	a	44	266	162	64	492	281	....	812	3.92
4. 40%, 10%	a	45	271	216	....	487	286	....	812	3.98
Edgewater										
1. Actual	55	4	799	203	....	1002	76	....	1,133	4.90
2. Full	15	4	448	566	....	1015	101	....	1,133	1.34
3. 40%, Replacement	21	5	619	262	90	970	140	....	1,133	4.61
4. 40%, 10%	20	5	598	378	....	976	135	....	1,133	4.45
Emerson										
1. Actual	a	22	65	29	....	94	442	1	525	9.91
2. Full	a	30	66	48	....	113	392	1	525	1.63
3. 40%, Replacement	a	28	61	42	41	145	365	1	525	3.78
4. 40%, 10%	a	30	66	46	112	395	1	525	4.10

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BERGEN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
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1. Actual tax assessed — (1957).
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MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Englewood										
1. Actual	\$4	\$97	\$1,044	\$226	....	\$1,270	\$2,191	....	\$3,506	7.61%
2. Full	1	91	719	757	....	1,476	1,967	....	3,506	1.98
3. 40%, Replacement	1	105	828	72	\$277	1,177	2,265	....	3,506	5.69
4. 40%, 10%	1	113	888	118	....	1,006	2,431	....	3,506	6.11
Englewood Cliffs										
1. Actual .....	....	69	55	20	....	75	106	....	248	4.89
2. Full .....	....	88	51	33	....	84	77	....	248	0.79
3. 40%, Replacement .....	....	81	47	31	20	97	71	....	248	1.83
4. 40%, 10% .....	....	88	51	33	....	84	77	....	248	1.99
Fair Lawn										
1. Actual	3	73	865	296	....	1,161	2,989	\$6	4,053	9.57
2. Full	1	57	504	647	....	1,151	2,914	6	4,053	2.04
3. 40%, Replacement	1	56	492	429	320	1,241	2,843	6	4,053	4.99
4. 40%, 10%	1	60	527	514	....	1,041	3,046	6	4,053	5.34
Fairview										
1. Actual	a	12	262	59	....	321	436	....	751	7.84
2. Full	a	11	191	131	....	322	427	....	751	1.70
3. 40%, Replacement	a	11	198	51	59	309	442	....	751	4.39
4. 40%, 10%	a	12	208	76	....	285	466	....	751	4.63
Fort Lee										
1. Actual .....	....	102	669	102	....	771	787	....	1,634	7.40
2. Full .....	....	96	518	192	....	710	838	....	1,634	1.37
3. 40%, Replacement .....	....	89	485	157	129	771	785	....	1,634	3.20
4. 40%, 10% .....	....	97	525	176	....	700	849	....	1,634	3.46
Franklin Lakes										
1. Actual	a	56	20	9	....	28	281	50	404	9.09
2. Full	a	59	26	17	....	42	259	48	404	1.75
3. 40%, Replacement	a	55	24	10	32	68	243	45	404	4.10
4. 40%, 10%	a	60	26	12	....	38	283	49	404	4.44
Garfield										
1. Actual	a	43	677	502	....	1,179	1,390	1	2,561	8.93
2. Full	a	31	427	1,141	....	1,568	980	1	2,561	1.54
3. 40%, Replacement	a	50	692	62	202	957	1,589	1	2,561	6.26
4. 40%, 10%	a	46	632	465	....	1,097	1,451	1	2,561	5.71
Glen Rock										
1. Actual	2	14	93	34	....	127	1,745	3	1,816	10.84
2. Full	a	13	65	80	....	146	1,689	3	1,816	2.53
3. 40%, Replacement	a	13	62	35	143	241	1,601	3	1,816	6.00
4. 40%, 10%	a	14	67	49	....	116	1,728	3	1,816	6.48
Hackensack										
1. Actual	5	66	1,691	582	....	2,273	1,548	....	3,842	6.49
2. Full	1	75	1,194	1,044	....	2,237	1,555	....	3,842	1.78
3. 40%, Replacement	1	83	1,327	436	304	2,066	1,729	....	3,842	4.95
4. 40%, 10%	1	86	1,370	637	....	2,007	1,786	....	3,842	5.11
Harrington Park										
1. Actual	1	52	8	13	....	22	317	a	380	8.41
2. Full	a	53	8	32	....	39	293	a	380	1.96
3. 40%, Replacement	a	49	7	27	30	64	273	a	380	4.57
4. 40%, 10%	a	53	8	30	....	37	296	a	380	4.95
Hasbrouck Hts.										
1. Actual	a	20	190	46	....	236	911	....	1,127	8.59
2. Full	a	24	163	97	....	260	859	....	1,127	1.77
3. 40%, Replacement	a	23	152	82	89	323	801	....	1,127	4.13
4. 40%, 10%	a	25	165	91	....	256	868	....	1,127	4.48
Haworth										
1. Actual	1	12	44	10	....	54	395	a	450	8.09
2. Full	a	12	43	26	....	69	375	a	450	1.97
3. 40%, Replacement	a	11	40	24	36	99	347	a	450	4.57
4. 40%, 10%	a	12	43	26	....	69	377	a	450	4.96
Hillsdale										
1. Actual	1	170	66	45	....	111	643	7	886	11.70
2. Full	a	199	72	75	....	147	549	6	886	1.92
3. 40%, Replacement	a	186	67	62	70	199	513	6	886	1.92
4. 40%, 10%	a	201	73	69	....	142	556	6	886	4.86
Hohokus										
1. Actual	1	13	26	14	....	40	396	....	437	6.49
2. Full	a	16	28	27	56	370	437	1.22
3. 40%, Replacement	a	15	26	19	35	80	347	437	2.87
4. 40%, 10%	a	17	29	22	51	376	437	3.10

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MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Leonia										
1. Actual	a	\$19	\$157	\$45	....	\$202	\$666	....	\$866	7.12%
2. Full	a	18	136	107	....	243	615	....	866	1.68
3. 40%, Replacement	a	17	127	90	\$68	285	575	....	866	3.92
4. 40%, 10%	a	18	138	101	....	238	622	....	866	4.24
Little Ferry										
1. Actual .....	....	21	118	50	....	169	316	....	484	11.97
2. Full .....	....	16	71	81	....	151	323	....	484	1.88
3. 40%, Replacement .....	....	16	71	42	38	151	325	....	484	4.73
4. 40%, 10% .....	....	17	75	55	....	130	345	....	484	5.02
Lodi										
1. Actual	\$1	27	533	156	....	689	987	....	1,659	6.19
2. Full	a	25	445	388	....	833	822	....	1,659	1.51
3. 40%, Replacement	a	25	437	287	131	855	805	....	1,659	3.70
4. 40%, 10%	a	27	467	332	....	799	861	....	1,659	3.96
Lyndhurst										
1. Actual	18	40	347	100	....	447	1,089	....	1,531	8.45
2. Full	4	41	243	173	....	416	1,095	....	1,531	1.69
3. 40%, Replacement	4	41	244	57	121	422	1,096	....	1,531	4.22
4. 40%, 10%	4	44	259	92	....	351	1,166	....	1,531	4.49
Mahwah										
1. Actual	10	53	345	139	....	483	383	\$17	935	5.98
2. Full	2	59	302	266	....	569	296	14	935	1.12
3. 40%, Replacement	2	59	306	186	74	566	299	14	935	2.84
4. 40%, 10%	2	63	324	219	....	543	317	15	935	3.01
Maywood										
1. Actual	a	23	263	71	....	334	871	....	1,174	9.88
2. Full	a	30	293	129	....	421	742	....	1,174	1.75
3. 40%, Replacement	a	29	284	70	93	447	721	....	1,174	4.24
4. 40%, 10%	a	31	305	90	....	395	773	....	1,174	4.65
Midland Park										
1. Actual	a	8	100	53	....	153	622	....	745	10.95
2. Full	a	14	90	99	....	189	556	....	745	1.99
3. 40%, Replacement	a	14	90	42	59	191	558	....	745	5.00
4. 40%, 10%	a	15	96	60	....	156	593	....	745	5.32
Montvale										
1. Actual	a	19	18	8	....	26	287	15	332	10.06
2. Full	a	29	15	15	....	30	254	24	332	1.81
3. 40%, Replacement	a	27	14	11	26	51	237	22	332	4.21
4. 40%, 10%	a	30	15	13	....	28	257	24	332	4.57
Moonachie										
1. Actual .....	....	11	17	15	....	32	85	1	120	9.44
2. Full .....	....	26	10	21	....	32	64	1	120	1.26
3. 40%, Replacement .....	....	25	10	16	9	36	61	1	120	3.03
4. 40%, 10% .....	....	27	11	19	....	29	66	1	120	3.25
New Milford										
1. Actual .....	....	16	340	66	....	406	1,048	2	1,399	9.13
2. Full .....	....	23	321	125	....	446	955	2	1,399	1.69
3. 40%, Replacement .....	....	21	299	111	111	520	888	2	1,399	3.92
4. 40%, 10% .....	....	23	324	122	....	445	963	2	1,399	4.25
No. Arlington										
1. Actual	a	26	351	51	....	401	888	3	1,273	8.65
2. Full	a	34	247	110	....	358	898	3	1,273	1.83
3. 40%, Replacement	a	33	240	46	101	387	873	3	1,273	4.46
4. 40%, 10%	a	35	258	66	....	324	936	3	1,273	4.78
Northvale										
1. Actual	a	14	28	10	....	37	140	a	181	9.76
2. Full	a	24	24	17	....	40	120	a	181	1.64
3. 40%, Replacement	a	23	22	14	14	50	112	a	181	3.82
4. 40%, 10%	a	24	24	16	....	40	121	a	181	4.14
Norwood										
1. Actual	1	30	18	15	....	34	191	4	250	8.43
2. Full	a	28	12	32	....	44	178	4	250	1.72
3. 40%, Replacement	a	27	11	23	20	54	170	4	250	4.11
4. 40%, 10%	a	29	12	27	....	39	183	4	250	4.42
Oakland										
1. Actual	a	58	31	16	....	46	497	1	577	8.50
2. Full	a	66	18	33	51	470	1	577	1.76
3. 40%, Replacement	a	62	17	25	46	88	439	1	577	4.12
4. 40%, 10%	a	67	18	29	47	476	1	577	4.46

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MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Personal Property	Taxes Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Old Tappan										
1. Actual .....	....	\$40	\$28	\$10	....	\$38	\$182	\$10	\$260	9.41%
2. Full .....	....	35	35	18	....	53	167	9	260	1.73
3. 40%, Replacement .....	....	33	32	15	\$21	68	155	8	260	4.03
4. 40%, 10% .....	....	36	35	17	....	52	168	9	260	4.37
Oradell										
1. Actual	a	36	261	10	....	272	674	....	958	8.60
2. Full	a	41	307	20	....	327	599	....	958	1.60
3. 40%, Replacement	a	38	288	6	76	369	561	....	958	3.75
4. 40%, 10%	a	42	311	10	....	321	607	....	958	4.06
Palisades Park										
1. Actual	a	42	288	44	....	332	564	....	915	7.90
2. Full	a	41	176	97	....	273	611	....	915	1.71
3. 40%, Replacement	a	39	167	67	72	307	581	....	915	4.06
4. 40%, 10%	a	42	180	79	....	259	627	....	915	4.38
Paramus										
1. Actual .....	....	97	536	157	....	693	1,454	31	2,163	7.49
2. Full .....	....	160	383	315	....	699	1,302	47	2,163	1.47
3. 40%, Replacement .....	....	153	367	237	171	774	1,244	45	2,163	3.51
4. 40%, 10% .....	....	165	395	272	....	667	1,340	48	2,163	3.78
Park Ridge										
1. Actual	a	27	66	21	....	87	388	1	486	8.46
2. Full	a	22	53	45	....	98	372	1	486	1.74
3. 40%, Replacement	a	22	52	18	38	109	363	1	486	4.26
4. 40%, 10%	a	23	56	26	....	82	389	1	486	4.56
Ramsey										
1. Actual	\$1	55	123	47	....	171	769	4	972	7.34
2. Full	a	71	128	107	....	234	675	3	972	1.62
3. 40%, Replacement	a	66	119	91	77	287	630	3	972	3.77
4. 40%, 10%	a	72	129	101	....	230	682	3	972	4.09
Ridgefield										
1. Actual	26	37	297	73	....	370	439	....	854	6.90
2. Full	4	26	279	222	....	501	328	....	854	1.02
3. 40%, Replacement	4	28	297	116	67	480	349	....	854	2.71
4. 40%, 10%	4	29	310	153	....	463	365	....	854	2.83
Ridgefield Park										
1. Actual	12	7	328	82	....	410	839	....	1,222	11.19
2. Full	2	9	195	166	....	361	868	....	1,222	2.22
3. 40%, Replacement	2	9	184	135	97	415	818	....	1,222	5.24
4. 40%, 10%	2	9	199	152	....	350	884	....	1,222	5.66
Ridgewood										
1. Actual	3	63	479	160	....	638	3,084	....	3,690	8.39
2. Full	1	66	417	375	....	792	2,877	....	3,690	1.93
3. 40%, Replacement	1	63	399	240	292	930	2,751	....	3,690	4.61
4. 40%, 10%	1	67	429	290	....	720	2,961	....	3,690	4.96
River Edge										
1. Actual	a	15	204	124	....	328	1,258	....	1,511	12.48
2. Full	a	14	89	214	....	304	1,239	....	1,511	2.11
3. 40%, Replacement	a	14	85	153	119	358	1,176	....	1,511	5.01
4. 40%, 10%	a	15	91	179	....	270	1,265	....	1,511	5.39
Rivervale										
1. Actual .....	....	20	44	24	....	68	370	a	436	9.24
2. Full .....	....	30	33	43	....	76	338	a	436	1.60
3. 40%, Replacement .....	....	28	31	38	34	103	314	a	436	3.71
4. 40%, 10% .....	....	30	33	42	....	75	341	a	436	4.03
Rochelle Park										
1. Actual	a	7	85	36	....	121	398	a	499	8.80
2. Full	a	7	57	63	....	120	381	a	499	1.49
3. 40%, Replacement	a	7	56	37	39	132	371	a	499	3.63
4. 40%, 10%	a	7	60	46	....	106	398	a	499	3.89
Rockleigh										
1. Actual .....	....	3	4	2	....	6	10	3	22	4.58
2. Full .....	....	2	6	4	....	9	8	2	22	0.90
3. 40%, Replacement .....	....	2	5	3	2	10	8	2	22	2.13
4. 40%, 10% .....	....	2	6	3	....	9	8	2	22	2.30
Rutherford										
1. Actual	1	20	469	107	....	576	1,305	....	1,852	7.89
2. Full	a	16	323	248	....	571	1,287	....	1,852	1.79
3. 40%, Replacement	a	15	305	199	146	650	1,214	....	1,852	4.23
4. 40%, 10%	a	16	329	224	....	553	1,311	....	1,852	4.57

* Net taxes after veterans exemptions.
 a Less than \$500.

BERGEN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed - (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes— Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Saddlebrook										
1. Actual	\$3	\$29	\$141	\$33	....	\$173	\$924	\$5	\$1,048	11.78%
2. Full	a	35	135	50	....	185	848	5	1,048	1.76
3. 40%, Replacement	a	33	127	30	\$83	240	800	4	1,048	4.15
4. 40%, 10%	a	36	138	37	....	175	865	5	1,048	4.49
Saddle River										
1. Actual .....	....	16	4	4	....	8	147	3	171	6.44
2. Full .....	....	30	4	5	....	8	130	3	171	0.75
3. 40%, Replacement .....	....	28	3	4	13	21	120	3	171	1.74
4. 40%, 10% .....	....	30	4	4	....	8	131	3	171	1.89
South Hackensack										
1. Actual	a	10	194	58	....	253	56	....	317	6.18
2. Full	a	12	112	133	....	245	60	....	317	1.38
3. 40%, Replacement	a	15	138	67	25	229	74	....	317	4.25
4. 40%, 10%	a	15	138	91	....	229	74	....	317	4.26
Teaneck										
1. Actual	6	140	844	262	....	1,106	4,375	....	5,469	9.29
2. Full	1	131	606	576	....	1,182	4,223	....	5,469	1.99
3. 40%, Replacement	1	123	571	441	432	1,444	3,981	....	5,469	4.70
4. 40%, 10%	1	133	617	504	....	1,121	4,300	....	5,469	5.08
Tenafly										
1. Actual	a	75	159	62	....	222	1,754	....	2,000	9.00
2. Full	a	89	105	138	....	243	1,690	....	2,000	1.95
3. 40%, Replacement	a	82	98	119	158	375	1,568	....	2,000	4.52
4. 40%, 10%	a	89	106	132	....	238	1,700	....	2,000	4.90
Teterboro										
1. Actual	a	a	196	34	....	230	1	....	231	2.88
2. Full	a	a	140	90	....	230	1	....	231	0.47
3. 40%, Replacement	a	a	186	26	....	230	1	....	231	1.57
4. 40%, 10%	a	a	182	48	....	230	1	....	231	1.54
Upper Saddle River										
1. Actual .....	....	21	28	9	....	37	206	16	275	5.72
2. Full .....	....	31	19	19	....	38	193	16	275	1.18
3. 40%, Replacement .....	....	29	18	15	22	54	180	15	275	2.75
4. 40%, 10% .....	....	31	19	17	....	36	195	16	275	2.98
Waldwick										
1. Actual	5	28	60	49	....	109	808	5	888	11.08
2. Full	1	24	55	92	....	147	735	5	888	2.02
3. 40%, Replacement	1	22	51	83	70	205	684	4	888	4.69
4. 40%, 10%	1	24	56	91	....	147	742	5	888	5.09
Wallington										
1. Actual	a	10	117	55	....	172	467	2	627	9.14
2. Full	a	10	95	106	....	201	424	2	627	1.73
3. 40%, Replacement	a	10	95	56	50	201	426	2	627	4.36
4. 40%, 10%	a	10	101	73	....	174	453	2	627	4.63
Washington										
1. Actual .....	....	49	8	24	....	32	497	....	555	9.68
2. Full .....	....	58	7	46	....	53	452	....	555	4.20
3. 40%, Replacement .....	....	54	7	42	44	93	418	....	555	4.20
4. 40%, 10% .....	....	58	7	46	....	53	454	....	555	4.56
Westwood										
1. Actual	1	19	203	56	....	259	746	....	987	9.59
2. Full	a	33	178	111	....	288	681	....	987	1.83
3. 40%, Replacement	a	31	169	78	78	326	648	....	987	4.37
4. 40%, 10%	a	34	182	92	....	274	698	....	987	4.71
Woodcliff L.										
1. Actual	a	27	31	4	....	36	362	17	427	11.71
2. Full	a	31	54	8	....	62	324	15	427	2.05
3. 40%, Replacement	a	28	50	7	34	90	300	14	427	4.74
4. 40%, 10%	a	31	54	7	....	61	326	15	427	5.14
Wood-Ridge										
1. Actual	a	6	442	131	....	573	418	....	973	7.30
2. Full	a	7	338	234	....	572	403	....	973	1.27
3. 40%, Replacement	a	8	386	54	77	517	460	....	973	3.64
4. 40%, 10%	a	8	396	110	....	506	471	....	973	3.73
Wyckoff										
1. Actual	a	65	56	30	....	86	1,047	17	1,168	9.45
2. Full	a	79	54	56	....	110	980	17	1,168	1.76
3. 40%, Replacement	a	74	50	44	92	187	913	15	1,168	4.10
4. 40%, 10%	a	80	54	50	....	104	989	17	1,168	4.44

* Net taxes after veterans exemptions.
 a Less than \$500.

BURLINGTON COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Glass II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Chesterfield										
1. Actual .....	....	\$1	\$2	\$8	....	\$10	\$37	\$51	\$96	7.90%
2. Full .....	....	1	2	14	....	16	28	52	96	0.94
3. 40%, Replacement .....	....	1	2	12	\$8	21	27	49	96	2.19
4. 40%, 10% .....	....	1	2	13	....	15	29	53	96	2.37
Cinnaminson										
1. Actual .....	....	19	58	44	....	102	240	17	365	9.34
2. Full .....	....	22	45	101	....	146	180	22	365	1.49
3. 40%, Replacement .....	....	21	43	84	29	156	172	21	365	3.57
4. 40%, 10% .....	....	23	46	93	....	140	185	23	365	3.84
Delanco										
1. Actual	a	6	12	11	....	23	256	9	268	14.88
2. Full	a	5	10	26	....	37	227	8	268	2.52
3. 40%, Replacement	a	5	10	22	21	53	213	8	268	5.91
4. 40%, 10%	a	5	10	25	....	35	231	9	268	6.40
Delran										
1. Actual .....	....	10	33	15	....	47	218	27	277	12.28
2. Full .....	....	16	35	22	....	58	170	39	277	1.30
3. 40%, Replacement .....	....	15	34	14	22	70	161	38	277	3.10
4. 40%, 10% .....	....	16	36	17	....	54	174	40	277	3.34
Easthampton										
1. Actual	a	2	5	9	....	14	44	13	68	11.68
2. Full	a	1	4	17	....	21	36	11	68	1.54
3. 40%, Replacement	a	1	4	15	5	24	34	10	68	3.63
4. 40%, 10%	a	2	4	16	....	21	36	11	68	3.93
Edgewater Park										
1. Actual	a	3	23	18	....	41	122	6	163	9.10
2. Full	a	4	18	39	....	57	91	14	163	1.36
3. 40%, Replacement	a	4	18	24	13	55	93	14	164	3.48
4. 40%, 10%	a	4	20	30	....	49	98	15	163	3.68
Evesham										
1. Actual .....	....	8	9	12	....	21	139	80	234	13.97
2. Full .....	....	8	13	18	....	31	96	102	234	1.46
3. 40%, Replacement .....	....	7	12	15	18	46	89	95	234	3.41
4. 40%, 10% .....	....	8	13	17	....	30	97	103	234	3.70
Fieldsboro										
1. Actual	a	1	6	1	....	7	26	a	31	12.06
2. Full	a	1	6	2	....	8	23	a	31	1.89
3. 40%, Replacement	a	1	6	1	2	10	21	a	31	4.38
4. 40%, 10%	a	1	6	2	....	8	23	a	31	4.76
Florence										
1. Actual	1	16	364	155	....	519	323	25	843	11.86
2. Full	a	24	187	340	....	527	291	14	843	1.82
3. 40%, Replacement	a	34	272	52	67	390	422	20	843	6.60
4. 40%, 10%	a	33	258	154	....	412	401	19	843	6.27
Hainesport										
1. Actual	a	10	17	12	....	29	146	17	183	13.95
2. Full	a	12	7	23	....	30	125	20	183	1.86
3. 40%, Replacement	a	12	7	15	14	37	121	20	183	4.49
4. 40%, 10%	a	13	7	18	....	26	130	21	183	4.83
Lumberton										
1. Actual	a	1	29	12	....	41	101	36	164	11.61
2. Full	a	1	36	21	....	57	72	37	164	1.39
3. 40%, Replacement	a	1	35	14	13	62	70	36	164	3.37
4. 40%, 10%	a	1	37	17	....	54	75	39	164	3.62
Mansfield										
1. Actual	a	1	14	6	....	19	37	53	106	8.46
2. Full	a	3	5	15	....	19	36	49	106	1.57
3. 40%, Replacement	a	2	5	11	8	24	35	47	106	3.74
4. 40%, 10%	a	3	5	13	....	17	37	51	106	4.03
Maple Shade										
1. Actual	a	18	87	35	....	122	771	1	845	9.67
2. Full	a	17	59	106	....	165	691	1	845	2.04
3. 40%, Replacement	a	17	59	53	67	178	685	1	845	5.05
4. 40%, 10%	a	18	62	70	....	133	731	1	845	5.39
Medford Township										
1. Actual	a	20	25	15	....	40	199	43	292	8.69
2. Full	a	22	24	37	....	61	170	42	292	1.53
3. 40%, Replacement	a	22	23	20	23	66	167	41	292	3.76
4. 40%, 10%	a	24	25	26	....	51	179	44	292	4.02

* Net taxes after veterans exemptions.
 a Less than \$500.

