

LOCAL PROPERTY TAX

1998 DRAFT

ARTICLE 1. WHAT IS THE TAX

Chapter 1 What is taxable

Tax:1-1. Tax on real property

Real property within the jurisdiction of this State not expressly exempted from taxation or expressly excluded from the operation of this chapter shall be subject to taxation annually under this chapter. The tax is assessed and collected at the municipal level and the proceeds are distributed for use by the taxing district, the school district and the county

Source: 54:4-1

Comment

The first sentence of the section is substantially identical to the first sentence of the source statute. The second sentence was added to further define the tax on real property.

Tax:1-2. Real property, definition

Taxable real property consists of land and improvements on land and includes personal property affixed to the real property or an appurtenance to real property, unless:

a. (1) The personal property so affixed can be removed without material injury to the real property, and (2) The personal property so affixed can be removed without material injury to the personal property itself, and (3) The personal property so affixed is not ordinarily intended to be affixed permanently to real property, or

b. The personal property so affixed is machinery, apparatus, or equipment used or held for use in business and is neither a structure nor machinery, apparatus or equipment the primary purpose of which is to enable a structure to support, shelter, contain, enclose or house persons or property. For purposes of this subsection, real property shall include pipe racks, and piping and electrical wiring up to the point of connections with the machinery, apparatus, or equipment of a production process as defined in this section.

c. As used in this section:

(1) "Machinery, apparatus or equipment" means any machine, device, mechanism, instrument, tool, tank or item of tangible personal property used or held for use in business.

(2) "Production process" means the process commencing with the introduction of raw materials or components into a systematic series of manufacturing, assembling, refining or processing operations and ceasing when the product is in the form in which it will be sold to the ultimate consumer.

(3) "Structure" means any assemblage of building or construction materials fixed in place for the primary purpose of supporting, sheltering, containing, enclosing or housing persons or property.

(4) "Used or held for use in business" means any item of machinery, apparatus or equipment used or held for use in a business transaction, activity, or occupation conducted for profit in New Jersey.

Source: 54:4-1; 54:4-1.15.

Comment

This section along with Section 1-3 is derived from the "Business Retention Act." Subsections (a) and (b) are substantially identical to subsections (a) and (b) of 54:4-1. The subsections are lettered and numbered the same as the source to simplify transition. Subsection (c) is substantially identical to 54:4-1.15.

Tax:1-3. Property taxable as real property.

The following are taxable as real property:

a. The machinery, apparatus or equipment of a petroleum refinery that is directly used to manufacture petroleum products from crude oil in any of the series of petroleum refining processes