BURLINGTON COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Medford Lakes										
1. Actual .....	....	\$5	\$5	\$2	....	\$7	\$188	....	\$184	16.67%
2. Full .....	....	4	3	3	....	7	177	....	184	1.76
3. 40%, Replacement .....	....	3	3	3	\$15	21	164	....	184	4.08
4. 40%, 10% .....	....	4	3	3	....	7	178	....	184	4.43
Moorestown										
1. Actual	\$1	33	216	68	....	284	923	\$35	1,219	11.23
2. Full	a	37	207	158	....	365	776	59	1,219	1.82
3. 40%, Replacement	a	34	194	132	96	423	728	55	1,219	4.27
4. 40%, 10%	a	37	210	147	....	357	788	60	1,219	4.62
Mount Holly										
1. Actual	3	4	195	142	....	337	625	3	918	11.58
2. Full	a	5	114	319	....	433	483	14	918	1.82
3. 40%, Replacement	a	5	119	223	73	415	506	15	918	4.77
4. 40%, 10%	a	5	125	264	....	389	531	16	918	5.01
Mount Laurel										
1. Actual	a	13	21	29	....	50	199	54	296	11.75
2. Full	a	19	15	46	....	60	133	88	296	1.29
3. 40%, Replacement	a	18	14	41	23	78	123	82	296	3.00
4. 40%, 10%	a	19	15	44	....	59	134	89	296	3.25
New Hanover										
1. Actual	a	a	a	1	....	1	a	a	2	1.11
2. Full	a	a	a	2	....	2	a	a	2	0.11
3. 40%, Replacement	a	a	a	2	a	2	a	a	2	0.26
4. 40%, 10%	a	a	a	2	....	2	a	a	2	0.28
North Hanover										
1. Actual	a	1	7	9	....	16	25	44	83	12.57
2. Full	a	1	3	12	....	15	28	39	83	1.21
3. 40%, Replacement	a	1	3	9	7	18	27	38	83	2.88
4. 40%, 10%	a	1	3	10	....	13	29	40	83	3.10
Palmyra										
1. Actual	a	8	105	36	....	141	368	....	487	10.07
2. Full	a	7	98	92	....	190	301	....	487	1.81
3. 40%, Replacement	a	6	95	70	38	203	290	....	487	4.38
4. 40%, 10%	a	7	102	80	....	182	312	....	487	4.70
Pemberton Boro										
1. Actual	a	a	9	6	....	16	49	1	66	9.43
2. Full	a	1	8	17	....	25	41	1	66	1.73
3. 40%, Replacement	a	1	7	14	5	26	393	1	66	4.18
4. 40%, 10%	a	1	8	15	....	23	42	1	66	4.48
Pemberton Township										
1. Actual	a	6	37	17	....	54	191	19	260	6.37
2. Full	a	6	57	32	....	88	134	35	260	0.85
3. 40%, Replacement	a	6	56	16	21	92	131	34	260	2.09
4. 40%, 10%	a	6	59	21	....	80	141	36	260	2.24
Riverside										
1. Actual	1	6	190	87	....	277	370	....	613	12.87
2. Full	a	5	120	181	....	300	320	....	613	1.86
3. 40%, Replacement	a	5	117	146	48	311	311	....	613	4.52
4. 40%, 10%	a	5	125	165	....	290	334	....	613	4.85
Riverton										
1. Actual	a	5	29	14	....	43	243	....	280	8.94
2. Full	a	3	25	46	....	72	211	....	280	2.03
3. 40%, Replacement	a	2	24	36	22	82	202	....	280	4.84
4. 40%, 10%	a	3	26	41	....	67	217	....	280	5.22
Shamong										
1. Actual .....	....	3	2	1	....	3	14	23	42	7.71
2. Full .....	....	3	2	1	....	4	13	23	42	0.64
3. 40%, Replacement .....	....	2	2	1	3	7	12	21	42	1.47
4. 40%, 10% .....	....	3	2	1	....	3	13	23	42	1.59
Southampton										
1. Actual	a	6	11	13	....	24	64	81	168	11.13
2. Full	a	5	13	27	....	40	69	57	168	1.58
3. 40%, Replacement	a	5	12	22	13	47	65	53	168	3.72
4. 40%, 10%	a	6	13	24	....	38	70	58	168	4.02
Springfield										
1. Actual	a	1	7	15	....	22	31	81	130	9.64
2. Full	a	1	4	20	....	24	18	88	130	0.92
3. 40%, Replacement	a	1	4	18	10	32	16	82	130	2.12
4. 40%, 10%	a	1	4	20	....	24	18	88	130	2.30

* Net taxes after veterans exemptions.
 a Less than \$500.

BURLINGTON COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Tabernacle										
1. Actual .....	....	\$13	\$7	\$3	....	\$10	\$42	\$16	\$75	15.49%
2. Full .....	....	11	4	5	\$6	9	28	28	75	1.63
3. 40%, Replacement .....	....	10	3	4	....	13	27	26	75	3.83
4. 40%, 10% .....	....	11	4	4	....	8	29	28	75	4.14
Washington										
1. Actual .....	....	18	1	1	....	3	11	4	34	13.80
2. Full .....	....	10	2	3	....	5	17	2	34	1.88
3. 40%, Replacement .....	....	9	2	2	3	7	16	2	34	4.38
4. 40%, 10% .....	....	10	2	2	....	5	17	2	34	4.75
Westampton										
1. Actual .....	....	4	3	18	....	21	50	40	108	15.04
2. Full .....	....	2	6	21	....	27	28	52	108	1.25
3. 40%, Replacement .....	....	2	5	19	9	33	26	49	108	2.92
4. 40%, 10% .....	....	2	6	21	....	27	28	53	108	3.16
Willingboro										
1. Actual .....	....	4	5	1	....	6	16	21	45	10.37
2. Full .....	....	4	5	3	....	7	13	21	45	1.37
3. 40%, Replacement .....	....	4	4	2	4	10	12	20	45	3.19
4. 40%, 10% .....	....	4	5	2	....	7	13	22	45	3.46
Woodland										
1. Actual	a	17	6	4	....	10	15	17	57	17.58
2. Full	a	10	2	5	....	7	13	28	57	1.35
3. 40%, Replacement	a	9	2	4	4	10	12	26	57	3.16
4. 40%, 10%	a	10	2	4	....	6	13	28	57	3.42
Wrightstown										
1. Actual	a	1	65	9	....	74	9	a	83	5.05
2. Full	a	1	52	24	....	76	7	a	83	0.91
3. 40%, Replacement	a	1	53	17	7	76	7	a	83	2.31
4. 40%, 10%	a	1	56	19	....	75	7	a	83	2.44

County Total										
1. Actual	\$13	\$346	\$2,262	\$1,038	....	\$3,300	\$7,222	\$876	\$11,108	10.37%
2. Full	2	358	1,765	2,240	....	4,005	5,933	1,008	11,108	1.54
3. 40%, Replacement	2	355	1,839	1,418	\$878	4,134	5,907	959	11,108	3.85
4. 40%, 10%	2	378	1,927	1,752	....	3,679	6,280	1,033	11,108	4.09

* Net taxes after veterans exemptions.
 a Less than \$500.

CAMDEN COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Audubon Boro										
1. Actual	a	\$11	\$80	\$39	....	\$119	\$737	a	\$825	9.05%
2. Full	a	11	51	83	....	133	701	a	825	2.15
3. 40%, Replacement	a	10	48	63	\$65	176	663	a	825	5.09
4. 40%, 10%	a	11	52	73	....	124	716	a	825	5.49
Audubon Park										
1. Actual .....	....	....	....	1	....	1	99	....	100	11.11
2. Full .....	....	....	....	3	....	3	97	....	100	6.70
3. 40%, Replacement .....	....	....	....	3	8	11	89	....	100	15.42
4. 40%, 10% .....	....	....	....	3	....	3	97	....	100	16.74
Barrington										
1. Actual	a	13	102	33	....	135	431	\$2	537	10.66
2. Full	a	12	70	55	....	124	415	2	537	1.99
3. 40%, Replacement	a	11	66	41	42	150	393	2	537	4.72
4. 40%, 10%	a	12	71	48	....	119	425	2	537	5.09
Bellmawr										
1. Actual .....	....	3	19	18	....	36	700	1	675	11.58
2. Full .....	....	4	6	32	....	38	659	1	675	2.37
3. 40%, Replacement .....	....	3	5	25	53	84	618	1	675	5.56
4. 40%, 10% .....	....	4	6	29	....	35	670	1	675	6.03
Berlin Boro										
1. Actual	\$1	14	35	8	....	43	182	3	229	10.79
2. Full	a	11	35	14	....	49	171	3	229	2.12
3. 40%, Replacement	a	11	35	2	18	54	167	3	229	4.97
4. 40%, 10%	a	11	37	5	....	42	179	4	229	5.32
Berlin Township										
1. Actual .....	....	18	4	3	....	8	107	....	119	11.11
2. Full .....	....	10	4	4	....	8	105	....	119	1.61
3. 40%, Replacement .....	....	9	4	4	9	17	98	....	119	3.75
4. 40%, 10% .....	....	10	4	4	....	8	108	....	119	4.06
Brooklawn										
1. Actual	a	9	42	7	....	49	119	....	164	9.92
2. Full	a	16	25	14	....	39	115	....	164	2.21
3. 40%, Replacement	a	16	25	7	13	44	111	....	164	5.37
4. 40%, 10%	a	17	26	9	....	35	120	....	164	5.76
Camden										
1. Actual	253	214	4,287	1,679	....	5,967	5,172	....	11,404	7.46
2. Full	79	178	2,791	4,203	....	6,993	4,279	....	11,404	2.32
3. 40%, Replacement	91	205	3,217	2,238	901	6,356	4,933	....	11,404	6.69
4. 40%, 10%	93	210	3,289	2,954	....	6,243	5,043	....	11,404	6.84
Chesilhurst										
1. Actual .....	....	5	1	1	....	2	9	a	16	10.18
2. Full .....	....	5	1	1	....	3	8	a	16	1.54
3. 40%, Replacement .....	....	5	1	1	1	3	7	a	16	3.68
4. 40%, 10% .....	....	5	1	1	....	3	8	a	16	3.96
Clementon										
1. Actual	a	7	55	14	....	70	203	....	259	11.74
2. Full	a	6	42	23	....	66	194	....	259	2.12
3. 40%, Replacement	a	6	40	16	20	77	185	....	259	5.04
4. 40%, 10%	a	7	43	19	....	63	199	....	259	5.44
Collingswood										
1. Actual	1	10	360	46	....	406	823	....	1,201	6.96
2. Full	a	10	390	101	....	491	718	....	1,201	1.70
3. 40%, Replacement	a	10	374	56	95	525	689	....	1,201	4.07
4. 40%, 10%	a	11	402	71	....	473	741	....	1,201	4.38
Delaware Township										
1. Actual	a	51	358	80	....	438	1,404	64	1,866	8.76
2. Full	a	76	511	120	....	631	1,084	105	1,866	1.47
3. 40%, Replacement	a	72	480	85	147	713	1,018	99	1,866	3.45
4. 40%, 10%	a	78	519	99	....	619	1,101	107	1,866	3.73
Gibbsboro										
1. Actual	a	6	36	29	....	64	68	a	134	6.39
2. Full	a	5	28	51	....	79	52	a	134	1.27
3. 40%, Replacement	a	6	33	26	11	69	62	a	134	3.76
4. 40%, 10%	a	7	33	35	....	68	62	a	134	3.81
Gloucester City										
1. Actual	2	23	406	192	....	599	594	....	1,174	9.07
2. Full	a	24	299	406	....	705	461	....	1,174	1.76
3. 40%, Replacement	a	24	299	319	93	710	460	1,174	4.38
4. 40%, 10%	a	26	318	363	681	490	1,174	4.67

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 a Less than \$500.

CAMDEN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes				Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax	Total				
Gloucester Township										
1. Actual	a	\$144	\$134	\$34	....	\$168	\$623	\$29	\$902	12.22%
2. Full	a	194	117	59	....	177	529	27	902	2.37
3. 40%, Replacement	a	181	109	50	\$71	231	493	26	902	5.53
4. 40%, 10%	a	196	118	56	....	174	535	28	902	5.99
Haddon Township										
1. Actual	a	32	196	30	....	226	1,066	....	1,266	7.59
2. Full	a	44	196	63	....	259	992	....	1,266	1.80
3. 40%, Replacement	a	41	185	33	100	318	940	....	1,266	4.27
4. 40%, 10%	a	45	200	43	....	243	1,014	....	1,266	4.61
Haddonfield										
1. Actual	\$1	17	185	76	....	260	1,131	....	1,365	7.90
2. Full	a	30	155	150	....	304	1,050	....	1,365	1.75
3. 40%, Replacement	a	28	146	118	108	372	988	....	1,365	4.11
4. 40%, 10%	a	30	157	134	....	291	1,068	....	1,365	4.45
Haddon Heights										
1. Actual	a	6	58	34	....	92	736	....	793	9.33
2. Full	a	7	57	66	....	123	681	....	793	2.04
3. 40%, Replacement	a	7	53	56	63	172	635	....	793	4.76
4. 40%, 10%	a	7	58	62	....	120	689	....	793	5.16
Hi Nella										
1. Actual	a	2	1	a	....	1	25	a	26	8.06
2. Full	a	1	a	1	....	1	25	a	26	2.14
3. 40%, Replacement	a	1	a	1	2	3	23	a	26	4.99
4. 40%, 10%	a	1	a	1	....	1	25	a	26	5.42
Laurel Springs										
1. Actual	a	17	17	13	....	30	92	....	131	9.02
2. Full	a	17	15	23	....	38	80	....	131	1.73
3. 40%, Replacement	a	16	15	18	10	43	76	....	131	4.15
4. 40%, 10%	a	17	16	20	....	36	82	....	131	4.47
Lawnside										
1. Actual .....	....	17	5	8	....	12	79	1	104	10.41
2. Full .....	....	17	4	13	....	18	71	a	104	2.01
3. 40%, Replacement .....	....	16	4	10	8	23	68	a	104	4.76
4. 40%, 10% .....	....	17	4	12	....	16	73	a	104	5.13
Lindenwold										
1. Actual	a	39	20	8	....	28	308	6	351	9.52
2. Full	a	26	17	17	....	34	299	6	351	2.19
3. 40%, Replacement	a	24	16	14	28	58	280	6	351	5.13
4. 40%, 10%	a	26	18	16	....	34	303	6	351	5.56
Magnolia										
1. Actual	a	5	22	12	....	34	211	....	230	10.69
2. Full	a	4	15	20	....	34	199	....	230	1.97
3. 40%, Replacement	a	4	14	16	18	48	187	....	230	4.62
4. 40%, 10%	a	4	15	18	....	33	203	....	230	5.00
Merchantville										
1. Actual	1	5	81	34	....	114	265	....	374	7.61
2. Full	a	4	62	77	....	139	236	....	374	1.95
3. 40%, Replacement	a	4	58	66	30	154	223	....	374	4.60
4. 40%, 10%	a	4	63	73	....	136	241	....	374	4.97
Mount Ephraim										
1. Actual .....	....	60	35	11	....	46	253	....	326	10.16
2. Full .....	....	69	23	18	....	41	228	....	326	1.88
3. 40%, Replacement .....	....	66	21	9	26	57	218	....	326	4.48
4. 40%, 10% .....	....	71	23	12	....	35	235	....	326	4.84
Oaklyn										
1. Actual	1	2	64	24	....	87	330	....	404	7.57
2. Full	a	3	44	59	....	102	307	....	404	2.12
3. 40%, Replacement	a	3	43	37	32	112	300	....	404	5.17
4. 40%, 10%	a	3	46	45	....	91	321	....	404	5.54
Pennsauken										
1. Actual	1	127	370	117	....	487	1,367	4	1,903	5.54
2. Full	a	131	319	259	....	578	1,231	4	1,903	1.37
3. 40%, Replacement	a	130	317	130	150	598	1,222	4	1,903	3.41
4. 40%, 10%	a	139	338	173	....	511	1,303	4	1,903	3.63
Pine Hill										
1. Actual	a	12	10	4	....	13	129	6	147	13.24
2. Full	a	8	18	6	24	112	7	147	2.30
3. 40%, Replacement	a	8	17	4	12	33	105	7	147	5.37
4. 40%, 10%	a	8	18	5	23	114	7	147	5.82

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 a Less than \$500.

CAMDEN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Pine Valley										
1. Actual .....	....	\$4	\$4	a	....	\$4	\$12	....	\$20	10.22%
2. Full .....	....	4	4	a	....	4	12	....	20	1.67
3. 40%, Replacement .....	....	4	4	a	\$2	5	11	....	20	3.85
4. 40%, 10% .....	....	4	4	a	....	4	12	....	20	4.18
Runnemede										
1. Actual .....	....	7	65	\$36	....	101	427	\$8	488	12.23
2. Full .....	....	5	65	52	....	117	377	7	488	1.96
3. 40%, Replacement .....	....	5	62	40	39	141	357	6	488	4.66
4. 40%, 10% .....	....	5	67	46	....	113	386	7	488	5.03
Somerdale										
1. Actual	a	11	25	8	....	34	238	a	256	10.09
2. Full	a	12	25	14	....	39	216	a	256	1.90
3. 40%, Replacement	a	11	23	10	20	53	204	a	256	4.48
4. 40%, 10%	a	12	25	12	....	37	220	a	256	4.85
Stratford										
1. Actual	a	14	16	12	....	29	213	a	231	10.56
2. Full	a	10	12	21	....	33	197	a	231	2.00
3. 40%, Replacement	a	10	12	18	18	48	184	a	231	4.68
4. 40%, 10%	a	10	13	20	....	33	200	a	231	5.07
Tavistock										
1. Actual .....	....	2	3	a	....	3	2	....	7	7.00
2. Full .....	....	2	3	a	....	3	2	....	7	1.47
3. 40%, Replacement .....	....	2	3	a	1	4	2	....	7	3.39
4. 40%, 10% .....	....	2	3	a	....	3	2	....	7	3.69
Voorhees										
1. Actual	a	22	18	5	....	23	120	19	176	9.15
2. Full	a	22	21	8	....	29	108	20	176	1.56
3. 40%, Replacement	a	21	19	7	14	40	100	19	176	3.62
4. 40%, 10%	a	22	21	8	....	29	109	20	176	3.93
Waterford										
1. Actual	a	13	37	4	....	41	169	18	222	13.93
2. Full	a	12	28	5	....	33	161	22	222	2.04
3. 40%, Replacement	a	11	26	5	18	48	150	20	222	4.72
4. 40%, 10%	a	12	28	5	....	33	163	22	222	5.12
Winslow										
1. Actual	2	27	30	24	....	54	155	74	294	11.70
2. Full	a	27	58	27	....	84	118	69	294	1.47
3. 40%, Replacement	a	25	53	24	23	101	109	64	294	3.40
4. 40%, 10%	a	27	58	27	....	85	119	69	294	3.69
Woodlynne										
1. Actual .....	....	1	24	3	....	28	179	....	197	8.30
2. Full .....	....	a	23	9	....	32	171	....	197	2.51
3. 40%, Replacement .....	....	a	22	6	16	43	161	....	197	5.92
4. 40%, 10% .....	....	a	23	7	....	30	174	....	197	6.40
County Total										
1. Actual	\$264	\$972	\$7,205	\$2,649	....	\$9,854	\$18,779	\$237	\$28,916	8.30%
2. Full	81	1,018	5,533	6,077	....	11,610	16,461	275	28,916	1.97
3. 40%, Replacement	93	1,006	5,848	3,560	\$2,284	11,692	16,529	257	28,916	4.99
4. 40%, 10%	95	1,073	6,119	4,507	....	10,626	17,547	278	28,916	5.29

* Net taxes after veterans exemptions.

a Less than \$500.

CAPE MAY COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes— Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Avalon										
1. Actual .....	....	\$68	\$12	\$3	....	\$15	\$191	....	\$272	7.28%
2. Full .....	....	50	10	8	....	18	205	....	272	1.70
3. 40%, Replacement .....	....	46	10	7	\$21	38	189	....	272	3.92
4. 40%, 10% .....	....	50	10	8	....	18	205	....	272	4.26
Cape May City										
1. Actual	\$3	43	142	28	....	169	423	....	627	9.13
2. Full	1	33	125	80	....	204	395	....	627	2.27
3. 40%, Replacement	1	32	120	53	50	222	380	....	627	5.45
4. 40%, 10%	1	34	129	63	....	192	408	....	627	5.86
Cape May Point										
1. Actual .....	....	8	3	a	....	4	33	....	44	8.16
2. Full .....	....	4	7	1	....	8	33	....	44	2.04
3. 40%, Replacement .....	....	4	6	a	3	10	31	....	44	4.82
4. 40%, 10% .....	....	4	7	a	....	7	34	....	44	5.21
Dennis										
1. Actual	a	5	4	5	....	10	42	\$12	65	6.54
2. Full	a	5	10	10	....	20	32	9	65	1.05
3. 40%, Replacement	a	5	10	7	5	21	31	9	65	2.56
4. 40%, 10%	a	5	10	8	....	18	33	10	65	2.75
Lower Township										
1. Actual	1	25	101	27	....	128	254	19	404	9.22
2. Full	a	19	152	31	....	133	191	15	404	0.91
3. 40%, Replacement	a	18	141	26	32	200	178	14	404	2.11
4. 40%, 10%	a	19	153	29	....	182	193	15	404	2.29
Middle Township										
1. Actual	1	24	51	34	....	85	189	66	340	11.19
2. Full	a	41	46	46	....	92	158	54	340	1.32
3. 40%, Replacement	a	39	44	38	27	108	149	51	340	3.10
4. 40%, 10%	a	42	47	42	....	90	161	55	340	3.35
North Wildwood										
1. Actual .....	....	29	151	15	....	166	599	....	779	8.76
2. Full .....	....	29	169	38	....	207	550	....	779	1.89
3. 40%, Replacement .....	....	27	157	30	62	248	511	....	779	4.39
4. 40%, 10% .....	....	29	170	33	....	204	554	....	779	4.76
Ocean										
1. Actual	4	104	305	68	....	373	1,828	....	2,274	10.22
2. Full	1	124	313	129	....	442	1,718	....	2,274	1.68
3. 40%, Replacement	1	115	291	106	180	576	1,595	....	2,274	3.89
4. 40%, 10%	1	125	315	119	....	434	1,729	....	2,274	4.22
Sea Isle										
1. Actual .....	....	49	39	2	....	40	244	....	328	9.47
2. Full .....	....	42	41	4	....	46	243	....	328	2.17
3. 40%, Replacement .....	....	39	39	1	26	66	226	....	328	5.06
4. 40%, 10% .....	....	42	42	2	....	44	245	....	328	5.48
Stone Harbor										
1. Actual .....	....	15	51	6	....	57	291	....	360	6.83
2. Full .....	....	21	43	11	....	55	285	....	360	1.20
3. 40%, Replacement .....	....	19	40	11	28	79	263	....	360	2.78
4. 40%, 10% .....	....	21	43	11	....	55	286	....	360	3.01
Upper Township										
1. Actual	a	15	18	11	....	29	108	9	154	8.39
2. Full	a	16	26	17	....	43	89	8	154	1.11
3. 40%, Replacement	a	15	25	14	12	51	83	7	154	2.58
4. 40%, 10%	a	16	27	16	....	43	90	8	154	2.79
West Cape May										
1. Actual	a	15	2	3	....	5	43	1	60	9.82
2. Full	a	11	2	6	....	8	41	1	60	1.93
3. 40%, Replacement	a	10	2	4	5	11	39	1	60	4.56
4. 40%, 10%	a	11	2	5	....	7	42	1	60	4.93
West Wildwood										
1. Actual .....	....	7	2	1	....	3	49	....	58	8.36
2. Full .....	....	5	3	2	....	5	48	....	58	2.29
3. 40%, Replacement .....	....	5	3	1	5	9	45	....	58	5.35
4. 40%, 10% .....	....	5	4	1	....	5	49	....	58	5.79
Wildwood City										
1. Actual	5	25	720	86	....	805	377	....	1,198	8.87
2. Full	1	52	620	194	....	814	337	....	1,198	1.73
3. 40%, Replacement	1	49	591	147	95	833	322	1,198	4.12
4. 40%, 10%	1	53	636	169	805	346	1,198	4.44

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CAPE MAY COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Wildwood Crest										
1. Actual	a	\$40	\$75	\$3	....	\$78	\$372	....	\$479	8.26%
2. Full	a	62	72	7	....	79	342	....	479	1.65
3. 40%, Replacement	a	57	66	7	\$38	111	316	....	479	3.81
4. 40%, 10%	a	62	72	7	....	79	343	....	479	4.13
Woodbine										
1. Actual	a	12	17	8	....	25	24	\$10	66	7.67
2. Full	a	12	9	20	....	29	16	11	66	1.70
3. 40%, Replacement	a	12	9	16	5	30	16	10	66	4.20
4. 40%, 10%	a	13	10	18	....	27	17	11	66	4.49
County Total										
1. Actual	\$16	\$484	\$1,694	\$298	....	\$1,992	\$5,067	\$117	\$7,507	9.07%
2. Full	3	525	1,649	603	....	2,253	4,685	98	7,507	1.61
3. 40%, Replacement	3	491	1,553	467	\$593	2,613	4,374	93	7,507	3.77
4. 40%, 10%	3	531	1,677	532	2,209	4,735	100	7,507	4.08

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CUMBERLAND COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Bridgeton										
1. Actual	\$6	\$24	\$512	\$174	....	\$686	\$943	a	\$1,612	8.70%
2. Full	2	33	450	250	....	700	902	a	1,612	2.25
3. 40%, Replacement	2	33	452	123	\$127	702	906	a	1,612	5.66
4. 40%, 10%	2	35	480	165	....	645	963	a	1,612	6.01
Commercial										
1. Actual	a	10	22	24	....	45	67	\$15	133	5.98
2. Full	a	18	15	46	....	61	45	11	133	1.51
3. 40%, Replacement	a	17	15	40	11	65	43	10	133	3.60
4. 40%, 10%	a	18	16	44	....	60	46	11	133	3.88
Deerfield										
1. Actual .....	....	3	5	6	....	11	50	26	86	9.09
2. Full .....	....	2	5	7	....	12	46	27	86	1.41
3. 40%, Replacement .....	....	2	5	4	7	16	43	26	86	3.34
4. 40%, 10% .....	....	3	6	5	....	11	47	28	86	3.60
Downe										
1. Actual	a	3	25	4	....	30	45	23	97	8.66
2. Full	a	2	14	7	....	21	42	33	97	1.92
3. 40%, Replacement	a	2	13	6	8	26	40	31	97	4.49
4. 40%, 10%	a	2	14	7	....	20	43	33	97	4.86
Fairfield										
1. Actual	a	5	10	5	....	15	76	41	130	10.12
2. Full	a	5	14	7	....	21	67	40	130	1.64
3. 40%, Replacement	a	4	13	5	10	29	63	37	130	3.82
4. 40%, 10%	a	5	14	6	....	20	68	40	130	4.14
Greenwich										
1. Actual .....	....	1	4	3	....	7	22	28	57	7.38
2. Full .....	....	1	4	6	....	10	21	26	57	1.77
3. 40%, Replacement .....	....	1	4	2	5	10	21	26	57	4.41
4. 40%, 10% .....	....	1	5	3	....	7	22	28	57	4.70

CUMBERLAND COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
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 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Hopewell										
1. Actual	a	\$3	\$7	\$5	....	\$12	\$62	\$78	\$149	7.85%
2. Full	a	3	6	5	....	12	54	82	149	1.08
3. 40%, Replacement	a	3	6	4	\$12	22	50	75	149	2.51
4. 40%, 10%	a	3	6	5	....	11	55	82	149	2.72
Lawrence										
1. Actual	a	3	7	5	....	12	34	32	79	6.53
2. Full	a	4	6	8	....	15	27	34	79	1.34
3. 40%, Replacement	a	4	6	5	6	17	26	33	79	3.21
4. 40%, 10%	a	4	7	6	....	13	28	35	79	3.46
Maurice River										
1. Actual	a	17	23	25	....	48	74	13	146	10.46
2. Full	a	38	20	27	....	47	54	8	146	1.51
3. 40%, Replacement	a	35	19	24	12	55	51	8	146	3.51
4. 40%, 10%	a	38	20	27	....	47	55	8	146	3.81
Millville										
1. Actual	\$4	38	490	155	....	645	701	17	1,354	8.33
2. Full	1	45	348	289	....	637	673	22	1,354	1.91
3. 40%, Replacement	1	45	350	181	107	638	677	22	1,354	4.79
4. 40%, 10%	1	49	375	212	....	588	725	23	1,354	5.13
Shiloh										
1. Actual .....	....	a	4	1	....	5	19	8	32	8.48
2. Full .....	....	a	2	2	....	4	19	9	32	1.72
3. 40%, Replacement .....	....	a	2	a	3	4	19	9	32	4.27
4. 40%, 10% .....	....	a	2	1	....	3	20	9	32	4.55
Stow Creek										
1. Actual .....	....	a	1	1	....	3	9	40	51	7.38
2. Full .....	....	1	2	2	....	4	10	37	51	1.65
3. 40%, Replacement .....	....	1	1	2	4	7	10	35	51	3.87
4. 40%, 10% .....	....	1	2	2	....	3	10	37	51	4.18
Upper Deerfield										
1. Actual	a	6	23	18	....	41	116	118	274	7.37
2. Full	a	6	17	25	....	42	117	112	274	1.34
3. 40%, Replacement	a	6	17	5	22	44	116	111	274	3.34
4. 40%, 10%	a	7	18	10	....	29	124	118	274	3.56
Vineland										
1. Actual	3	77	623	252	....	874	1,489	304	2,647	10.34
2. Full	a	111	536	534	....	1,069	1,221	274	2,647	1.48
3. 40%, Replacement	a	117	566	211	209	986	1,291	289	2,647	3.91
4. 40%, 10%	a	123	593	314	....	907	1,353	303	2,647	4.10
County Total										
1. Actual	\$14	\$189	\$1,755	\$678	....	\$2,433	\$3,707	\$744	\$6,848	9.01%
2. Full	3	269	1,440	1,215	....	2,655	3,298	714	6,848	1.68
3. 40%, Replacement	3	271	1,470	612	\$541	2,623	3,355	712	6,848	4.27
4. 40%, 10%	3	288	1,558	806	....	2,364	3,558	757	6,848	4.53

* Net taxes after veterans exemptions.
 a Less than \$500.

ESSEX COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Belleville										
1. Actual	\$4	\$37	\$1,294	\$387	....	\$1,681	\$2,418	\$4	\$4,076	6.82%
2. Full	1	34	973	1,288	....	2,261	1,814	3	4,076	1.92
3. 40%, Replacement	1	35	1,001	896	\$322	2,219	1,866	3	4,076	4.94
4. 40%, 10%	1	37	1,057	1,059	....	2,116	1,970	3	4,076	5.22
Bloomfield										
1. Actual	18	46	1,868	584	....	2,453	3,731	3	6,122	6.73
2. Full	6	106	1,410	1,234	....	2,644	3,446	3	6,122	2.17
3. 40%, Replacement	6	110	1,461	595	484	2,540	3,570	3	6,122	5.61
4. 40%, 10%	7	116	1,540	807	....	2,347	3,763	3	6,122	5.92
Caldwell Boro										
1. Actual	1	15	232	65	....	298	700	....	997	7.13
2. Full	a	15	204	150	....	354	638	....	997	2.33
3. 40%, Replacement	a	15	198	98	79	375	619	....	997	5.65
4. 40%, 10%	a	16	212	118	....	331	664	....	997	6.06
Caldwell Township										
1. Actual .....	....	19	296	79	....	374	139	10	538	6.33
2. Full .....	....	11	245	129	....	375	138	17	538	1.47
3. 40%, Replacement .....	....	11	242	92	43	377	136	17	538	3.64
4. 40%, 10% .....	....	11	259	108	....	366	146	18	538	3.88
Cedar Grove										
1. Actual	a	62	90	21	....	111	1,080	3	1,212	7.20
2. Full	a	66	107	49	....	155	1,016	3	1,212	2.32
3. 40%, Replacement	a	62	100	29	96	225	956	3	1,212	5.45
4. 40%, 10%	a	67	109	36	....	144	1,034	3	1,212	5.89
East Orange										
1. Actual	17	86	4,476	610	....	5,086	4,197	....	9,260	7.27
2. Full	7	76	3,585	2,118	....	5,703	3,573	....	9,260	2.85
3. 40%, Replacement	7	76	3,567	1,447	732	5,745	3,555	....	9,260	7.09
4. 40%, 10%	7	81	3,799	1,717	....	5,516	3,787	....	9,260	7.55
Essex Fells										
1. Actual	a	22	13	2	....	15	484	a	516	7.00
2. Full	a	25	14	5	....	19	475	a	516	2.30
3. 40%, Replacement	a	23	12	11	41	64	433	a	516	5.24
4. 40%, 10%	a	25	13	12	....	25	470	a	516	5.69
Glen Ridge										
1. Actual	1	9	64	25	....	90	1,288	....	1,361	7.74
2. Full	a	10	43	68	....	111	1,260	....	1,361	2.93
3. 40%, Replacement	a	9	40	51	108	199	1,177	....	1,361	6.85
4. 40%, 10%	a	10	44	59	....	102	1,275	....	1,361	7.42
Irvington										
1. Actual	28	26	2,840	790	....	3,629	3,692	....	7,265	8.58
2. Full	9	18	1,897	2,119	....	4,016	3,292	....	7,265	2.69
3. 40%, Replacement	11	22	2,342	357	574	3,273	4,066	....	7,265	8.31
4. 40%, 10%	11	22	2,345	923	....	3,268	4,071	....	7,265	8.32
Livingston										
1. Actual .....	....	333	320	55	....	375	2,177	2	2,833	4.90
2. Full .....	....	326	308	180	....	488	2,068	2	2,833	2.27
3. 40%, Replacement .....	....	311	293	95	224	612	1,969	2	2,833	5.39
4. 40%, 10% .....	....	335	316	123	....	439	2,122	2	2,833	5.81
Maplewood										
1. Actual	2	28	477	168	....	645	3,245	....	3,853	7.53
2. Full	1	26	380	553	....	933	2,935	....	3,853	2.37
3. 40%, Replacement	1	28	407	27	304	738	3,142	....	3,853	6.34
4. 40%, 10%	1	29	425	176	....	601	3,281	....	3,853	6.62
Millburn										
1. Actual	4	131	630	235	....	866	2,949	....	3,895	7.24
2. Full	1	156	478	479	....	957	2,812	....	3,895	2.09
3. 40%, Replacement	1	146	447	399	308	1,154	2,631	....	3,895	4.88
4. 40%, 10%	1	158	484	445	....	929	2,846	....	3,895	5.28
Montclair										
1. Actual	21	75	1,495	267	....	1,762	5,224	....	6,978	7.61
2. Full	9	100	1,335	866	....	2,201	4,752	....	6,978	3.08
3. 40%, Replacement	8	96	1,276	606	551	2,433	4,541	....	6,978	7.35
4. 40%, 10%	9	103	1,374	712	....	2,086	4,889	....	6,978	7.91
Newark										
1. Actual	1,131	1,206	34,388	12,667	....	47,054	15,588	....	64,619	8.93
2. Full	395	811	21,167	28,778	....	49,946	13,719	....	64,619	3.12
3. 40%, Replacement	466	957	24,964	17,319	5,105	47,388	16,179	64,619	9.19
4. 40%, 10%	473	971	25,337	21,794	47,131	16,421	64,619	9.33

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 a Less than \$500.

ESSEX COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed - (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
North Caldwell										
1. Actual .....	....	\$28	\$18	\$3	....	\$21	\$357	\$4	\$405	4.73%
2. Full .....	....	46	18	6	....	24	334	4	405	1.65
3. 40%, Replacement .....	....	43	16	5	\$32	53	310	4	405	3.82
4. 40%, 10% .....	....	46	18	5	....	23	336	4	405	4.15
Nutley										
1. Actual	\$1	42	709	185	....	894	2,431	1	3,290	7.37
2. Full	a	45	429	662	....	1,091	2,200	1	3,290	2.18
3. 40%, Replacement	a	45	428	420	260	1,108	2,194	1	3,290	5.43
4. 40%, 10%	a	48	456	511	....	967	2,336	1	3,290	5.78
Orange										
1. Actual	15	33	1,552	350	....	1,902	1,965	....	3,869	6.99
2. Full	6	25	1,281	992	....	2,273	1,601	....	3,869	2.73
3. 40%, Replacement	6	26	1,339	565	306	2,210	1,673	....	3,869	7.13
4. 40%, 10%	6	27	1,408	718	....	2,126	1,758	....	3,869	7.50
Roseland										
1. Actual	a	11	54	17	....	71	244	22	340	6.88
2. Full	a	16	45	32	....	77	230	22	340	1.82
3. 40%, Replacement	a	15	42	23	27	92	217	20	340	4.30
4. 40%, 10%	a	16	46	27	....	72	235	22	340	4.64
South Orange										
1. Actual	10	40	440	111	....	551	2,355	....	2,920	7.26
2. Full	4	46	366	268	....	635	2,260	....	2,920	2.47
3. 40%, Replacement	3	42	332	290	231	853	2,049	....	2,920	5.61
4. 40%, 10%	3	46	359	325	....	685	2,216	....	2,920	6.06
Verona										
1. Actual	a	44	229	51	....	280	1,546	1	1,826	7.75
2. Full	a	64	187	118	....	306	1,485	1	1,826	2.56
3. 40%, Replacement	a	59	171	128	144	443	1,357	1	1,826	5.84
4. 40%, 10%	a	63	185	149	....	334	1,464	1	1,826	6.30
West Caldwell										
1. Actual .....	....	53	75	11	....	87	893	4	1,013	6.56
2. Full .....	....	61	65	28	....	94	871	4	1,013	2.36
3. 40%, Replacement .....	....	55	59	51	80	190	784	3	1,013	5.31
4. 40%, 10% .....	....	60	63	58	....	121	849	4	1,013	5.75
West Orange										
1. Actual	2	168	841	332	....	1,173	4,431	a	5,688	6.76
2. Full	1	177	911	613	....	1,523	4,051	a	5,688	2.51
3. 40%, Replacement	1	171	880	346	449	1,676	3,917	a	5,688	6.07
4. 40%, 10%	1	181	932	508	....	1,440	4,147	a	5,688	6.42
County Total										
1. Actual	\$1,257	\$2,514	\$52,400	\$17,015	....	\$69,415	\$61,133	\$55	\$132,877	7.90%
2. Full	439	2,261	35,449	40,736	....	76,185	54,970	59	132,877	2.73
3. 40%, Replacement	512	2,354	39,622	23,850	\$10,497	73,969	57,342	57	132,877	7.32
4. 40%, 10%	521	2,467	40,780	30,390	71,170	60,079	61	132,877	7.64

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 a Less than \$500.

GLOUCESTER COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Clayton										
1. Actual	\$1	\$5	\$23	\$19	....	\$42	\$251	\$10	\$287	11.30%
2. Full	a	5	17	55	....	72	207	11	287	2.10
3. 40%, Replacement	a	5	17	33	\$23	73	208	11	287	5.25
4. 40%, 10%	a	5	18	41	....	60	221	12	287	5.59
Deptford										
1. Actual	a	54	34	41	....	75	655	94	804	12.63
2. Full	a	44	64	87	....	151	508	122	804	1.75
3. 40%, Replacement	a	42	61	62	64	187	484	116	804	4.16
4. 40%, 10%	a	45	66	73	....	139	521	125	804	4.48
East Greenwich										
1. Actual	a	2	6	6	....	12	72	45	129	5.41
2. Full	a	5	5	22	....	27	55	43	129	1.31
3. 40%, Replacement	a	5	5	17	10	32	52	41	129	3.13
4. 40%, 10%	a	5	5	19	....	25	57	44	129	3.37
Elk										
1. Actual	a	12	5	4	....	9	65	41	122	9.23
2. Full	a	11	5	13	....	18	53	41	122	1.82
3. 40%, Replacement	a	10	5	10	10	25	50	39	122	4.29
4. 40%, 10%	a	11	5	11	....	17	54	42	122	4.64
Franklin										
1. Actual	a	21	16	13	....	29	163	88	280	12.46
2. Full	a	17	15	23	....	38	140	91	280	1.40
3. 40%, Replacement	a	15	14	20	22	56	130	84	280	3.24
4. 40%, 10%	a	17	15	22	....	37	141	91	280	3.52
Glassboro										
1. Actual	3	18	50	52	....	103	449	13	553	9.59
2. Full	a	38	50	132	....	182	331	12	553	1.57
3. 40%, Replacement	a	38	50	92	44	186	330	12	553	3.92
4. 40%, 10%	a	40	53	109	....	162	352	13	553	4.18
Greenwich										
1. Actual	a	2	709	112	....	821	78	4	899	5.01
2. Full	a	3	573	261	....	834	61	4	899	0.76
3. 40%, Replacement	a	3	644	111	71	826	69	4	899	2.13
4. 40%, 10%	a	3	663	161	....	824	71	4	899	2.20
Harrison										
1. Actual	a	1	10	10	....	20	73	70	159	9.45
2. Full	a	1	7	26	....	33	55	72	159	1.58
3. 40%, Replacement	a	1	7	12	....	31	56	73	159	4.02
4. 40%, 10%	a	2	7	16	13	24	59	77	159	4.26
Logan										
1. Actual	a	14	10	10	....	20	55	24	110	7.68
2. Full	a	17	8	21	....	29	40	25	110	1.05
3. 40%, Replacement	a	16	7	19	9	35	37	23	110	2.42
4. 40%, 10%	a	17	8	21	....	29	40	25	110	2.62
Mantua										
1. Actual	a	6	8	10	....	19	265	23	289	8.76
2. Full	a	5	12	26	....	38	208	45	289	1.45
3. 40%, Replacement	a	5	12	19	23	53	197	43	289	3.44
4. 40%, 10%	a	6	13	22	....	34	213	46	289	3.71
Monroe										
1. Actual	a	37	65	36	....	101	357	59	517	12.63
2. Full	a	37	55	71	....	126	298	65	517	1.61
3. 40%, Replacement	a	35	52	53	41	146	284	62	517	3.83
4. 40%, 10%	a	38	57	61	....	118	306	67	517	4.12
National Park										
1. Actual .....	....	10	15	3	....	17	124	....	135	12.21
2. Full .....	....	4	7	7	....	14	122	....	135	2.11
3. 40%, Replacement .....	....	3	7	7	11	24	114	....	135	4.90
4. 40%, 10% .....	....	4	7	7	....	15	124	....	135	5.33
Newfield										
1. Actual	a	2	11	3	....	13	51	8	69	12.58
2. Full	a	1	10	6	....	16	45	8	69	1.83
3. 40%, Replacement	a	1	10	3	5	18	43	8	69	4.41
4. 40%, 10%	a	2	11	4	....	15	47	8	69	4.73
Paulsboro										
1. Actual	a	8	105	33	....	138	411	....	532	9.52
2. Full	a	8	78	103	181	353	532	1.92
3. 40%, Replacement	a	7	72	95	42	209	327	532	4.45
4. 40%, 10%	a	8	78	104	182	355	532	4.83

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 a Less than \$500.

GLOUCESTER COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Pitman										
1. Actual	a	\$16	\$103	\$28	....	\$131	\$538	....	\$650	9.11%
2. Full	a	15	69	90	....	159	491	....	650	1.93
3. 40%, Replacement	a	16	74	2	\$51	127	527	....	650	5.17
4. 40%, 10%	a	17	77	27	....	104	550	....	650	5.40
South Harrison										
1. Actual	a	2	....	a	....	a	8	\$45	54	10.40
2. Full .....	....	4	....	a	....	a	6	46	54	1.76
3. 40%, Replacement .....	....	3	....	a	4	4	5	42	54	4.06
4. 40%, 10% .....	....	4	....	a	....	a	6	46	54	4.41
Swedesboro										
1. Actual	a	1	45	36	....	81	73	1	153	6.49
2. Full	a	a	29	81	....	110	42	1	153	0.94
3. 40%, Replacement	a	1	51	16	12	79	74	1	153	4.12
4. 40%, 10%	a	1	45	42	....	87	66	1	153	3.65
Washington										
1. Actual .....	....	50	8	5	....	12	98	9	162	7.25
2. Full .....	....	47	9	12	....	21	82	14	162	1.21
3. 40%, Replacement .....	....	47	9	a	13	22	82	14	162	3.02
4. 40%, 10% .....	....	50	10	4	....	13	87	15	162	3.22
Wenonah										
1. Actual	a	4	3	4	....	7	154	a	159	7.68
2. Full	a	8	3	15	....	18	136	a	159	1.92
3. 40%, Replacement	a	8	3	1	13	16	138	a	159	4.88
4. 40%, 10%	a	9	3	5	....	8	146	a	159	5.17
West Deptford										
1. Actual .....	....	17	475	67	....	543	267	45	840	7.33
2. Full .....	....	35	326	166	....	493	249	74	840	1.18
3. 40%, Replacement .....	....	37	344	65	66	476	263	78	840	3.11
4. 40%, 10% .....	....	39	361	97	....	459	275	82	840	3.26
Westville										
1. Actual	1	9	39	16	....	55	243	....	291	8.37
2. Full	a	8	36	50	....	86	204	....	291	1.74
3. 40%, Replacement	a	8	35	36	23	94	198	....	291	4.23
4. 40%, 10%	a	8	38	42	....	79	212	....	291	4.54
Woodbury City										
1. Actual	2	16	269	110	....	380	682	....	1,039	8.57
2. Full	a	15	172	319	....	491	548	....	1,039	1.61
3. 40%, Replacement	a	15	176	223	82	481	562	....	1,039	4.12
4. 40%, 10%	a	16	186	263	....	449	594	....	1,039	4.36
Woodbury Heights										
1. Actual	a	a	6	8	....	14	78	1	88	7.64
2. Full	a	a	5	21	....	27	62	1	88	1.30
3. 40%, Replacement	a	a	5	15	7	28	62	a	88	3.21
4. 40%, 10%	a	a	6	18	....	24	66	1	88	3.42
Woolwich										
1. Actual	a	a	18	5	....	23	18	87	127	8.07
2. Full	a	a	34	20	....	54	14	59	127	2.03
3. 40%, Replacement	a	a	34	12	10	55	14	59	127	5.01
4. 40%, 10%	a	a	36	15	....	51	15	63	127	5.35
County Total										
1. Actual	\$9	\$306	\$2,033	\$630	....	\$2,664	\$5,229	\$670	\$8,447	8.41%
2. Full	2	328	1,591	1,626	....	3,216	4,312	734	8,447	1.40
3. 40%, Replacement	2	323	1,694	923	\$667	3,284	4,306	711	8,447	3.61
4. 40%, 10%	2	345	1,768	1,182	2,950	4,578	763	8,447	3.82

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 a Less than \$500.

HUDSON COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes— Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Bayonne										
1. Actual	\$105	\$189	\$6,495	\$1,529	....	\$8,024	\$2,857	....	\$11,089	7.94%
2. Full	40	82	3,162	4,778	....	7,940	3,093	....	11,089	3.02
3. 40%, Replacement	47	96	3,718	2,810	\$876	7,404	3,637	....	11,089	8.89
4. 40%, 10%	48	98	3,777	3,568	....	7,345	3,695	....	11,089	9.03
East Newark										
1. Actual .....	....	4	104	125	....	228	61	....	292	6.51
2. Full .....	....	3	46	199	....	245	45	....	292	1.44
3. 40%, Replacement .....	....	3	48	172	23	243	46	....	292	3.73
4. 40%, 10% .....	....	3	50	190	....	241	49	....	292	3.92
Guttenburg										
1. Actual .....	....	27	222	62	....	285	187	....	493	7.90
2. Full .....	....	15	163	154	....	317	165	....	493	2.70
3. 40%, Replacement .....	....	17	178	84	39	301	180	....	493	7.39
4. 40%, 10% .....	....	17	185	109	....	294	187	....	493	7.67
Harrison										
1. Actual	48	17	1,139	635	....	1,775	234	....	2,068	5.16
2. Full	12	6	512	1,371	....	1,883	171	....	2,068	1.28
3. 40%, Replacement	16	8	683	975	163	1,822	228	....	2,068	4.27
4. 40%, 10%	15	7	667	1,161	....	1,827	222	....	2,068	4.17
Hoboken										
1. Actual	681	145	4,586	904	....	5,490	798	....	7,093	8.86
2. Full	342	87	2,454	3,335	....	5,790	895	....	7,093	4.45
3. 40%, Replacement	413	105	2,958	2,010	560	5,529	1,079	....	7,093	13.42
4. 40%, 10%	416	106	2,983	2,533	....	5,516	1,088	....	7,093	13.53
Jersey City										
1. Actual	8,195	1,182	18,940	5,325	....	24,265	9,027	....	42,391	8.67
2. Full	4,030	743	11,586	15,449	....	27,035	10,856	....	42,391	4.26
3. 40%, Replacement	4,547	838	13,074	8,717	3,349	25,139	12,251	....	42,391	12.02
4. 40%, 10%	4,676	862	13,445	11,205	....	24,650	12,599	....	42,391	12.37
Kearny										
1. Actual	166	95	2,559	1,056	....	3,615	1,558	....	5,393	5.88
2. Full	36	56	1,153	3,086	....	4,239	1,080	....	5,393	1.26
3. 40%, Replacement	46	72	1,487	1,997	426	3,910	1,394	....	5,393	4.07
4. 40%, 10%	45	71	1,468	2,461	....	3,929	1,376	....	5,393	4.02
North Bergen										
1. Actual	72	301	3,138	409	....	3,547	2,115	....	5,969	8.24
2. Full	27	182	1,687	1,838	....	3,524	2,285	....	5,969	3.12
3. 40%, Replacement	26	176	1,626	1,491	472	3,589	2,202	....	5,969	7.51
4. 40%, 10%	28	188	1,743	1,674	....	3,417	2,361	....	5,969	8.05
Secaucus										
1. Actual	52	161	188	82	....	269	359	29	853	6.44
2. Full	11	124	151	126	....	277	425	24	853	1.38
3. 40%, Replacement	11	118	144	87	67	298	406	23	853	3.29
4. 40%, 10%	11	127	155	102	....	257	437	25	853	3.53
Union City										
1. Actual	2	56	4,093	773	....	4,866	1,930	....	6,801	9.82
2. Full	1	38	2,619	2,251	....	4,870	1,939	....	6,801	4.49
3. 40%, Replacement	1	35	2,426	2,027	537	4,990	1,797	....	6,801	10.40
4. 40%, 10%	1	38	2,574	2,306	....	4,880	1,906	....	6,801	11.04
Weehawken										
1. Actual	1,022	86	501	120	....	621	705	....	2,424	6.71
2. Full	555	52	427	472	....	899	930	....	2,424	3.64
3. 40%, Replacement	565	53	434	240	191	866	946	....	2,424	9.27
4. 40%, 10%	597	56	459	318	....	777	1,000	....	2,424	9.80
West New York										
1. Actual	719	87	2,948	549	....	3,498	941	....	5,207	10.47
2. Full	314	42	2,033	1,607	....	3,641	1,244	....	5,207	4.56
3. 40%, Replacement	341	46	2,206	872	411	3,489	1,350	....	5,207	12.38
4. 40%, 10%	353	48	2,291	1,132	....	3,423	1,402	....	5,207	12.85
County Total										
1. Actual	\$11,061	\$2,351	\$44,913	\$11,570	....	\$56,483	\$20,772	\$29	\$90,073	8.25%
2. Full	5,367	1,430	25,993	34,665	....	60,658	23,128	24	90,073	3.30
3. 40%, Replacement	6,011	1,567	28,983	21,482	\$7,116	57,581	25,517	23	90,073	8.82
4. 40%, 10%	6,192	1,621	29,798	26,759	....	56,556	26,322	25	90,073	9.57

* Net taxes after veterans exemptions.
 a Less than \$500.

HUNTERDON COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Alexandria										
1. Actual	a	\$3	\$8	\$5	....	\$13	\$49	\$80	\$140	11.41%
2. Full	a	6	9	8	....	17	47	72	140	2.24
3. 40%, Replacement	a	6	8	3	\$11	23	45	69	140	5.35
4. 40%, 10%	a	6	9	5	....	14	48	74	140	5.75
Bethlehem										
1. Actual	a	4	12	4	....	16	40	32	90	8.52
2. Full	a	7	11	5	....	17	35	32	90	1.56
3. 40%, Replacement	a	7	11	3	7	21	34	30	90	3.70
4. 40%, 10%	a	7	12	4	....	15	36	32	90	3.99
Bloomsbury										
1. Actual	\$1	a	5	4	....	9	36	3	46	7.40
2. Full	a	1	5	6	....	11	33	3	46	1.43
3. 40%, Replacement	a	1	5	1	4	10	34	3	46	3.69
4. 40%, 10%	a	1	5	3	....	8	36	3	46	3.90
Califon										
1. Actual	a	1	9	6	....	15	42	1	56	9.89
2. Full	a	a	9	8	....	17	39	1	56	1.68
3. 40%, Replacement	a	a	9	4	4	17	38	1	56	4.16
4. 40%, 10%	a	a	10	5	....	15	41	1	56	4.44
Clinton Town										
1. Actual	a	3	32	13	....	45	65	4	115	8.08
2. Full	a	5	28	21	....	49	57	5	115	1.60
3. 40%, Replacement	a	5	29	8	9	46	59	6	115	4.17
4. 40%, 10%	a	6	30	12	....	43	62	6	115	4.39
Clinton Township										
1. Actual	1	4	28	14	....	42	166	83	286	9.81
2. Full	a	5	44	19	....	64	164	56	286	1.70
3. 40%, Replacement	a	5	42	13	23	78	154	53	286	3.99
4. 40%, 10%	a	5	45	16	....	61	167	57	286	4.32
Delaware										
1. Actual	a	4	22	14	....	36	78	109	223	9.19
2. Full	a	3	61	13	....	74	57	90	223	1.07
3. 40%, Replacement	a	3	57	9	18	84	53	84	223	2.50
4. 40%, 10%	a	3	61	11	....	72	57	91	223	2.71
East Amwell										
1. Actual	a	4	38	4	....	42	92	108	241	11.70
2. Full	a	6	45	4	....	49	83	104	241	1.62
3. 40%, Replacement	a	6	42	2	19	63	77	97	241	3.78
4. 40%, 10%	a	6	45	2	....	48	83	105	241	4.09
Flemington										
1. Actual	1	3	119	47	....	166	196	3	362	9.00
2. Full	a	5	116	72	....	188	169	3	362	1.72
3. 40%, Replacement	a	5	121	33	29	182	175	3	362	4.46
4. 40%, 10%	a	5	127	46	....	173	184	3	362	4.70
Franklin										
1. Actual	1	2	4	8	....	11	45	108	160	12.50
2. Full	a	3	3	8	....	11	37	111	160	1.54
3. 40%, Replacement	a	3	3	4	13	20	34	105	160	3.61
4. 40%, 10%	a	3	4	5	....	9	37	113	160	3.90
Frenchtown										
1. Actual	a	1	26	14	....	40	83	1	121	11.16
2. Full	a	1	26	22	....	48	72	1	121	2.22
3. 40%, Replacement	a	1	29	....	10	39	82	2	121	6.29
4. 40%, 10%	a	1	30	7	....	36	85	2	121	6.46
Glen Gardner										
1. Actual	a	1	4	3	....	6	27	3	35	10.99
2. Full	a	a	4	4	....	8	25	3	35	1.95
3. 40%, Replacement	a	a	4	3	3	9	23	3	35	4.62
4. 40%, 10%	a	a	4	3	....	7	25	3	35	4.99
Hampton										
1. Actual	a	1	4	5	....	9	41	3	52	8.64
2. Full	a	1	4	9	....	13	36	3	52	1.84
3. 40%, Replacement	a	1	4	2	4	10	39	3	52	4.95
4. 40%, 10%	a	1	5	4	....	8	40	3	52	5.17
High Bridge										
1. Actual	2	5	54	30	....	84	109	4	197	9.40
2. Full	a	7	38	52	....	90	97	5	197	2.00
3. 40%, Replacement	a	7	37	40	16	93	96	5	197	4.90
4. 40%, 10%	a	7	40	46	....	86	102	5	197	5.24

* Net taxes after veterans exemptions.
 a Less than \$500.

HUNTERDON COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Holland										
1. Actual	a	a	\$23	\$10	....	\$33	\$21	\$14	\$66	2.87%
2. Full	a	\$1	24	10	....	34	19	14	66	0.37
3. 40%, Replacement	a	1	23	8	\$4	35	19	13	66	0.90
4. 40%, 10%	a	1	24	9	....	33	20	14	66	0.94
Kingwood										
1. Actual	a	2	14	7	....	21	50	105	172	11.02
2. Full	a	4	12	8	....	19	47	103	172	1.57
3. 40%, Replacement	a	4	11	6	14	30	44	96	172	3.66
4. 40%, 10%	a	4	12	7	....	18	48	104	172	3.97
Lambertville										
1. Actual	\$3	2	78	33	....	111	155	a	259	8.31
2. Full	1	4	58	66	....	123	138	a	259	2.05
3. 40%, Replacement	1	4	71	1	21	93	171	a	259	6.35
4. 40%, 10%	1	4	72	21	....	93	171	a	259	6.36
Lebanon Boro										
1. Actual	a	1	16	9	....	25	39	5	67	9.76
2. Full	a	1	17	10	....	27	35	5	67	1.40
3. 40%, Replacement	a	1	16	6	5	27	35	5	67	3.44
4. 40%, 10%	a	1	17	7	....	25	37	5	67	3.68
Lebanon Township										
1. Actual	a	7	15	15	....	30	99	55	182	11.54
2. Full	a	6	15	15	....	30	87	61	182	1.44
3. 40%, Replacement	a	6	14	13	14	41	81	57	182	3.34
4. 40%, 10%	a	6	15	14	....	29	88	62	182	3.62
Milford										
1. Actual	a	a	83	64	....	147	29	a	175	6.00
2. Full	a	1	66	84	....	150	24	a	175	0.97
3. 40%, Replacement	a	1	65	72	14	151	24	a	175	2.37
4. 40%, 10%	a	1	70	80	....	149	25	a	175	2.53
Raritan Township										
1. Actual	a	9	78	45	....	123	169	117	410	7.99
2. Full	a	11	55	64	....	119	168	114	410	1.41
3. 40%, Replacement	a	11	53	40	32	125	165	112	410	3.46
4. 40%, 10%	a	12	57	49	....	106	176	120	410	3.70
Readington										
1. Actual	1	18	72	17	....	90	258	155	499	11.16
2. Full	a	22	61	18	....	79	212	192	499	1.47
3. 40%, Replacement	a	21	57	11	39	107	193	180	499	3.45
4. 40%, 10%	a	22	61	13	....	75	215	194	499	3.73
Stockton										
1. Actual	a	a	5	2	....	7	26	2	32	10.25
2. Full	a	1	6	4	....	10	22	1	32	2.02
3. 40%, Replacement	a	1	6	1	3	9	22	2	32	5.20
4. 40%, 10%	a	1	6	2	....	8	23	2	32	5.50
Tewksbury										
1. Actual .....	....	11	11	6	....	16	126	106	251	11.72
2. Full .....	....	12	10	6	....	17	117	107	251	1.59
3. 40%, Replacement .....	....	12	10	2	20	32	110	100	251	3.72
4. 40%, 10% .....	....	13	11	4	....	14	119	108	251	4.03
Union										
1. Actual	a	3	10	4	....	14	63	63	141	10.49
2. Full	a	7	8	6	....	14	55	67	141	1.93
3. 40%, Replacement	a	7	8	a	11	19	52	64	141	4.64
4. 40%, 10%	a	7	8	2	....	10	56	69	141	4.99
West Amwell										
1. Actual	a	6	44	4	....	48	47	56	153	8.53
2. Full	a	6	23	7	....	30	58	61	153	1.69
3. 40%, Replacement	a	6	22	4	12	38	54	57	153	3.97
4. 40%, 10%	a	6	23	5	....	28	58	61	153	4.30
County Total										
1. Actual	\$13	\$94	\$814	\$386	....	\$1,199	\$2,150	\$1,218	\$4,531	9.24%
2. Full	3	126	755	550	....	1,305	1,931	1,214	4,531	1.49
3. 40%, Replacement	3	122	756	289	\$356	1,401	1,918	1,148	4,531	3.63
4. 40%, 10%	3	131	802	380	....	1,182	2,041	1,238	4,531	3.89

* Net taxes after veterans exemptions.
 a Less than \$500.

MERCER COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
East Windsor										
1. Actual	a	\$2	\$51	\$17	....	\$68	\$50	\$67	\$184	7.49%
2. Full	a	3	38	27	....	65	39	79	184	1.64
3. 40%, Replacement	a	3	38	13	\$15	65	42	80	184	4.10
4. 40%, 10%	a	3	40	17	....	58	41	85	184	4.36
Ewing										
1. Actual	\$8	77	588	442	....	1,030	1,167	68	2,279	7.31
2. Full	1	93	758	696	....	1,454	708	43	2,279	1.05
3. 40%, Replacement	1	99	806	420	180	1,407	812	45	2,279	2.80
4. 40%, 10%	1	103	843	523	....	1,367	788	47	2,279	2.92
Hamilton Township										
1. Actual	18	97	1,049	407	....	1,456	3,411	98	4,852	7.89
2. Full	4	112	615	1,601	....	2,216	2,527	91	4,852	1.68
3. 40%, Replacement	4	123	677	916	383	1,977	2,997	100	4,852	4.64
4. 40%, 10%	4	128	702	1,169	....	1,871	2,884	103	4,852	4.81
Hightstown										
1. Actual	2	3	98	45	....	143	257	a	393	9.07
2. Full	a	5	88	78	....	166	227	a	393	2.06
3. 40%, Replacement	a	5	99	11	31	141	273	a	393	5.76
4. 40%, 10%	a	5	102	31	....	133	261	a	393	5.95
Hopewell Boro										
1. Actual	1	1	22	21	....	43	124	3	168	8.64
2. Full	a	1	8	36	....	44	122	3	168	1.95
3. 40%, Replacement	a	1	8	25	13	46	130	3	168	4.81
4. 40%, 10%	a	1	8	29	....	37	128	3	168	5.13
Hopewell Township										
1. Actual	a	59	31	62	....	93	457	302	882	13.10
2. Full	a	97	25	70	....	95	373	326	882	1.95
3. 40%, Replacement	a	97	25	....	70	95	403	327	882	4.90
4. 40%, 10%	a	103	27	19	....	46	398	347	882	5.21
Lawrence										
1. Actual	1	80	231	136	....	367	815	49	1,274	8.36
2. Full	a	214	176	196	....	372	638	65	1,274	1.60
3. 40%, Replacement	a	202	166	158	101	425	649	62	1,274	3.79
4. 40%, 10%	a	218	179	178	....	358	650	66	1,274	4.09
Pennington										
1. Actual	2	10	30	11	....	40	260	9	309	12.32
2. Full	a	8	30	16	....	46	250	8	309	2.48
3. 40%, Replacement	a	8	28	15	24	67	249	8	309	5.73
4. 40%, 10%	a	8	30	16	....	46	251	8	309	6.22
Princeton Boro										
1. Actual	3	39	395	83	....	479	863	....	1,376	5.86
2. Full	1	38	360	191	....	551	791	....	1,376	1.78
3. 40%, Replacement	1	37	349	120	109	578	766	....	1,376	4.31
4. 40%, 10%	1	40	374	146	....	520	821	....	1,376	4.62
Princeton Township										
1. Actual	1	105	50	31	....	81	1,146	27	1,355	1.95
2. Full	1	107	45	182	....	227	1,004	24	1,355	1.52
3. 40%, Replacement	1	107	45	73	107	225	1,008	24	1,355	3.82
4. 40%, 10%	1	114	48	107	....	155	1,071	26	1,355	4.05
Trenton										
1. Actual	157	58	5,735	2,241	....	7,976	6,685	....	14,653	7.46
2. Full	59	120	3,461	2,241	....	8,755	5,888	....	14,653	2.82
3. 40%, Replacement	67	135	3,891	3,020	1,158	8,069	6,620	....	14,653	7.93
4. 40%, 10%	69	139	4,007	3,865	....	7,872	6,818	....	14,653	8.16
Washington										
1. Actual	a	6	30	9	....	39	49	74	165	6.67
2. Full	a	6	37	13	....	50	37	72	165	1.38
3. 40%, Replacement	a	6	35	7	13	55	38	70	165	3.32
4. 40%, 10%	a	7	38	9	....	47	38	75	165	3.57
West Windsor										
1. Actual	19	5	233	77	....	311	136	80	545	6.03
2. Full	4	6	186	134	....	320	137	81	545	1.38
3. 40%, Replacement	5	6	202	56	43	301	161	88	545	3.76
4. 40%, 10%	5	6	210	81	....	291	155	92	545	3.91
County Total										
1. Actual	\$213	\$543	\$8,544	\$3,582	....	\$12,126	\$15,419	\$777	\$28,433	6.66%
2. Full	72	809	5,827	8,534	....	14,361	12,741	792	28,433	2.01
3. 40%, Replacement	80	829	6,369	4,834	\$2,246	13,450	13,736	806	28,433	5.37
4. 40%, 10%	83	875	6,609	6,192	....	12,801	14,306	853	28,433	5.61

* Net taxes after veterans exemptions.
 a Less than \$500.

MIDDLESEX COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Carteret										
1. Actual	\$3	\$49	\$1,151	\$410	....	\$1,561	\$764	....	\$2,282	14.57%
2. Full	a	69	662	664	....	1,327	915	....	2,282	2.21
3. 40%, Replacement	1	81	780	204	\$180	1,165	1,078	....	2,282	6.52
4. 40%, 10%	1	83	793	354	....	1,147	1,095	....	2,282	6.63
Cranbury										
1. Actual	a	4	57	17	....	74	109	\$79	262	11.24
2. Full	a	4	48	34	....	82	86	91	262	2.05
3. 40%, Replacement	a	4	46	25	21	91	81	86	262	4.87
4. 40%, 10%	a	4	50	29	....	78	88	93	262	5.25
Dunellen										
1. Actual	10	11	165	84	....	249	456	....	695	11.57
2. Full	2	10	115	150	....	265	429	....	695	1.95
3. 40%, Replacement	2	11	123	58	55	236	461	....	695	5.22
4. 40%, 10%	2	11	128	87	....	216	481	....	695	5.45
East Brunswick										
1. Actual	1	96	102	74	....	176	1,143	63	1,317	12.67
2. Full	a	180	92	110	....	202	881	98	1,317	1.77
3. 40%, Replacement	a	169	87	90	104	281	827	92	1,317	4.16
4. 40%, 10%	a	183	94	101	....	195	896	100	1,317	4.50
Edison										
1. Actual	13	138	944	196	....	1,141	1,837	7	2,998	6.80
2. Full	2	129	971	388	....	1,358	1,553	6	2,998	1.26
3. 40%, Replacement	2	124	928	278	237	1,443	1,484	6	2,998	3.01
4. 40%, 10%	3	133	999	324	....	1,324	1,598	6	2,998	3.25
Helmetta										
1. Actual	a	1	22	23	....	45	18	....	63	5.05
2. Full	a	a	16	34	....	50	12	....	63	0.70
3. 40%, Replacement	a	1	21	20	5	46	16	....	63	2.35
4. 40%, 10%	a	1	19	28	....	48	15	....	63	2.13
Highland Park										
1. Actual	1	37	271	56	....	327	808	3	1,149	9.03
2. Full	a	34	159	143	....	302	822	4	1,149	2.17
3. 40%, Replacement	a	33	153	94	91	338	790	3	1,149	5.22
4. 40%, 10%	a	35	165	112	....	277	849	4	1,149	5.61
Jamesburg										
1. Actual	1	7	15	15	....	30	171	....	196	14.82
2. Full	a	23	17	26	....	43	134	....	196	2.41
3. 40%, Replacement	a	23	17	10	15	43	135	....	196	6.10
4. 40%, 10%	a	25	18	15	....	33	143	....	196	6.47
Madison										
1. Actual	4	130	105	14	....	119	685	121	983	8.44
2. Full	1	206	90	27	....	118	561	125	983	1.52
3. 40%, Replacement	1	192	84	23	78	185	521	116	983	3.53
4. 40%, 10%	1	208	91	26	....	117	566	126	983	3.84
Metuchen										
1. Actual	31	28	203	126	....	329	1,245	....	1,556	12.52
2. Full	6	36	145	244	....	389	1,153	....	1,556	2.27
3. 40%, Replacement	5	35	139	184	123	446	1,104	....	1,556	5.43
4. 40%, 10%	6	37	149	211	....	361	1,188	....	1,556	5.85
Middlesex										
1. Actual	1	23	198	107	....	305	654	2	929	10.65
2. Full	a	44	72	223	....	296	610	2	929	2.07
3. 40%, Replacement	a	46	75	125	73	274	636	2	929	5.41
4. 40%, 10%	a	48	79	160	....	240	669	2	929	5.69
Milltown										
1. Actual	1	6	68	22	....	91	286	1	365	8.37
2. Full	a	9	64	41	....	104	257	1	365	1.42
3. 40%, Replacement	a	9	61	25	29	115	248	1	365	3.44
4. 40%, 10%	a	10	66	31	....	97	266	1	365	3.69
Monroe										
1. Actual	1	24	31	14	....	45	122	133	314	9.34
2. Full	a	20	29	23	....	52	105	139	314	1.42
3. 40%, Replacement	a	19	28	17	25	69	99	131	314	3.33
4. 40%, 10%	a	21	30	19	....	49	107	142	314	3.60
New Brunswick										
1. Actual	34	75	1,844	648	....	2,493	1,522	....	4,077	7.02
2. Full	9	63	1,201	1,417	....	2,619	1,413	....	4,077	1.94
3. 40%, Replacement	10	66	1,269	953	322	2,544	1,492	....	4,077	5.12
4. 40%, 10%	10	69	1,329	1,141	....	2,470	1,563	....	4,077	5.37

a Less than \$500.

* Net taxes after veterans exemptions.

MIDDLESEX COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
North Brunswick										
1. Actual	\$9	\$43	\$590	\$246	....	\$835	\$394	\$14	\$1,275	7.33%
2. Full	1	71	448	411	....	859	323	27	1,275	1.15
3. 40%, Replacement	1	73	461	286	\$101	848	333	28	1,275	2.96
4. 40%, 10%	2	77	486	338	....	824	351	30	1,275	3.13
Perth Amboy										
1. Actual	121	40	2,743	933	....	3,677	1,946	....	5,725	9.02
2. Full	30	30	1,502	2,424	....	3,925	1,769	....	5,725	2.21
3. 40%, Replacement	44	45	2,209	427	452	3,088	2,602	....	5,725	8.12
4. 40%, 10%	41	42	2,088	1,145	....	3,233	2,459	....	5,725	7.68
Piscataway										
1. Actual	a	98	176	237	....	413	971	26	1,456	7.96
2. Full	a	77	135	456	....	591	742	64	1,456	1.44
3. 40%, Replacement	a	72	126	411	115	652	694	60	1,456	3.36
4. 40%, 10%	a	78	137	449	....	586	751	65	1,456	3.64
Plainsboro										
1. Actual	a	1	18	16	....	34	23	46	104	4.79
2. Full	a	1	16	24	....	41	20	43	104	0.66
3. 40%, Replacement	a	1	18	9	8	35	22	47	104	1.79
4. 40%, 10%	a	1	19	14	....	33	22	48	104	1.86
Sayreville										
1. Actual	7	63	1,041	108	....	1,149	725	a	1,864	6.09
2. Full	1	80	940	205	....	1,145	665	a	1,864	1.09
3. 40%, Replacement	1	82	962	26	147	1,135	681	a	1,864	2.78
4. 40%, 10%	1	87	1,018	76	....	1,094	720	a	1,864	2.94
South Amboy										
1. Actual	132	10	72	31	....	103	311	....	538	8.37
2. Full	28	11	66	70	....	136	370	....	538	1.79
3. 40%, Replacement	26	10	62	59	42	163	347	....	538	4.20
4. 40%, 10%	29	11	67	65	....	132	375	....	538	4.55
South Brunswick										
1. Actual	22	20	103	63	....	166	167	156	491	8.77
2. Full	4	24	74	109	....	183	155	129	491	1.42
3. 40%, Replacement	3	23	71	86	39	196	149	124	491	3.42
4. 40%, 10%	4	25	76	97	....	174	160	133	491	3.67
South Plainfield										
1. Actual	5	82	232	236	....	468	1,129	1	1,639	4.72
2. Full	2	56	111	768	....	879	729	1	1,639	1.44
3. 40%, Replacement	2	89	177	138	129	444	1,157	2	1,639	5.72
4. 40%, 10%	2	82	163	376	....	538	1,066	1	1,639	5.27
South River										
1. Actual	a	38	201	79	....	280	654	1	929	10.99
2. Full	a	30	166	137	....	303	610	1	929	1.78
3. 40%, Replacement	a	29	161	90	73	325	591	1	929	4.32
4. 40%, 10%	a	31	173	108	....	281	634	1	929	4.64
Spotswood										
1. Actual	14	14	55	29	....	84	237	a	322	11.78
2. Full	2	15	52	47	....	99	214	1	322	1.76
3. 40%, Replacement	2	14	48	42	25	116	199	1	322	4.10
4. 40%, 10%	2	15	52	46	....	98	216	1	322	4.45
Woodbridge										
1. Actual	212	203	1,493	606	....	2,100	3,518	5	5,582	11.74
2. Full	32	282	757	965	....	1,722	3,678	5	5,582	1.75
3. 40%, Replacement	34	305	820	176	441	1,437	3,984	5	5,582	4.75
4. 40%, 10%	36	318	854	410	....	1,264	4,151	6	5,582	4.95
County Total										
1. Actual	\$624	\$1,242	\$11,901	\$4,392	....	\$16,293	\$19,893	\$629	\$37,110	8.64%
2. Full	121	1,507	7,959	9,154	....	17,113	18,216	737	37,110	1.69
3. 40%, Replacement	137	1,556	8,927	3,856	\$2,932	15,715	19,732	704	37,110	4.54
4. 40%, 10%	140	1,636	9,144	5,765	14,909	20,431	758	37,110	4.73

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 a Less than \$500.

MONMOUTH COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Allenhurst										
1. Actual	\$1	\$5	\$41	\$8	....	\$48	\$132	....	\$185	8.03%
2. Full	a	3	41	22	....	63	120	....	185	2.12
3. 40%, Replacement	a	3	38	18	\$15	71	113	....	185	4.96
4. 40%, 10%	a	3	41	20	....	61	122	....	185	5.37
Allentown										
1. Actual .....	....	1	12	6	....	18	94	\$1	109	11.19
2. Full .....	....	1	8	15	....	22	85	2	109	2.46
3. 40%, Replacement .....	....	1	8	7	9	23	85	2	109	6.12
4. 40%, 10% .....	....	1	8	10	....	18	91	3	109	6.53
Asbury Park										
1. Actual	12	65	1,382	241	....	1,623	708	....	2,391	8.80
2. Full	3	44	812	958	....	1,770	583	....	2,391	2.10
3. 40%, Replacement	3	45	843	716	189	1,748	605	....	2,391	5.46
4. 40%, 10%	3	48	887	827	....	1,714	637	....	2,391	5.74
Atlantic Township										
1. Actual .....	....	7	15	15	....	30	69	177	277	13.42
2. Full .....	....	11	14	22	....	35	64	169	277	1.80
3. 40%, Replacement .....	....	10	13	16	22	51	60	158	277	4.22
4. 40%, 10% .....	....	11	14	19	....	33	64	171	277	4.57
Atlantic Highlands										
1. Actual	3	29	81	29	....	110	277	....	400	12.14
2. Full	1	25	102	52	....	154	227	....	400	2.05
3. 40%, Replacement	1	26	108	....	32	140	242	....	400	5.45
4. 40%, 10%	1	27	113	15	....	128	253	....	400	5.71
Avon										
1. Actual	1	4	59	7	....	66	223	....	289	9.21
2. Full	a	5	34	17	....	51	235	....	289	2.04
3. 40%, Replacement	a	5	31	16	23	70	217	....	289	4.71
4. 40%, 10%	a	5	34	17	....	51	236	....	289	5.11
Belmar										
1. Actual	2	20	130	....	....	130	479	....	622	7.90
2. Full	1	12	108	....	....	108	507	....	622	2.09
3. 40%, Replacement	1	11	100	....	49	149	468	....	622	4.81
4. 40%, 10%	1	12	108	....	....	108	508	....	622	5.22
Bradley Beach										
1. Actual	2	12	149	29	....	178	408	....	592	9.33
2. Full	a	6	152	78	....	229	361	....	592	2.29
3. 40%, Replacement	a	5	140	72	47	253	333	....	592	5.29
4. 40%, 10%	a	6	152	78	....	230	362	....	592	5.74
Brielle										
1. Actual	a	26	44	6	....	50	270	....	335	12.36
2. Full	a	28	32	10	....	42	269	....	335	1.82
3. 40%, Replacement	a	26	30	7	26	63	250	....	335	4.23
4. 40%, 10%	a	28	32	8	....	41	271	....	335	4.58
Deal										
1. Actual	1	27	26	16	....	43	466	....	533	6.90
2. Full	a	14	25	66	....	91	431	....	533	2.60
3. 40%, Replacement	a	13	23	59	42	125	398	....	533	6.01
4. 40%, 10%	a	14	25	65	....	90	432	....	533	6.52
Eatontown										
1. Actual	1	24	202	45	....	247	346	2	593	12.02
2. Full	a	39	258	77	....	335	226	2	593	1.89
3. 40%, Replacement	a	37	249	50	47	346	218	2	593	4.56
4. 40%, 10%	a	40	267	60	....	327	234	2	593	4.90
Englishtown										
1. Actual	a	a	18	16	....	34	72	2	103	17.74
2. Full	a	a	13	23	....	36	67	2	103	2.45
3. 40%, Replacement	a	a	14	9	8	31	72	2	103	6.62
4. 40%, 10%	a	a	14	13	....	28	75	2	103	6.89
Fair Haven										
1. Actual .....	....	19	18	....	....	18	695	....	693	13.34
2. Full .....	....	20	19	....	....	19	667	....	693	2.40
3. 40%, Replacement .....	....	18	18	....	55	73	618	....	693	5.55
4. 40%, 10% .....	....	20	19	....	....	19	671	....	693	6.02
Farmingdale										
1. Actual	1	1	24	7	....	31	40	1	71	11.33
2. Full	a	1	22	12	34	36	1	71	1.76
3. 40%, Replacement	a	2	24	1	6	30	39	1	71	4.82
4. 40%, 10%	a	2	25	4	29	41	1	71	5.00

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 a Less than \$500.

MONMOUTH COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Freehold Boro										
1. Actual	\$3	\$21	\$360	....	....	\$360	\$621	....	\$977	10.75%
2. Full	1	28	379	....	....	379	584	....	977	2.89
3. 40%, Replacement	1	26	350	....	\$77	427	540	....	977	6.69
4. 40%, 10%	1	29	380	....	....	381	586	....	977	7.26
Freehold Township										
1. Actual	1	3	58	....	....	58	164	\$223	431	15.40
2. Full	a	2	66	....	....	66	148	218	431	1.72
3. 40%, Replacement	a	2	61	....	34	95	137	201	431	3.98
4. 40%, 10%	a	2	66	....	....	66	149	218	431	4.32
Highlands										
1. Actual	1	11	93	\$2	....	96	188	3	286	12.16
2. Full	a	10	85	6	....	90	189	3	286	2.79
3. 40%, Replacement	a	9	80	....	23	102	178	3	286	6.59
4. 40%, 10%	a	10	86	1	....	88	192	3	286	7.12
Holmdel										
1. Actual .....	....	21	16	23	....	39	109	115	276	13.92
2. Full .....	....	21	18	40	....	58	113	87	276	2.26
3. 40%, Replacement .....	....	19	16	36	22	75	105	80	276	5.23
4. 40%, 10% .....	....	21	18	40	....	58	114	87	276	5.68
Howell										
1. Actual	a	30	37	18	....	55	283	334	670	13.65
2. Full	a	30	43	35	....	78	257	316	670	2.44
3. 40%, Replacement	a	28	40	24	53	117	241	297	670	5.72
4. 40%, 10%	a	30	44	28	....	72	261	321	670	6.19
Interlaken										
1. Actual	1	7	....	....	....	....	162	....	164	9.82
2. Full	a	5	....	....	....	....	161	....	164	2.08
3. 40%, Replacement	a	5	....	....	13	13	149	....	164	4.80
4. 40%, 10%	a	5	....	....	....	....	162	....	164	5.22
Keansburg										
1. Actual	1	39	112	30	....	141	454	....	609	12.82
2. Full	a	20	88	61	....	150	449	....	609	2.45
3. 40%, Replacement	a	19	85	36	48	169	432	....	609	5.90
4. 40%, 10%	a	20	91	45	....	136	465	....	609	6.34
Keyport										
1. Actual	1	16	178	60	....	238	402	....	633	13.25
2. Full	a	17	129	123	....	252	372	....	633	2.52
3. 40%, Replacement	a	17	126	89	50	265	362	....	633	6.14
4. 40%, 10%	a	18	135	103	....	238	388	....	633	6.58
Little Silver										
1. Actual	1	18	14	29	....	43	532	5	569	11.97
2. Full	a	19	30	45	....	76	478	5	569	1.75
3. 40%, Replacement	a	18	28	35	45	109	448	4	569	4.10
4. 40%, 10%	a	20	31	40	....	71	484	5	569	4.44
Long Branch										
1. Actual	20	131	613	166	....	778	1,430	....	2,296	10.92
2. Full	5	88	442	409	....	852	1,381	....	2,296	2.50
3. 40%, Replacement	4	85	426	307	181	914	1,329	....	2,296	6.02
4. 40%, 10%	5	91	457	353	....	810	1,428	....	2,296	6.47
Manalapan										
1. Actual	a	10	8	20	....	28	169	104	302	17.25
2. Full	a	9	10	25	....	34	181	79	302	2.00
3. 40%, Replacement	a	9	9	9	24	43	176	77	302	4.85
4. 40%, 10%	a	10	10	14	....	24	189	82	302	5.19
Manasquan										
1. Actual	1	25	79	19	....	98	495	....	597	13.38
2. Full	a	28	82	30	....	112	463	....	597	1.95
3. 40%, Replacement	a	26	77	19	47	144	434	....	597	4.58
4. 40%, 10%	a	28	84	23	....	107	470	....	597	4.95
Marlboro										
1. Actual	a	37	38	33	....	71	146	213	457	17.68
2. Full	a	31	38	65	....	103	136	191	457	2.98
3. 40%, Replacement	a	30	36	43	36	115	132	185	457	7.20
4. 40%, 10%	a	32	39	51	....	90	141	198	457	7.72
Matawan Boro										
1. Actual	1	8	56	13	....	69	265	5	328	10.68
2. Full	a	11	27	23	50	264	9	328	1.77
3. 40%, Replacement	a	11	27	26	53	263	9	328	4.41
4. 40%, 10%	a	12	29	6	35	280	10	328	4.70

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MONMOUTH COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes				Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax	Total				
Matawan Township										
1. Actual	\$1	\$4	\$64	....	....	\$64	\$383	\$27	\$440	14.87%
2. Full	a	2	225	....	....	225	204	16	440	1.41
3. 40%, Replacement	a	2	209	....	\$35	243	189	14	440	3.27
4. 40%, 10%	a	2	226	....	....	226	205	16	440	3.55
Middletown										
1. Actual	1	253	234	\$159	....	393	2,294	111	2,765	16.99
2. Full	a	197	173	226	....	399	2,126	119	2,765	2.25
3. 40%, Replacement	a	186	163	168	218	549	2,008	112	2,765	5.30
4. 40%, 10%	a	201	176	194	....	370	2,170	121	2,765	5.73
Millstone										
1. Actual .....	....	44	....	7	....	7	54	85	184	15.34
2. Full .....	....	25	....	8	....	8	33	120	184	1.54
3. 40%, Replacement .....	....	23	....	6	15	21	30	111	184	3.58
4. 40%, 10% .....	....	25	....	7	....	7	33	121	184	3.88
Monmouth Beach										
1. Actual .....	....	25	9	5	....	14	151	....	184	11.41
2. Full .....	....	12	10	11	....	20	154	....	184	2.50
3. 40%, Replacement .....	....	11	9	10	15	33	142	....	184	5.78
4. 40%, 10% .....	....	12	10	11	....	20	154	....	184	6.27
Neptune Township										
1. Actual	3	106	406	74	....	480	940	6	1,469	10.17
2. Full	1	76	300	154	....	454	957	6	1,469	1.96
3. 40%, Replacement	1	58	286	120	116	522	913	6	1,469	4.68
4. 40%, 10%	1	62	309	137	....	446	986	6	1,469	5.05
Neptune City										
1. Actual .....	....	16	55	14	....	69	224	....	284	12.44
2. Full .....	....	11	56	24	....	80	201	....	284	1.96
3. 40%, Replacement .....	....	10	53	20	22	95	188	....	284	4.59
4. 40%, 10% .....	....	11	57	22	....	79	203	....	284	4.97
New Shrewsbury										
1. Actual .....	....	27	21	18	....	39	467	28	520	14.95
2. Full .....	....	16	67	27	....	94	392	29	520	2.03
3. 40%, Replacement .....	....	16	65	2	41	108	382	28	520	4.95
4. 40%, 10% .....	....	17	70	9	....	79	409	30	520	5.31
Ocean Township										
1. Actual	a	146	115	45	....	161	979	51	1,248	15.15
2. Full	a	90	134	77	....	211	926	49	1,248	2.41
3. 40%, Replacement	a	85	126	54	99	278	872	46	1,248	5.67
4. 40%, 10%	a	92	136	63	....	199	943	50	1,248	6.13
Oceanport										
1. Actual	1	39	189	23	....	212	188	....	428	9.90
2. Full	a	30	168	48	....	216	187	....	428	1.89
3. 40%, Replacement	a	28	157	41	34	231	175	....	428	4.40
4. 40%, 10%	a	30	170	45	....	215	189	....	428	4.77
Raritan										
1. Actual	a	56	57	....	....	57	392	22	454	21.76
2. Full	a	86	40	....	....	40	312	30	454	2.18
3. 40%, Replacement	a	80	38	....	36	73	290	28	454	5.07
4. 40%, 10%	a	86	41	....	....	41	315	30	454	5.50
Red Bank										
1. Actual	7	37	644	109	....	753	757	....	1,523	10.69
2. Full	1	52	483	233	....	716	767	....	1,523	2.30
3. 40%, Replacement	1	52	483	117	120	720	767	....	1,523	5.76
4. 40%, 10%	2	55	513	155	....	668	816	....	1,523	6.13
Roosevelt										
1. Actual .....	....	1	7	....	....	7	61	4	70	12.53
2. Full	a	8	7	....	....	8	59	4	70	3.27
3. 40%, Replacement	a	7	7	....	6	12	55	4	70	7.57
4. 40%, 10%	a	8	8	....	....	8	60	4	70	8.22
Rumson										
1. Actual .....	....	46	22	16	....	37	838	....	895	10.56
2. Full .....	....	52	36	34	....	70	784	....	895	2.17
3. 40%, Replacement .....	....	48	33	32	71	135	724	....	895	5.00
4. 40%, 10% .....	....	52	36	34	....	70	786	....	895	5.43
Sea Bright										
1. Actual .....	....	22	38	14	....	52	96	....	166	10.04
2. Full .....	....	17	27	32	....	58	92	....	166	2.14
3. 40%, Replacement .....	....	16	26	24	13	63	88	....	166	5.15
4. 40%, 10% .....	....	18	28	28	....	55	95	....	166	5.53

* Net taxes after veterans exemptions.
 a Less than \$500.

MONMOUTH COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Sea Girt										
1. Actual	\$1	\$10	\$29	\$6	....	\$34	\$289	....	\$329	7.95%
2. Full	a	11	40	9	....	49	270	....	329	1.22
3. 40%, Replacement	a	10	37	8	\$26	70	250	....	329	2.82
4. 40%, 10%	a	11	40	8	....	48	272	....	329	3.06
Shrewsbury Boro										
1. Actual .....	....	23	49	16	....	65	327	\$1	397	10.14
2. Full .....	....	23	39	33	....	72	309	1	397	1.95
3. 40%, Replacement .....	....	22	37	21	31	89	294	1	397	4.64
4. 40%, 10% .....	....	23	40	25	....	65	317	1	397	5.00
Shrewsbury Township										
1. Actual .....	....	....	....	a	....	a	....	....	a	1.77
2. Full .....	....	....	....	a	....	a	....	....	a	0.16
3. 40%, Replacement .....	....	....	....	a	a	a	....	....	a	0.37
4. 40%, 10% .....	....	....	....	a	....	a	....	....	a	0.41
South Belmar										
1. Actual .....	....	7	13	4	....	18	128	....	146	12.67
2. Full .....	....	5	12	7	....	19	123	....	146	1.92
3. 40%, Replacement .....	....	5	11	4	12	27	116	....	146	4.52
4. 40%, 10% .....	....	5	12	5	....	17	126	....	146	4.88
Spring Lake Boro										
1. Actual	1	189	64	34	....	98	227	....	510	6.72
2. Full	a	179	62	69	....	131	202	....	510	1.25
3. 40%, Replacement	a	165	57	64	40	161	186	....	510	2.89
4. 40%, 10%	a	179	62	69	....	131	202	....	510	3.14
Spring Lake Heights										
1. Actual	a	6	28	3	....	31	228	....	251	8.68
2. Full	a	6	28	7	....	35	217	....	251	2.05
3. 40%, Replacement	a	6	26	6	20	52	201	....	251	4.74
4. 40%, 10%	a	6	28	7	....	35	218	....	251	5.15
Union Beach										
1. Actual	1	41	75	....	....	75	360	....	381	20.43
2. Full	a	31	79	....	....	79	299	....	381	3.08
3. 40%, Replacement	a	29	74	....	30	104	281	....	381	7.23
4. 40%, 10%	a	32	81	....	....	81	305	....	381	7.84
Upper Freehold										
1. Actual	a	1	7	9	....	16	46	164	221	11.48
2. Full	a	2	7	15	....	22	42	157	221	1.81
3. 40%, Replacement	a	2	7	11	17	35	39	147	221	4.23
4. 40%, 10%	a	2	7	13	....	20	43	159	221	4.58
Wall										
1. Actual	a	122	137	45	....	181	817	105	1,125	19.32
2. Full	a	97	127	52	....	179	761	110	1,125	2.08
3. 40%, Replacement	a	90	119	39	89	247	710	103	1,125	4.85
4. 40%, 10%	a	98	129	45	....	174	770	116	1,125	5.26
West Long Branch										
1. Actual .....	....	16	24	11	....	35	333	2	358	10.29
2. Full .....	....	11	21	18	....	39	312	4	358	1.64
3. 40%, Replacement .....	....	11	20	10	28	59	295	3	358	3.88
4. 40%, 10% .....	....	12	22	13	....	35	319	4	358	4.19
County Total										
1. Actual	\$73	\$1,855	\$6,148	\$1,450	....	\$7,598	\$20,278	\$1,792	\$30,134	11.64%
2. Full	16	1,558	5,216	3,297	....	8,514	18,785	1,728	30,134	2.12
3. 40%, Replacement	15	1,461	5,042	2,325	\$2,381	9,748	17,839	1,625	30,134	5.06
4. 40%, 10%	16	1,577	5,411	2,731	....	8,142	19,240	1,756	30,134	5.46

* Net taxes after veterans exemptions.
 a Less than \$500.

MORRIS COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Boonton Town										
1. Actual	\$3	\$28	\$213	\$178	....	\$391	\$452	....	\$853	10.11%
2. Full	a	19	200	320	....	520	319	....	853	1.30
3. 40%, Replacement	a	19	208	235	\$67	510	331	....	853	3.38
4. 40%, 10%	a	20	219	273	....	491	348	....	853	3.56
Boonton Township										
1. Actual .....	....	13	19	6	....	25	147	\$1	181	5.64
2. Full .....	....	19	17	16	....	33	129	1	181	1.13
3. 40%, Replacement .....	....	18	15	15	14	44	120	1	181	2.62
4. 40%, 10% .....	....	19	17	16	....	33	130	1	181	2.85
Butler										
1. Actual	2	10	147	81	....	228	300	a	520	12.18
2. Full	a	8	115	156	....	272	245	a	520	1.70
3. 40%, Replacement	a	8	114	120	41	275	242	a	520	4.20
4. 40%, 10%	a	9	122	137	....	259	259	a	520	4.48
Chatham B.										
1. Actual	5	23	194	58	....	252	1,116	a	1,342	12.09
2. Full	1	22	175	142	....	317	1,020	a	1,342	2.14
3. 40%, Replacement	1	22	168	86	106	360	982	a	1,342	5.14
4. 40%, 10%	1	23	181	106	....	287	1,055	a	1,342	5.53
Chatham Township										
1. Actual .....	....	53	20	35	....	55	699	3	786	9.85
2. Full .....	....	37	5	90	....	96	659	3	786	1.84
3. 40%, Replacement .....	....	34	5	82	62	149	610	3	786	4.27
4. 40%, 10% .....	....	37	5	89	....	95	662	3	786	4.63
Chester B.										
1. Actual	a	2	17	12	....	29	69	5	101	13.06
2. Full	a	1	15	24	....	39	58	4	101	1.83
3. 40%, Replacement	a	1	15	17	8	40	57	4	101	4.54
4. 40%, 10%	a	1	16	20	....	35	61	4	101	4.84
Chester Township										
1. Actual .....	....	16	35	28	....	63	167	84	324	12.77
2. Full .....	....	19	30	49	....	79	130	98	324	1.62
3. 40%, Replacement .....	....	18	27	45	26	98	120	90	324	3.75
4. 40%, 10% .....	....	19	30	49	....	78	131	98	324	4.06
Denville										
1. Actual	14	45	159	72	....	231	809	18	1,049	14.46
2. Full	2	50	142	126	....	268	724	22	1,049	1.83
3. 40%, Replacement	2	54	149	a	83	232	761	24	1,049	4.80
4. 40%, 10%	2	55	157	35	....	192	799	25	1,049	5.04
Dover										
1. Actual	5	18	455	152	....	607	653	....	1,243	9.60
2. Full	1	13	233	506	....	739	501	....	1,243	1.39
3. 40%, Replacement	1	13	240	390	98	728	516	....	1,243	3.58
4. 40%, 10%	1	14	253	446	....	699	544	....	1,243	3.78
East Hanover										
1. Actual	a	18	114	25	....	140	212	10	367	8.47
2. Full	a	23	111	51	....	162	169	16	367	1.25
3. 40%, Replacement	a	22	109	27	29	166	167	16	367	3.08
4. 40%, 10%	a	24	117	35	....	152	178	17	367	3.29
Florham Park										
1. Actual .....	....	20	80	12	....	92	707	....	779	11.38
2. Full .....	....	30	78	33	....	110	654	....	779	2.20
3. 40%, Replacement .....	....	28	72	28	62	162	607	....	779	5.10
4. 40%, 10% .....	....	30	78	31	....	109	659	....	779	5.54
Hanover										
1. Actual	1	33	496	163	....	658	616	4	1,271	9.24
2. Full	a	27	441	332	....	773	480	3	1,271	1.35
3. 40%, Replacement	a	25	409	302	100	811	446	3	1,271	3.14
4. 40%, 10%	a	27	443	329	....	772	483	3	1,271	3.40
Harding										
1. Actual .....	....	23	5	5	....	10	248	37	312	6.19
2. Full .....	....	31	5	13	....	18	225	40	312	1.14
3. 40%, Replacement .....	....	29	5	11	25	41	209	37	312	2.64
4. 40%, 10% .....	....	31	5	12	....	18	226	40	312	2.86
Jefferson										
1. Actual	a	154	38	13	....	50	437	3	630	8.01
2. Full	a	139	50	35	....	85	408	4	630	1.59
3. 40%, Replacement	a	130	46	27	50	123	380	4	630	3.70
4. 40%, 10%	a	141	50	31	81	412	4	630	4.00

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 a Less than \$500.

MORRIS COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Kinnelon										
1. Actual	a	\$49	\$24	\$4	....	\$27	\$373	\$1	\$434	11.13%
2. Full	a	78	23	6	....	29	330	1	434	1.34
3. 40%, Replacement	a	73	21	5	\$34	60	305	1	434	3.10
4. 40%, 10%	a	79	23	5	....	28	331	1	434	3.37
Lincoln Park										
1. Actual	a	21	26	8	....	34	322	10	358	12.51
2. Full	a	24	22	17	....	39	293	12	358	1.94
3. 40%, Replacement	a	22	21	14	28	63	273	11	358	4.53
4. 40%, 10%	a	24	23	15	....	38	296	12	358	4.91
Madison										
1. Actual	\$6	42	237	51	....	288	1,400	....	1,685	9.02
2. Full	1	39	191	156	....	347	1,320	....	1,685	1.99
3. 40%, Replacement	1	37	181	109	133	423	1,251	....	1,685	4.72
4. 40%, 10%	1	40	195	128	....	323	1,350	....	1,685	5.09
Mendham Boro										
1. Actual .....	....	8	17	11	....	28	235	46	309	8.95
2. Full .....	....	8	16	36	....	52	210	43	309	2.10
3. 40%, Replacement .....	....	8	15	24	24	64	201	41	309	5.03
4. 40%, 10% .....	....	8	16	29	....	45	216	44	309	5.41
Mendham Township										
1. Actual .....	....	70	22	4	....	25	193	39	326	3.84
2. Full .....	....	75	20	22	....	42	174	37	326	1.57
3. 40%, Replacement .....	....	69	19	20	26	64	161	34	326	3.63
4. 40%, 10% .....	....	75	20	22	....	42	175	37	326	3.94
Mine Hill										
1. Actual .....	....	5	30	22	....	52	173	1	215	13.24
2. Full .....	....	3	27	39	....	66	149	1	215	1.66
3. 40%, Replacement .....	....	3	25	36	17	78	138	1	215	3.85
4. 40%, 10% .....	....	3	27	39	....	66	150	1	215	4.18
Montville										
1. Actual	2	28	85	19	....	105	352	45	504	13.93
2. Full	a	29	71	30	....	100	320	60	504	1.53
3. 40%, Replacement	a	27	66	20	40	126	301	57	504	3.60
4. 40%, 10%	a	30	72	24	....	95	326	61	504	3.89
Morris Township										
1. Actual	1	67	245	80	....	325	1,102	16	1,474	10.78
2. Full	a	77	265	171	....	436	957	15	1,474	1.65
3. 40%, Replacement	a	72	250	132	116	498	902	14	1,474	3.89
4. 40%, 10%	a	78	270	150	....	420	975	15	1,474	4.21
Morris Plains										
1. Actual	1	13	138	35	....	173	309	a	480	9.18
2. Full	a	13	124	78	....	202	269	a	480	1.45
3. 40%, Replacement	a	13	121	52	38	211	262	a	480	3.52
4. 40%, 10%	a	14	129	62	....	192	281	a	480	3.77
Morristown										
1. Actual	11	29	979	221	....	1,200	878	....	2,092	7.91
2. Full	2	29	723	583	....	1,305	767	....	2,092	1.78
3. 40%, Replacement	3	35	869	116	165	1,150	922	....	2,092	5.34
4. 40%, 10%	3	36	877	264	....	1,141	930	....	2,092	5.39
Mountain Lakes										
1. Actual	2	18	18	13	....	31	630	a	662	12.26
2. Full	a	17	24	37	....	62	590	a	662	2.43
3. 40%, Replacement	a	16	23	29	52	104	550	a	662	5.67
4. 40%, 10%	a	18	25	33	....	57	596	a	662	6.14
Mount Arlington										
1. Actual	a	14	17	9	....	26	105	a	142	8.41
2. Full	a	13	16	23	....	39	92	a	142	1.49
3. 40%, Replacement	a	12	14	21	11	47	85	a	142	3.44
4. 40%, 10%	a	13	16	23	....	39	92	a	142	3.73
Mount Olive										
1. Actual	a	35	62	19	....	80	296	33	427	12.86
2. Full	a	20	73	38	....	111	267	34	427	1.87
3. 40%, Replacement	a	20	71	13	34	118	262	33	427	4.57
4. 40%, 10%	a	21	76	21	....	97	280	35	427	4.89
Netcong										
1. Actual	1	5	31	21	....	53	112	....	163	10.06
2. Full	a	4	24	44	....	68	93	....	163	1.48
3. 40%, Replacement	a	5	25	27	13	65	97	....	163	3.85
4. 40%, 10%	a	5	27	33	....	60	102	....	163	4.05

* Net taxes after veterans exemptions.
 a Less than \$500.

MORRIS COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed - (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Parsippany Troy Hills										
1. Actual	a	\$105	\$218	\$54	....	\$272	\$1,384	\$34	\$1,703	13.47%
2. Full	a	113	205	115	....	320	1,268	30	1,703	2.05
3. 40%, Replacement	a	109	198	46	\$135	379	1,220	29	1,703	4.92
4. 40%, 10%	a	117	212	67	....	280	1,311	31	1,703	5.29
Passaic Township										
1. Actual	\$1	52	54	93	....	146	483	18	662	17.41
2. Full	a	47	43	143	....	186	416	22	662	1.92
3. 40%, Replacement	a	45	42	114	52	208	398	21	662	4.60
4. 40%, 10%	a	48	45	129	....	174	429	23	662	4.95
Pequannock										
1. Actual	a	46	87	26	....	113	841	10	949	12.00
2. Full	a	78	85	60	....	145	737	9	949	1.96
3. 40%, Replacement	a	74	81	34	75	190	700	8	949	4.66
4. 40%, 10%	a	80	87	43	....	130	755	9	949	5.03
Randolph Township										
1. Actual	1	81	129	35	....	164	376	13	612	12.16
2. Full	a	73	122	67	....	188	334	23	612	1.64
3. 40%, Replacement	a	70	117	39	48	205	322	23	612	3.97
4. 40%, 10%	a	76	126	49	....	174	346	24	612	4.26
Riverdale										
1. Actual	a	13	45	42	....	86	180	....	267	10.43
2. Full	a	12	35	83	....	118	141	....	267	1.48
3. 40%, Replacement	a	12	36	58	21	115	145	....	267	3.80
4. 40%, 10%	a	13	38	68	....	107	153	....	267	4.01
Rockaway Boro										
1. Actual	a	12	141	71	....	212	374	8	572	14.63
2. Full	a	16	131	128	....	260	298	7	572	1.90
3. 40%, Replacement	a	18	144	43	45	232	326	8	572	5.21
4. 40%, 10%	a	19	149	70	....	220	339	8	572	5.41
Rockaway Township										
1. Actual	a	109	276	102	....	379	709	5	1,169	14.08
2. Full	a	138	282	166	....	448	586	5	1,169	1.64
3. 40%, Replacement	a	132	270	119	92	482	560	5	1,169	3.92
4. 40%, 10%	a	142	290	139	....	429	603	5	1,169	4.21
Roxbury										
1. Actual	19	45	152	137	....	289	482	9	811	10.25
2. Full	3	38	125	265	....	389	383	7	811	1.42
3. 40%, Replacement	3	36	119	229	64	412	365	7	811	3.37
4. 40%, 10%	3	39	128	253	....	381	393	7	811	3.64
Victory Gardens										
1. Actual .....	....	....	....	a	....	a	a	....	a	0.28
2. Full .....	....	....	....	a	....	a	....	....	a	0.31
3. 40%, Replacement .....	....	....	....	1	a	1	....	....	a	3.77
4. 40%, 10% .....	....	....	....	a	....	a	....	....	a	2.54
Washington										
1. Actual	a	23	20	32	....	52	217	139	425	7.89
2. Full	a	14	17	102	....	119	180	115	425	1.79
3. 40%, Replacement	a	13	16	90	34	140	168	107	425	4.19
4. 40%, 10%	a	14	17	99	....	116	182	116	425	4.54
Wharton										
1. Actual	1	14	47	36	....	84	255	....	336	12.08
2. Full	a	9	33	94	....	128	206	....	336	2.25
3. 40%, Replacement	a	10	34	61	27	122	213	....	336	5.84
4. 40%, 10%	a	10	36	74	....	110	225	....	336	6.16
County Total										
1. Actual	\$77	\$1,360	\$5,091	\$1,986	....	\$7,077	\$18,416	\$594	\$26,536	10.34%
2. Full	12	1,406	4,314	4,396	....	8,710	16,103	614	26,536	1.70
3. 40%, Replacement	13	1,349	4,361	2,836	\$2,096	9,293	15,677	583	26,536	4.16
4. 40%, 10%	13	1,450	4,617	3,449	8,066	16,782	628	26,536	4.45

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 a Less than \$500.

OCEAN COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Barnegat Light										
1. Actual .....	....	\$33	\$6	\$1	....	\$7	\$54	....	\$92	12.49%
2. Full .....	....	27	4	2	....	5	61	....	92	1.90
3. 40%, Replacement .....	....	25	3	1	\$7	12	56	....	92	4.39
4. 40%, 10% .....	....	27	4	1	....	5	61	....	92	4.76
Bay Head										
1. Actual	\$7	6	12	3	....	15	141	....	167	7.09
2. Full	1	7	8	5	....	13	147	....	167	1.44
3. 40%, Replacement	1	6	7	4	13	24	136	....	167	2.65
4. 40%, 10%	1	7	8	4	....	12	148	....	167	2.88
Beach Haven										
1. Actual .....	....	32	70	9	....	79	241	....	346	9.17
2. Full .....	....	36	65	19	....	84	229	....	346	1.91
3. 40%, Replacement .....	....	34	61	14	27	102	213	....	346	4.46
4. 40%, 10% .....	....	36	66	16	....	82	231	....	346	4.83
Beachwood										
1. Actual .....	....	25	5	3	....	8	129	....	150	9.52
2. Full .....	....	15	4	4	....	9	131	....	150	1.56
3. 40%, Replacement .....	....	14	4	4	12	20	121	....	150	3.63
4. 40%, 10% .....	....	15	4	4	....	9	132	....	150	3.94
Berkeley										
1. Actual	a	90	43	22	....	65	137	\$8	292	10.71
2. Full .....	....	88	45	30	....	75	123	8	292	1.49
3. 40%, Replacement .....	....	81	41	27	23	92	114	7	292	3.46
4. 40%, 10% .....	....	88	45	30	....	75	124	8	292	3.75
Brick										
1. Actual .....	....	133	23	22	....	45	893	5	987	16.27
2. Full .....	....	143	24	18	....	42	811	5	987	1.34
3. 40%, Replacement .....	....	133	22	14	78	114	752	5	987	3.11
4. 40%, 10% .....	....	144	24	16	....	40	816	5	987	3.37
Dover										
1. Actual	a	146	217	131	....	349	1,267	130	1,804	12.87
2. Full	a	209	145	132	....	276	1,170	167	1,804	1.30
3. 40%, Replacement	a	195	136	100	143	378	1,095	156	1,804	3.03
4. 40%, 10%	a	211	147	115	....	261	1,185	169	1,804	3.28
Eagleswood										
1. Actual .....	....	5	6	3	....	9	28	1	40	13.30
2. Full .....	....	6	18	2	....	19	14	1	40	0.81
3. 40%, Replacement .....	....	5	17	1	3	21	13	1	40	1.90
4. 40%, 10% .....	....	6	18	1	....	19	15	1	40	2.05
Harvey Cedars										
1. Actual .....	....	11	3	2	....	6	86	a	100	13.71
2. Full .....	....	22	3	2	....	5	73	a	100	1.36
3. 40%, Replacement .....	....	20	3	2	8	12	68	a	100	3.14
4. 40%, 10% .....	....	22	3	2	....	5	73	a	100	3.40
Island Beach										
1. Actual .....	....	....	....	....	....	....	....	....	....	....
2. Full .....	....	....	....	....	....	....	....	....	....	....
3. 40%, Replacement .....	....	....	....	....	....	....	....	....	....	....
4. 40%, 10% .....	....	....	....	....	....	....	....	....	....	....
Island Heights										
1. Actual .....	....	10	5	2	....	7	135	....	145	14.36
2. Full .....	....	7	11	3	....	14	127	....	145	2.72
3. 40%, Replacement .....	....	7	10	3	11	24	117	....	145	6.31
4. 40%, 10% .....	....	7	11	3	....	14	127	....	145	6.85
Jackson										
1. Actual	a	33	6	13	....	19	150	163	351	12.98
2. Full	a	58	11	17	....	28	136	132	351	1.71
3. 40%, Replacement	a	53	10	15	28	52	126	122	351	3.97
4. 40%, 10%	a	58	11	16	....	27	137	133	351	4.31
Lacey										
1. Actual	a	73	17	8	....	25	125	4	219	10.93
2. Full	a	93	15	8	....	23	101	3	219	1.15
3. 40%, Replacement	a	86	14	7	17	38	94	3	219	2.67
4. 40%, 10%	a	94	15	8	....	23	102	4	219	2.90
Lakehurst										
1. Actual	a	4	23	3	....	26	54	a	77	8.29
2. Full	a	2	42	4	....	45	31	a	77	0.87
3. 40%, Replacement	a	2	39	2	6	48	29	a	77	2.04
4. 40%, 10%	a	2	42	3	....	45	31	a	77	2.20

* Net taxes after veterans exemptions.
 a Less than \$500.

OCEAN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Lakewood										
1. Actual	\$1	\$100	\$571	\$152	....	\$723	\$676	\$58	\$1,485	16.50%
2. Full	a	97	324	216	....	540	782	87	1,485	2.36
3. 40%, Replacement	a	91	305	180	\$117	602	735	82	1,485	5.55
4. 40%, 10%	a	98	329	201	....	530	794	89	1,485	6.00
Lavalette										
1. Actual .....	....	5	33	4	....	36	229	a	266	7.08
2. Full .....	....	10	39	7	....	46	212	a	266	1.30
3. 40%, Replacement .....	....	9	36	5	21	63	196	a	266	3.02
4. 40%, 10% .....	....	10	40	6	....	45	213	a	266	3.27
Little Egg Harbor										
1. Actual .....	....	14	10	10	....	21	26	1	58	9.97
2. Full .....	....	16	8	10	....	18	24	1	58	0.99
3. 40%, Replacement .....	....	15	7	9	5	21	22	1	58	2.28
4. 40%, 10% .....	....	16	8	10	....	18	24	1	58	2.48
Long Beach										
1. Actual .....	....	68	26	11	....	36	673	....	766	11.13
2. Full .....	....	77	32	16	....	48	644	....	766	1.71
3. 40%, Replacement .....	....	71	30	15	61	105	594	....	766	3.95
4. 40%, 10% .....	....	77	32	16	....	48	645	....	766	4.29
Manchester										
1. Actual	a	37	8	8	....	15	35	9	92	13.72
2. Full	a	32	4	9	....	12	38	11	92	1.47
3. 40%, Replacement	a	30	3	7	7	18	35	11	92	3.43
4. 40%, 10%	a	32	4	8	....	11	38	11	92	3.71
Mantoloking										
1. Actual .....	....	9	2	2	....	3	106	....	119	3.91
2. Full .....	....	19	2	3	....	5	95	....	119	0.74
3. 40%, Replacement .....	....	18	1	3	9	14	88	....	119	1.70
4. 40%, 10% .....	....	19	2	3	....	5	95	....	119	1.84
Ocean Township										
1. Actual	a	16	4	3	....	7	86	....	105	9.99
2. Full .....	....	10	7	4	....	11	85	....	105	1.25
3. 40%, Replacement .....	....	9	7	4	8	18	78	....	105	2.88
4. 40%, 10% .....	....	10	7	4	....	11	85	....	105	3.13
Ocean Gate										
1. Actual .....	....	14	3	2	....	5	99	....	115	9.00
2. Full .....	....	11	8	3	....	11	93	....	115	1.70
3. 40%, Replacement .....	....	10	8	2	9	19	87	....	115	3.97
4. 40%, 10% .....	....	11	8	2	....	11	94	....	115	4.30
Pine Beach										
1. Actual .....	....	10	....	1	....	1	71	....	76	9.85
2. Full .....	....	5	....	2	....	2	71	....	76	1.24
3. 40%, Replacement .....	....	5	....	1	6	7	66	....	76	2.87
4. 40%, 10% .....	....	5	....	2	....	2	72	....	76	3.12
Plumstead										
1. Actual	1	5	12	16	....	28	92	32	147	14.04
2. Full	a	3	11	19	....	31	82	33	147	1.67
3. 40%, Replacement	a	3	11	13	12	35	79	32	147	4.02
4. 40%, 10%	a	4	12	15	....	27	85	34	147	4.32
Point Pleasant Boro										
1. Actual .....	....	99	48	19	....	67	714	a	841	9.27
2. Full .....	....	117	45	38	....	83	657	1	841	1.86
3. 40%, Replacement .....	....	109	42	30	66	139	612	1	841	4.33
4. 40%, 10% .....	....	118	46	34	....	80	663	1	841	4.69
Point Pleasant Beach										
1. Actual	3	43	185	28	....	214	495	....	735	12.79
2. Full	a	54	203	37	....	240	445	....	735	1.71
3. 40%, Replacement	a	51	191	22	58	270	419	....	735	4.01
4. 40%, 10%	a	55	206	27	....	233	453	....	735	4.34
Seaside Heights										
1. Actual .....	....	14	88	8	....	97	242	....	347	8.74
2. Full .....	....	17	86	17	....	103	230	....	347	1.77
3. 40%, Replacement .....	....	16	80	13	27	120	214	....	347	4.10
4. 40%, 10% .....	....	17	87	15	....	101	232	....	347	4.45
Seaside Park										
1. Actual .....	....	7	39	9	....	48	277	....	325	9.67
2. Full .....	....	7	35	16	....	51	269	....	325	1.73
3. 40%, Replacement .....	....	7	33	12	26	70	251	....	325	4.04
4. 40%, 10% .....	....	8	35	14	....	49	272	....	325	4.37

* Net taxes after veterans exemptions.
 a Less than \$500.

OCEAN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes				Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax	Total				
Ship Bottom Beach										
1. Actual .....	....	\$22	\$32	\$10	....	\$42	\$154	....	\$213	12.80%
2. Full .....	....	17	45	13	....	58	139	....	213	1.62
3. 40%, Replacement .....	....	16	43	9	\$17	68	130	....	213	3.79
4. 40%, 10% .....	....	17	46	10	....	56	141	....	213	4.10
South Toms River										
1. Actual	\$1	2	15	9	....	24	9	\$2	37	8.51
2. Full	a	2	15	11	....	26	8	2	37	0.98
3. 40%, Replacement	a	2	16	5	3	24	9	2	37	2.72
4. 40%, 10%	a	2	17	7	....	24	10	2	37	2.81
Stafford										
1. Actual .....	....	31	37	81	....	118	101	4	246	12.64
2. Full .....	....	27	17	118	....	135	84	3	246	1.84
3. 40%, Replacement .....	....	25	16	106	19	141	79	3	246	4.35
4. 40%, 10% .....	....	27	17	116	....	133	86	3	246	4.70
Surf City										
1. Actual .....	....	37	9	3	....	13	190	....	236	11.59
2. Full .....	....	45	9	5	....	14	178	....	236	1.90
3. 40%, Replacement .....	....	42	8	2	19	29	166	....	236	4.44
4. 40%, 10% .....	....	46	9	3	....	12	180	....	236	4.80
Tuckerton										
1. Actual .....	....	4	13	10	....	24	65	....	87	10.79
2. Full .....	....	12	11	13	....	24	52	....	87	1.38
3. 40%, Replacement .....	....	12	11	8	7	26	51	....	87	3.37
4. 40%, 10% .....	....	12	12	10	....	22	54	....	87	3.61
Union Township										
1. Actual	1	20	18	10	....	28	65	4	112	12.60
2. Full	a	21	26	13	....	40	50	3	112	1.66
3. 40%, Replacement	a	20	26	8	9	42	48	3	112	4.03
4. 40%, 10%	a	22	27	10	....	37	51	4	112	4.32

County Total										
1. Actual	\$15	\$1,156	\$1,591	\$619	....	\$2,209	\$7,846	\$421	\$11,180	11.53%
2. Full	2	1,313	1,321	814	....	2,136	7,392	457	11,180	1.56
3. 40%, Replacement	2	1,224	1,240	646	\$883	2,770	6,896	428	11,180	3.65
4. 40%, 10%	2	1,326	1,341	731	....	2,072	7,468	464	11,180	3.95

* Net taxes after veterans exemptions.
 a Less than \$500.

PASSAIC COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Bloomingtondale									
1. Actual	a	\$27	\$41	\$20	....	\$61	\$250	....	\$324 8.93%
2. Full	a	26	31	37	....	68	235	....	324 1.62
3. 40%, Replacement	a	26	31	13	\$26	70	253	....	324 4.05
4. 40%, 10%	a	27	33	20	....	53	250	....	324 4.32
Clifton									
1. Actual	\$8	168	2,550	519	....	3,070	5,149	....	8,251 5.62
2. Full	2	207	1,635	2,359	....	3,994	4,125	....	8,251 1.50
3. 40%, Replacement	2	158	1,688	1,592	652	3,931	4,587	....	8,251 3.88
4. 40%, 10%	2	167	1,783	1,904	....	3,687	4,499	....	8,251 4.10
Haledon									
1. Actual .....	....	7	104	30	....	133	325	....	457 5.98
2. Full .....	....	8	66	86	....	152	302	....	457 1.70
3. 40%, Replacement .....	....	8	66	51	36	152	326	....	457 4.26
4. 40%, 10% .....	....	9	70	63	....	133	321	....	457 4.53
Hawthorne									
1. Actual	4	30	340	68	....	408	1,143	....	1,545 6.06
2. Full	1	30	246	192	....	438	1,099	....	1,545 1.68
3. 40%, Replacement	1	29	238	120	122	480	1,145	....	1,545 4.06
4. 40%, 10%	1	31	255	146	....	401	1,141	....	1,545 4.35
Little Falls									
1. Actual	1	46	163	92	....	255	694	....	964 8.39
2. Full	a	45	192	183	....	375	556	....	964 1.63
3. 40%, Replacement	a	44	188	127	76	391	586	....	964 3.99
4. 40%, 10%	a	47	201	150	....	351	582	....	964 4.27
North Haledon									
1. Actual .....	....	18	24	8	....	32	469	\$13	515 7.97
2. Full .....	....	29	21	20	....	41	446	8	515 1.93
3. 40%, Replacement .....	....	27	19	15	41	75	447	8	515 4.50
4. 40%, 10% .....	....	29	21	18	....	38	450	8	515 4.87
Passaic									
1. Actual	27	38	3,276	1,650	....	4,926	2,063	....	7,004 7.49
2. Full	7	43	1,986	3,460	....	5,447	1,534	....	7,004 1.98
3. 40%, Replacement	10	60	2,739	1,572	553	4,865	2,278	....	7,004 6.83
4. 40%, 10%	10	58	2,646	2,292	....	4,938	2,043	....	7,004 6.59
Paterson									
1. Actual	62	169	5,594	1,545	....	7,139	6,566	....	13,809 6.93
2. Full	21	206	3,601	4,671	....	8,271	5,398	....	13,809 2.39
3. 40%, Replacement	23	223	3,893	2,860	1,091	7,845	5,837	....	13,809 6.47
4. 40%, 10%	24	232	4,053	3,547	....	7,600	6,076	....	13,809 6.74
Pompton Lakes									
1. Actual	1	26	174	132	....	306	718	....	1,004 8.88
2. Full	a	24	122	276	....	397	602	....	1,004 1.82
3. 40%, Replacement	a	23	120	212	79	411	594	....	1,004 4.49
4. 40%, 10%	a	25	128	242	....	370	634	....	1,004 4.80
Prospect Park									
1. Actual .....	....	1	39	15	....	55	222	1	273 5.22
2. Full .....	....	1	36	40	....	76	198	1	273 1.34
3. 40%, Replacement .....	....	1	34	32	22	87	188	1	273 3.17
4. 40%, 10% .....	....	1	36	36	....	72	203	1	273 3.42
Ringwood									
1. Actual .....	....	73	100	17	....	117	423	3	607 8.95
2. Full .....	....	65	98	40	....	137	405	3	607 2.06
3. 40%, Replacement .....	....	60	90	36	48	174	374	3	607 4.75
4. 40%, 10% .....	....	66	98	39	....	137	406	3	607 5.16
Totowa									
1. Actual	a	48	112	30	....	142	605	9	780 5.80
2. Full	a	55	73	89	....	162	569	8	780 1.68
3. 40%, Replacement	a	54	72	43	62	177	558	8	780 4.12
4. 40%, 10%	a	57	77	58	....	135	597	9	780 4.41
Wanaque									
1. Actual	2	55	79	26	....	105	407	....	531 11.78
2. Full	a	52	96	47	....	143	350	....	531 2.08
3. 40%, Replacement	a	49	91	36	42	168	330	....	531 4.91
4. 40%, 10%	a	53	98	41	....	139	357	....	531 5.31
Wayne									
1. Actual	a	158	238	32	....	270	1,686	25	2,075 6.49
2. Full	a	201	249	81	....	330	1,502	74	2,075 1.60
3. 40%, Replacement	a	193	239	8	164	411	1,440	70	2,075 3.83
4. 40%, 10%	a	207	257	27	284	1,549	76	2,075 4.12

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 a Less than \$500.

PASSAIC COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
West Milford										
1. Actual	a	\$285	\$54	\$24	....	78	623	12	980	7.27%
2. Full	a	301	56	53	....	108	567	12	980	1.55
3. 40%, Replacement	a	291	54	6	\$77	13	550	11	980	3.75
4. 40%, 10%	a	312	58	18	....	76	589	12	980	4.03
West Paterson										
1. Actual	a	35	115	18	....	133	498	2	637	8.25
2. Full	a	64	103	44	....	147	440	2	637	1.98
3. 40%, Replacement	a	60	97	35	50	182	412	2	637	4.62
4. 40%, 10%	a	64	105	39	....	144	446	2	637	5.01
County Total										
1. Actual	\$106	\$1,184	\$13,004	\$4,228	....	\$17,232	\$21,839	\$64	\$39,759	6.75%
2. Full	33	1,354	8,610	11,677	....	20,287	18,328	108	39,759	1.89
3. 40%, Replacement	37	1,304	9,658	6,757	\$3,141	19,556	19,214	103	39,759	5.04
4. 40%, 10%	38	1,384	9,919	8,642	18,561	20,143	111	39,759	5.27

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 a Less than \$500.

SALEM COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Alloway										
1. Actual	a	\$6	\$3	\$2	....	\$5	\$40	\$65	\$110	12.08%
2. Full .....	....	5	4	3	....	7	40	59	110	1.69
3. 40%, Replacement .....	....	5	3	3	\$9	15	37	55	110	3.94
4. 40%, 10% .....	....	5	4	3	....	6	40	60	110	4.27
Elmer										
1. Actual	a	1	18	9	....	27	65	a	90	9.30
2. Full	a	1	12	21	....	33	58	a	90	1.63
3. 40%, Replacement	a	1	14	....	7	21	70	a	90	4.89
4. 40%, 10%	a	1	14	6	....	21	70	a	90	4.94
Elsinboro										
1. Actual .....	....	1	2	5	....	7	24	14	44	6.37
2. Full .....	....	1	2	9	....	11	20	13	44	0.92
3. 40%, Replacement .....	....	1	2	8	3	13	18	12	44	2.16
4. 40%, 10% .....	....	1	2	8	....	10	20	13	44	2.34
Lower Alloway Creek										
1. Actual .....	....	7	1	3	....	4	30	45	82	9.68
2. Full .....	....	5	1	7	....	8	24	47	82	1.94
3. 40%, Replacement .....	....	4	1	7	6	14	22	43	82	4.49
4. 40%, 10% .....	....	5	1	7	....	8	24	47	82	4.88
Lower Penns Neck										
1. Actual	a	23	685	767	....	1,451	222	9	1,684	5.78
2. Full	a	11	493	1,054	....	1,547	126	4	1,684	0.62
3. 40%, Replacement	a	11	454	971	133	1,558	117	4	1,684	1.42
4. 40%, 10%	a	11	493	1,054	....	1,548	127	4	1,684	1.55
Mannington										
1. Actual	a	5	20	15	....	35	40	82	159	7.49
2. Full	a	6	6	40	....	47	30	78	159	1.54
3. 40%, Replacement	a	6	7	26	13	45	30	80	159	3.92
4. 40%, 10%	a	6	7	32	....	38	32	84	159	4.14

SALEM COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Oldmans										
1. Actual	a	\$2	\$15	\$6	....	\$20	\$46	\$37	\$101	9.17%
2. Full	a	1	14	12	....	26	40	35	101	1.49
3. 40%, Replacement	a	1	13	9	\$8	30	38	34	101	3.52
4. 40%, 10%	a	1	14	10	....	25	41	36	101	3.80
Penns Grove										
1. Actual	\$2	10	73	28	....	101	256	....	357	10.21
2. Full	a	7	64	77	....	141	214	....	357	1.54
3. 40%, Replacement	a	7	68	31	28	127	229	....	357	5.91
4. 40%, 10%	a	7	71	46	....	117	240	....	357	6.18
Piles Grove										
1. Actual	a	1	18	3	....	21	47	99	164	8.38
2. Full	a	1	21	8	....	29	41	95	164	1.54
3. 40%, Replacement	a	1	19	5	13	38	38	89	164	3.62
4. 40%, 10%	a	1	21	6	....	27	41	96	164	3.91
Pittsgrove										
1. Actual	a	15	21	15	....	36	51	95	191	7.12
2. Full	a	10	24	32	....	56	51	76	191	1.22
3. 40%, Replacement	a	10	23	25	15	62	49	73	191	2.91
4. 40%, 10%	a	11	24	28	....	53	52	78	191	3.13
Quinton										
1. Actual .....	....	3	10	5	....	15	52	29	94	7.69
2. Full .....	....	2	10	13	....	23	49	21	94	1.60
3. 40%, Replacement .....	....	2	10	....	7	18	53	23	94	4.30
4. 40%, 10% .....	....	2	11	4	....	15	55	24	94	4.49
Salem										
1. Actual	1	7	179	78	....	257	365	3	620	8.64
2. Full	a	12	151	208	....	359	252	2	620	1.79
3. 40%, Replacement	a	16	191	50	49	290	320	3	620	5.68
4. 40%, 10%	a	16	190	103	....	293	318	3	620	5.64
Upper Penns Neck										
1. Actual .....	....	7	119	132	....	251	411	47	685	10.06
2. Full .....	....	8	84	286	....	370	284	33	685	1.69
3. 40%, Replacement .....	....	12	121	61	54	236	408	48	685	6.08
4. 40%, 10% .....	....	11	115	142	....	257	389	46	685	5.80
Pittsgrove										
1. Actual	a	2	2	2	....	4	36	89	128	8.08
2. Full	a	1	1	3	....	4	22	102	128	0.94
3. 40%, Replacement	a	1	1	2	10	13	21	94	128	2.18
4. 40%, 10%	a	1	1	2	....	3	22	102	128	2.36
Woodstown										
1. Actual	a	2	30	15	....	46	175	3	218	8.39
2. Full	a	2	28	40	....	68	149	3	218	1.68
3. 40%, Replacement	a	2	31	6	17	55	163	3	218	4.60
4. 40%, 10%	a	2	32	16	....	49	169	3	218	4.77
County Total										
1. Actual	\$4	\$90	\$1,196	\$1,084	....	\$2,281	\$1,861	\$617	\$4,728	7.47%
2. Full	1	74	914	1,812	....	2,726	1,400	570	4,728	1.03
3. 40%, Replacement	1	80	959	1,203	\$374	2,535	1,612	561	4,728	2.54
4. 40%, 10%	1	83	1,002	1,467	....	2,469	1,640	598	4,728	2.71

* Net taxes after veterans exemptions.
 a Less than \$500.

SOMERSET COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed - (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Bedminster										
1. Actual .....	....	\$7	\$8	\$8	....	\$16	\$109	\$156	\$283	6.64%
2. Full .....	....	11	12	20	....	32	108	133	283	1.24
3. 40%, Replacement .....	....	10	11	17	\$22	50	100	123	283	2.88
4. 40%, 10% .....	....	11	12	18	....	31	109	134	283	3.12
Bernards										
1. Actual	\$2	37	42	115	....	156	691	31	872	17.54
2. Full	a	26	25	176	....	201	622	33	872	1.90
3. 40%, Replacement	a	25	23	155	69	246	582	31	872	4.45
4. 40%, 10%	a	27	25	170	....	195	630	33	872	4.82
Bernardsville										
1. Actual	9	24	45	54	....	98	470	7	590	10.04
2. Full	1	23	53	105	....	158	406	7	590	1.39
3. 40%, Replacement	1	22	52	73	47	171	395	7	590	3.37
4. 40%, 10%	1	23	56	86	....	142	423	7	590	3.61
Bound Brook										
1. Actual	14	167	224	69	....	293	417	....	864	10.27
2. Full	2	167	203	171	....	374	330	....	864	1.78
3. 40%, Replacement	2	159	194	135	68	398	316	....	864	4.26
4. 40%, 10%	3	172	209	153	....	362	340	....	864	4.59
Branchburg										
1. Actual	1	12	56	16	....	72	170	72	316	10.25
2. Full	a	12	55	34	....	89	142	77	316	1.56
3. 40%, Replacement	a	11	52	21	25	98	136	74	316	3.73
4. 40%, 10%	a	12	56	26	....	82	146	80	316	4.01
Bridgewater										
1. Actual	6	54	590	367	....	957	651	32	1,647	9.13
2. Full	1	50	519	576	....	1,095	492	20	1,647	1.01
3. 40%, Replacement	1	56	584	316	130	1,030	554	23	1,647	2.85
4. 40%, 10%	1	57	601	410	....	1,012	570	24	1,647	2.93
Far Hills										
1. Actual	1	5	4	5	....	9	75	1	90	7.80
2. Full	a	5	2	7	....	9	75	1	90	0.88
3. 40%, Replacement	a	5	2	2	7	11	74	1	90	2.14
4. 40%, 10%	a	5	2	4	....	6	79	1	90	2.29
Franklin										
1. Actual	a	112	76	67	....	143	777	170	1,134	13.24
2. Full	a	111	71	117	....	188	666	186	1,134	1.63
3. 40%, Replacement	a	105	67	88	90	245	629	176	1,134	3.85
4. 40%, 10%	a	113	72	101	....	174	679	190	1,134	4.16
Green Brook										
1. Actual .....	....	27	70	17	....	87	241	....	336	10.14
2. Full .....	....	33	55	40	....	95	214	....	336	1.65
3. 40%, Replacement .....	....	32	53	26	27	105	206	....	336	3.98
4. 40%, 10% .....	....	34	57	31	....	88	221	....	336	4.27
Hillsborough										
1. Actual	2	33	80	27	....	108	308	161	589	10.73
2. Full	a	44	62	53	....	115	254	181	589	1.48
3. 40%, Replacement	a	42	59	34	47	139	242	173	589	3.53
4. 40%, 10%	a	45	63	41	....	104	261	186	589	3.80
Manville										
1. Actual	9	97	168	202	....	369	347	a	785	10.61
2. Full	1	70	101	345	....	445	278	a	785	1.28
3. 40%, Replacement	1	72	104	271	62	437	287	a	785	3.30
4. 40%, 10%	1	76	109	308	....	418	303	a	785	3.48
Millstone										
1. Actual .....	....	2	2	a	....	2	24	2	29	9.95
2. Full .....	....	2	2	1	....	2	22	3	29	1.58
3. 40%, Replacement .....	....	2	1	1	2	4	20	3	29	3.65
4. 40%, 10% .....	....	2	2	1	....	2	22	3	29	3.96
Montgomery										
1. Actual	4	16	21	10	....	31	146	119	306	12.40
2. Full	1	17	22	21	....	42	132	118	306	1.90
3. 40%, Replacement	1	16	21	9	24	54	126	113	306	4.54
4. 40%, 10%	1	17	22	13	....	35	136	122	306	4.88
North Plainfield										
1. Actual .....	....	30	161	84	....	245	1,306	....	1,518	9.88
2. Full .....	....	34	100	248	....	348	1,163	....	1,518	2.06
3. 40%, Replacement .....	....	33	97	176	120	392	1,125	....	1,518	4.99
4. 40%, 10% .....	....	35	104	206	....	310	1,208	....	1,518	5.36

* Net taxes after veterans exemptions.
 a Less than \$500.

SOMERSET COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Peapack-Gladstone										
1. Actual	\$1	\$16	\$45	\$15	....	\$60	\$123	\$17	\$212	10.11%
2. Full	a	16	32	32	....	65	117	16	212	1.58
3. 40%, Replacement	a	16	32	16	\$17	65	116	16	212	3.94
4. 40%, 10%	a	17	34	22	....	56	124	18	212	4.19
Raritan										
1. Actual	6	62	100	73	....	173	213	....	437	11.65
2. Full	1	89	81	120	....	200	151	....	437	1.35
3. 40%, Replacement	1	95	87	63	35	184	163	....	437	3.64
4. 40%, 10%	1	99	90	83	....	173	170	....	437	3.79
Rocky Hill										
1. Actual .....	....	1	3	1	....	4	29	1	33	10.74
2. Full .....	....	1	5	2	....	7	24	1	33	1.59
3. 40%, Replacement .....	....	a	5	2	3	9	23	1	33	3.74
4. 40%, 10% .....	....	1	5	2	....	7	25	1	33	4.04
Somerville										
1. Actual	14	14	424	132	....	556	657	....	1,204	10.22
2. Full	2	16	270	330	....	600	598	....	1,204	1.80
3. 40%, Replacement	2	16	270	238	95	603	598	....	1,204	4.50
4. 40%, 10%	3	17	287	277	....	565	637	....	1,204	4.79
South Bound Brook										
1. Actual	a	6	51	32	....	82	175	1	252	9.30
2. Full	a	5	40	83	....	123	128	1	252	1.73
3. 40%, Replacement	a	5	40	63	20	123	129	1	252	4.38
4. 40%, 10%	a	5	43	72	....	115	137	1	252	4.64
Warren										
1. Actual .....	....	98	28	12	....	40	292	41	446	15.22
2. Full .....	....	115	27	19	....	46	252	38	446	1.66
3. 40%, Replacement .....	....	107	25	15	35	76	234	36	446	3.85
4. 40%, 10% .....	....	116	27	17	....	44	254	39	446	4.17
Watchung										
1. Actual .....	....	42	92	24	....	117	229	1	374	13.34
2. Full .....	....	45	80	35	....	114	216	1	374	1.34
3. 40%, Replacement .....	....	45	80	7	30	116	215	1	374	3.33
4. 40%, 10% .....	....	48	85	15	....	100	229	1	374	3.54
County Total										
1. Actual	\$68	\$861	\$2,289	\$1,329	....	\$3,618	\$7,451	\$813	\$12,316	10.70%
2. Full	10	889	1,814	2,536	....	4,350	6,391	818	12,316	1.50
3. 40%, Replacement	10	873	1,858	1,726	\$973	4,558	6,271	779	12,316	3.76
4. 40%, 10%	11	933	1,962	2,057	....	4,019	6,701	839	12,316	4.00

* Net taxes after veterans exemptions.

a Less than \$500.

SUSSEX COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Andover Boro										
1. Actual	\$1	\$1	\$6	\$6		\$11	\$45	\$9	\$63	15.01%
2. Full	a	1	5	4		12	42	9	63	2.38
3. 40%, 10%	a	1	6	4	\$5	14	40	9	63	5.71
4. 40%, 10%	a	1	6	4		10	43	10	63	6.15
Andover Township										
1. Actual	a	10	37	9		46	157	34	240	14.73
2. Full	a	10	43	9		52	147	34	240	2.21
3. 40%, Replacement	a	9	39	8	19	66	136	31	240	5.13
4. 40%, 10%	a	10	43	9		51	147	34	240	5.56
Branchville										
1. Actual	a	a	28	8		35	44	a	77	12.00
2. Full	a	a	28	8		36	41	a	77	1.82
3. 40%, Replacement	a	a	27	3	6	37	41	a	77	4.45
4. 40%, 10%	a	a	29	5		34	43	a	77	4.76
Byram										
1. Actual	a	19	4	4		8	145	a	166	9.51
2. Full	a	14	5	5		9	144	a	166	1.72
3. 40%, Replacement	a	13	4	3	13	21	134	a	166	4.00
4. 40%, 10%	a	14	5	4		9	145	a	166	4.34
Frankford										
1. Actual	a	12	22	6		28	183	84	300	13.43
2. Full	a	15	21	6		27	167	93	300	2.09
3. 40%, Replacement	a	14	19	5	24	48	154	86	300	4.85
4. 40%, 10%	a	15	21	6		27	167	94	300	5.26
Franklin										
1. Actual	3	6	70	20		90	181	7	268	16.73
2. Full	a	4	47	22		68	194	8	268	2.64
3. 40%, Replacement	a	4	44	13	21	79	185	8	268	6.32
4. 40%, 10%	a	4	48	16		64	199	8	268	6.80
Fredon										
1. Actual	a	3	4	1		5	39	50	94	17.04
2. Full	a	4	5	1		5	43	43	94	1.88
3. 40%, Replacement	a	3	4	1	7	12	39	40	94	4.36
4. 40%, 10%	a	4	5	1		5	43	43	94	4.73
Green										
1. Actual	a	2	2	2		4	28	57	89	12.38
2. Full	a	2	3	4		6	38	44	89	2.61
3. 40%, Replacement	a	2	3	2	7	12	35	41	89	6.11
4. 40%, 10%	a	3	3	3		6	38	44	89	6.61
Hamburg										
1. Actual	a	3	28	8		36	49	2	85	11.23
2. Full	a	2	25	10		34	49	2	85	1.98
3. 40%, Replacement	a	2	25	3	7	35	49	2	85	4.94
4. 40%, 10%	a	2	26	5		31	52	2	85	5.26
Hampton										
1. Actual	a	9	11	2		13	48	43	109	13.55
2. Full	a	6	10	2		11	40	53	109	1.40
3. 40%, Replacement	a	5	9	1	9	19	37	49	109	3.24
4. 40%, 10%	a	6	10	1		11	40	53	109	3.51
Hardyston										
1. Actual	a	40	5	3		9	127	28	196	12.83
2. Full	a	30	4	3		7	132	29	196	1.78
3. 40%, Replacement	a	28	4	2	15	21	122	27	196	4.14
4. 40%, 10%	a	30	4	2		6	133	30	196	4.48
Hopatcong										
1. Actual		60	24	9		33	481		564	8.92
2. Full		58	38	13		51	460		564	1.91
3. 40%, Replacement		53	35	12	45	91	424		564	4.40
4. 40%, 10%		58	38	13		51	461		564	4.77
Lafayette										
1. Actual	a	1	6	3		10	24	56	89	11.17
2. Full	a	1	4	5		8	27	53	89	2.38
3. 40%, Replacement	a	1	4	1	7	11	26	51	89	5.76
4. 40%, 10%	a	1	4	2		6	28	55	89	6.17
Montague										
1. Actual		3	4	9		13	28	24	66	9.52
2. Full		3	4	8		12	23	29	66	1.18
3. 40%, Replacement		3	4	7	5	16	21	27	66	2.72
4. 40%, 10%		3	4	8		12	23	29	66	2.95

* Net taxes after veterans exemptions.
 a Less than \$500.

SUSSEX COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Business Taxes			Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
			Real Estate	Personal Property	Replacement Tax					
Newton										
1. Actual	\$1	\$7	\$160	\$82	....	\$242	\$412	\$3	\$644	12.75%
2. Full	a	12	140	115	....	240	400	3	644	2.64
3. 40%, Replacement	a	12	140	a	\$51	191	450	4	644	7.43
4. 40%, 10%	a	12	144	34	....	178	463	4	644	7.65
Ogdensburg										
1. Actual	a	1	203	6	....	208	43	2	251	10.01
2. Full	a	1	201	8	....	209	40	2	251	2.06
3. 40%, Replacement	a	1	191	1	20	212	38	2	251	4.88
4. 40%, 10%	a	1	206	3	....	209	41	3	251	5.26
Sandyston										
1. Actual .....	....	9	17	3	....	21	80	38	142	12.80
2. Full .....	....	7	5	4	....	9	75	52	142	2.05
3. 40%, Replacement .....	....	7	5	2	11	18	70	49	142	4.78
4. 40%, 10% .....	....	7	5	3	....	8	76	53	142	5.18
Sparta										
1. Actual	a	104	60	11	....	71	689	50	874	16.06
2. Full	a	75	67	10	....	77	682	50	874	2.18
3. 40%, Replacement	a	70	62	8	69	139	631	46	874	5.03
4. 40%, 10%	a	76	67	9	....	76	685	50	874	5.46
Stanhope										
1. Actual .....	....	10	19	8	....	27	79	....	110	11.36
2. Full .....	....	12	13	9	....	22	78	....	110	1.94
3. 40%, Replacement .....	....	12	13	5	9	26	74	....	110	4.66
4. 40%, 10% .....	....	13	14	6	....	20	80	....	110	5.02
Stillwater										
1. Actual	a	9	4	3	....	7	92	33	136	11.64
2. Full .....	....	8	5	3	....	7	92	30	136	1.50
3. 40%, Replacement .....	....	8	4	a	11	15	84	30	136	3.44
4. 40%, 10% .....	....	8	4	1	....	5	91	33	136	3.73
Sussex										
1. Actual	1	2	47	21	....	67	90	2	157	12.03
2. Full	a	2	39	28	....	68	87	2	157	2.45
3. 40%, Replacement	a	2	44	2	12	58	97	2	157	6.84
4. 40%, 10%	a	3	45	9	....	55	100	2	157	7.06
Vernon										
1. Actual	a	44	6	15	....	21	142	52	251	10.25
2. Full	a	28	7	12	....	19	163	43	251	1.27
3. 40%, Replacement	a	27	6	1	20	27	158	42	251	3.06
4. 40%, 10%	a	29	7	4	....	11	169	45	251	3.73
Walpack										
1. Actual .....	....	10	4	2	....	6	24	26	63	13.18
2. Full .....	....	14	4	1	....	5	21	23	63	1.82
3. 40%, Replacement .....	....	13	4	1	5	10	19	21	63	4.21
4. 40%, 10% .....	....	14	4	1	....	5	21	23	63	4.56
Wantage										
1. Actual	a	6	17	19	....	36	73	132	241	12.00
2. Full	a	6	21	18	....	40	79	118	241	1.69
3. 40%, Replacement	a	6	20	14	19	53	74	110	241	3.95
4. 40%, 10%	a	6	22	16	....	38	80	119	241	4.28
County Total										
1. Actual	\$8	\$371	\$788	\$260	....	\$1,048	\$3,300	\$732	\$5,274	12.29%
2. Full	1	314	726	309	....	1,035	3,261	722	5,274	1.99
3. 40%, Replacement	1	295	715	99	\$417	1,231	3,140	679	5,274	4.76
4. 40%, 10%	1	319	763	164	....	927	3,370	734	5,274	5.12

* Net taxes after veterans exemptions.
 a Less than \$500.

UNION COUNTY

ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957

(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Berkeley Heights										
1. Actual	a	\$52	\$491	\$211	....	\$702	\$554	\$2	\$1,284	9.65%
2. Full	a	63	289	393	....	683	547	2	1,284	1.87
3. 40%, Replacement	a	60	277	332	\$101	710	524	2	1,284	4.49
4. 40%, 10%	a	64	298	369	....	667	563	2	1,284	4.83
Clark										
1. Actual	a	52	222	138	....	360	702	6	1,063	8.25
2. Full	a	82	170	228	....	399	594	8	1,063	1.42
3. 40%, Replacement	a	82	171	145	84	400	597	8	1,063	3.58
4. 40%, 10%	a	87	182	177	....	359	634	9	1,063	3.80
Cranford										
1. Actual	\$25	58	279	112	....	391	1,907	2	2,302	6.97
2. Full	7	91	214	281	....	495	1,750	1	2,302	1.81
3. 40%, Replacement	6	86	201	232	182	615	1,643	1	2,302	4.25
4. 40%, 10%	7	93	217	260	....	477	1,777	2	2,302	4.60
Elizabeth										
1. Actual	235	234	5,105	1,518	....	6,624	5,153	....	12,104	7.95
2. Full	68	203	3,102	4,729	....	7,831	4,084	....	12,104	2.29
3. 40%, Replacement	71	215	3,277	3,377	956	7,611	4,315	....	12,104	6.05
4. 40%, 10%	75	225	3,434	3,963	....	7,397	4,521	....	12,104	6.34
Fanwood										
1. Actual	2	17	25	22	....	47	683	....	714	7.24
2. Full	a	13	25	55	....	79	639	....	714	1.86
3. 40%, Replacement	a	12	23	46	56	125	597	....	714	4.34
4. 40%, 10%	a	13	25	51	....	76	647	....	714	4.70
Garwood										
1. Actual	2	14	121	107	....	228	325	....	553	8.38
2. Full	a	8	103	229	....	332	217	....	553	1.29
3. 40%, Replacement	a	8	104	185	44	332	219	....	553	3.25
4. 40%, 10%	a	9	110	208	....	319	232	....	553	3.45
Hillside										
1. Actual	2	35	969	490	....	1,459	1,453	1	2,906	6.41
2. Full	1	31	629	1,145	....	1,774	1,120	1	2,906	1.43
3. 40%, Replacement	1	35	728	645	230	1,602	1,295	1	2,906	4.13
4. 40%, 10%	1	36	743	832	....	1,575	1,323	1	2,906	4.22
Kenilworth										
1. Actual	3	20	260	159	....	420	490	....	903	7.70
2. Full	1	26	226	246	....	473	416	....	903	1.55
3. 40%, Replacement	1	30	269	55	71	395	495	....	903	4.61
4. 40%, 10%	1	31	272	116	....	388	501	....	903	4.68
Linden										
1. Actual	19	85	3,877	1,517	....	5,394	1,620	3	7,038	6.41
2. Full	4	67	2,583	3,074	....	5,656	1,339	2	7,038	1.19
3. 40%, Replacement	4	83	3,219	1,551	556	5,325	1,669	3	7,038	3.72
4. 40%, 10%	4	83	3,212	2,117	....	5,329	1,666	3	7,038	3.71
Mountainside										
1. Actual .....	....	40	113	68	....	181	575	a	778	7.16
2. Full .....	....	55	88	131	....	219	511	a	778	1.44
3. 40%, Replacement .....	....	54	87	80	61	229	504	a	778	3.56
4. 40%, 10% .....	....	58	93	99	....	192	538	a	778	3.80
New Providence										
1. Actual	a	63	255	46	....	301	637	....	975	6.71
2. Full	a	76	136	138	....	274	642	....	975	2.11
3. 40%, Replacement	a	72	130	101	77	308	614	....	975	5.04
4. 40%, 10%	a	78	140	117	....	257	661	....	975	5.42
Plainfield										
1. Actual	21	80	2,071	609	....	2,680	3,290	....	5,967	7.78
2. Full	7	84	1,573	1,320	....	2,893	3,048	....	5,967	2.42
3. 40%, Replacement	7	85	1,582	838	471	2,891	3,065	....	5,967	6.09
4. 40%, 10%	7	90	1,680	1,020	....	2,700	3,256	....	5,967	6.46
Rahway										
1. Actual	41	77	764	403	....	1,167	1,844	....	3,040	7.64
2. Full	12	105	480	691	....	1,171	1,805	....	3,040	2.27
3. 40%, Replacement	12	107	489	422	240	1,151	1,838	....	3,040	5.78
4. 40%, 10%	13	113	518	521	....	1,039	1,947	....	3,040	6.12
Roselle Boro										
1. Actual	2	43	471	176	....	647	1,449	....	2,072	8.17
2. Full	1	45	319	456	....	775	1,289	....	2,072	2.20
3. 40%, Replacement	1	44	310	347	164	821	1,252	....	2,072	5.34
4. 40%, 10%	1	47	332	398	....	730	1,343	....	2,072	5.72

* Net taxes after veterans exemptions.
 a Less than \$500.

UNION COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Roselle Park										
1. Actual	\$4	\$13	\$186	\$74	....	\$260	\$919	....	\$1,165	7.40%
2. Full	1	14	123	188	....	311	855	....	1,165	1.96
3. 40%, Replacement	1	14	120	125	\$92	337	834	....	1,165	4.77
4. 40%, 10%	1	15	129	149	....	278	893	....	1,165	5.11
Scotch Plains										
1. Actual	a	67	112	61	....	173	1,449	\$12	1,640	7.01
2. Full	a	98	106	149	....	255	1,307	11	1,640	1.78
3. 40%, Replacement	a	92	100	119	130	343	1,226	11	1,640	4.18
4. 40%, 10%	a	99	108	135	....	242	1,327	12	1,640	4.52
Springfield										
1. Actual	a	76	455	163	....	618	1,185	17	1,836	10.68
2. Full	a	77	403	293	....	696	1,068	17	1,836	2.00
3. 40%, Replacement	a	75	390	206	145	740	1,032	16	1,836	4.83
4. 40%, 10%	a	80	418	242	....	660	1,108	17	1,836	5.19
Summit										
1. Actual	12	88	871	223	....	1,094	2,194	....	3,344	6.45
2. Full	3	89	623	755	....	1,378	1,897	....	3,344	1.76
3. 40%, Replacement	3	88	614	534	264	1,413	1,870	....	3,344	4.33
4. 40%, 10%	3	94	656	626	....	1,282	1,996	....	3,344	4.62
Union										
1. Actual	1	100	1,561	879	....	2,440	3,395	....	5,794	7.25
2. Full	a	148	1,055	1,649	....	2,704	2,999	....	5,794	1.47
3. 40%, Replacement	a	171	1,216	577	458	2,251	3,455	....	5,794	4.24
4. 40%, 10%	a	174	1,243	928	....	2,171	3,532	....	5,794	4.34
Westfield										
1. Actual	a	87	479	154	....	633	3,526	2	4,155	7.79
2. Full	a	124	416	425	....	842	3,242	2	4,155	2.24
3. 40%, Replacement	a	116	391	337	328	1,057	3,044	2	4,155	5.25
4. 40%, 10%	a	126	423	381	....	804	3,292	2	4,155	5.68
Winfield										
1. Actual .....	....	....	13	2	....	16	161	....	176	28.53
2. Full .....	....	....	13	9	....	22	154	....	176	12.20
3. 40%, Replacement .....	....	....	12	5	14	31	145	....	176	28.67
4. 40%, 10% .....	....	....	13	6	....	20	157	....	176	30.97
County Total										
1. Actual	\$371	\$1,300	\$18,702	\$7,133	....	\$25,835	\$33,511	\$45	\$59,810	7.44%
2. Full	104	1,498	12,678	16,584	....	29,261	29,524	45	59,810	1.80
3. 40%, Replacement	109	1,529	13,708	10,260	\$4,725	28,693	30,232	44	59,810	4.78
4. 40%, 10%	114	1,616	14,246	12,715	26,961	31,914	47	59,810	5.00

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 a Less than \$500.

WARREN COUNTY
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Allamuchy										
1. Actual	a	\$2	\$3	\$2	....	\$4	\$12	\$33	\$50	6.22%
2. Full	a	6	4	3	....	7	12	25	50	1.22
3. 40%, Replacement	a	5	3	2	\$4	10	12	23	50	2.83
4. 40%, 10%	a	6	4	3	....	6	12	25	50	3.06
Alpha										
1. Actual	a	3	15	9	....	24	88	4	113	9.80
2. Full	a	4	6	18	....	24	83	5	113	1.93
3. 40%, Replacement	a	4	6	2	9	17	90	5	113	5.23
4. 40%, 10%	a	5	6	7	....	13	94	5	113	5.45
Belvidere										
1. Actual	\$1	1	86	21	....	107	134	2	237	8.61
2. Full	a	2	49	59	....	108	129	2	237	2.34
3. 40%, Replacement	a	2	51	34	19	104	135	2	237	6.08
4. 40%, 10%	a	2	54	43	....	97	142	2	237	6.41
Blairstown										
1. Actual	1	4	20	8	....	28	64	45	138	9.98
2. Full	a	4	26	15	....	41	53	41	138	1.72
3. 40%, Replacement	a	4	25	9	11	45	51	40	138	4.14
4. 40%, 10%	a	4	27	11	....	38	55	43	138	4.45
Franklin										
1. Actual	a	1	9	24	....	34	42	47	120	9.28
2. Full	a	2	5	36	....	40	34	44	120	1.32
3. 40%, Replacement	a	2	4	33	9	46	31	41	120	3.05
4. 40%, 10%	a	2	5	36	....	40	34	45	120	3.31
Frelinghuysen										
1. Actual	a	3	8	3	....	10	32	38	80	10.23
2. Full	a	3	13	5	....	18	31	30	80	1.77
3. 40%, Replacement	a	3	12	4	6	22	29	28	80	4.14
4. 40%, 10%	a	3	13	4	....	17	31	30	80	4.48
Greenwich										
1. Actual	a	2	10	7	....	17	40	30	86	6.68
2. Full	a	4	9	14	....	22	33	28	86	1.24
3. 40%, Replacement	a	3	8	11	7	27	31	26	86	2.92
4. 40%, 10%	a	4	9	13	....	22	34	28	86	3.16
Hackettstown										
1. Actual	1	6	97	39	....	136	293	2	423	7.82
2. Full	a	5	113	91	....	203	218	2	423	1.77
3. 40%, Replacement	a	5	118	45	33	196	228	2	423	4.62
4. 40%, 10%	a	6	124	60	....	184	240	2	423	4.86
Hardwick										
1. Actual	a	1	2	1	....	3	10	18	32	7.92
2. Full	a	1	1	1	....	2	5	24	32	0.66
3. 40%, Replacement	a	1	1	a	3	4	5	23	32	1.54
4. 40%, 10%	a	1	1	a	....	1	5	24	32	1.67
Harmony										
1. Actual	a	8	2	4	....	5	81	35	125	10.28
2. Full	a	7	1	7	....	8	75	36	125	1.85
3. 40%, Replacement	a	7	1	6	10	17	70	34	125	4.28
4. 40%, 10%	a	7	1	6	....	8	76	37	125	4.64
Hope										
1. Actual .....	....	2	6	1	....	7	37	27	71	7.93
2. Full .....	....	2	6	2	....	8	35	27	71	1.73
3. 40%, Replacement .....	....	2	5	1	6	12	33	25	71	4.08
4. 40%, 10% .....	....	2	6	1	....	7	36	27	71	4.41
Independence										
1. Actual	a	3	8	5	....	13	74	38	124	10.72
2. Full	a	4	7	10	....	17	65	40	124	2.34
3. 40%, Replacement	a	4	7	7	10	23	62	38	124	5.56
4. 40%, 10%	a	4	7	8	....	15	67	40	124	5.99
Knowlton										
1. Actual	a	10	6	1	....	7	42	30	86	10.03
2. Full	a	14	5	2	....	6	43	23	86	1.38
3. 40%, Replacement	a	13	4	1	7	12	40	22	86	3.20
4. 40%, 10%	a	14	5	1	....	6	44	23	86	3.47
Liberty										
1. Actual	a	5	1	a	....	2	56	18	78	13.10
2. Full	a	4	1	1	2	52	21	78	1.63
3. 40%, Replacement	a	4	1	a	6	8	48	19	78	3.75
4. 40%, 10%	a	4	1	1	2	52	21	78	4.07

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WARREN COUNTY—Continued
ACTUAL TAX SOURCES AND ESTIMATED SOURCES UNDER THREE ALTERNATIVES—1957
(amounts in thousands of dollars)

1. Actual tax assessed — (1957).
 2. Full value, household personalty exempt, veterans' exemption \$1,000.
 3. 40% value, Business inventories and household personalty exempt, \$51 million replacement, veterans' exemption \$500 unchanged.
 4. 10% Inventory, 40% other property, household personalty exempt, veterans' exemption \$500 unchanged.

MUNICIPALITY AND ALTERNATIVE	Class II Railroad	Vacant Land	Real Estate	Business Taxes Personal Property	Replacement Tax	Total	Residential Property Taxes	Farm Property Taxes	Total* Net Taxes	Tax Rate
Lopatcong										
1. Actual	\$2	\$6	\$26	\$19	....	\$45	\$105	\$23	\$173	7.08%
2. Full	a	5	19	38	....	58	92	21	173	1.39
3. 40%, Replacement	a	5	18	31	\$14	64	88	20	173	3.31
4. 40%, 10%	a	5	20	35	....	55	95	21	173	3.57
Mansfield										
1. Actual	a	6	10	12	....	22	53	56	134	8.79
2. Full	a	10	10	15	....	26	48	52	134	1.10
3. 40%, Replacement	a	9	10	12	11	32	45	49	134	2.61
4. 40%, 10%	a	10	10	13	....	24	49	53	134	2.81
Oxford										
1. Actual	a	2	17	20	....	37	50	7	89	11.70
2. Full	a	1	20	28	....	48	37	5	89	1.61
3. 40%, Replacement	a	1	19	24	7	50	35	5	89	3.84
4. 40%, 10%	a	1	21	26	....	47	38	5	89	4.14
Pohaquarry										
1. Actual .....	....	1	4	a	....	4	5	1	10	6.00
2. Full .....	....	1	4	a	....	4	4	1	10	1.29
3. 40%, Replacement .....	....	1	4	a	1	5	4	1	10	2.98
4. 40%, 10% .....	....	1	4	a	....	4	4	1	10	3.24
Phillipsburg										
1. Actual	44	23	404	207	....	611	797	1	1,431	8.41
2. Full	11	11	218	514	....	732	699	1	1,431	2.03
3. 40%, Replacement	11	11	224	381	113	718	718	1	1,431	5.22
4. 40%, 10%	11	12	237	441	....	678	758	1	1,431	5.51
Pohatcong										
1. Actual	1	2	18	23	....	42	178	34	243	9.87
2. Full	a	2	13	44	....	57	161	28	243	1.80
3. 40%, Replacement	a	2	14	24	19	57	162	28	243	4.54
4. 40%, 10%	a	2	14	31	....	45	172	30	243	4.82
Washington Boro										
1. Actual	3	5	139	89	....	227	320	2	538	8.39
2. Full	1	5	80	200	....	280	258	2	538	1.84
3. 40%, Replacement	1	6	87	130	42	260	281	2	538	5.01
4. 40%, 10%	1	6	90	158	....	249	292	2	538	5.21
Washington Township										
1. Actual	a	10	39	28	....	67	143	54	263	10.61
2. Full	a	15	36	43	....	79	110	62	263	1.60
3. 40%, Replacement	a	14	34	37	21	91	103	58	263	3.76
4. 40%, 10%	a	15	37	41	....	77	111	63	263	4.07
White										
1. Actual	a	5	5	3	....	7	67	54	129	10.04
2. Full	a	30	4	4	....	7	48	44	129	1.38
3. 40%, Replacement	a	28	3	3	10	16	45	41	129	3.20
4. 40%, 10%	a	30	4	3	....	7	49	45	129	3.46
County Total										
1. Actual	\$54	\$114	\$933	\$525	....	\$1,458	\$2,724	\$598	\$4,775	8.75%
2. Full	13	143	650	1,148	....	1,798	2,328	564	4,775	1.74
3. 40%, Replacement	13	137	661	797	\$377	1,835	2,346	532	4,775	4.32
4. 40%, 10%	14	148	700	943	1,643	2,490	575	4,775	4.61

* Net taxes after veterans exemptions.
 a Less than \$500.

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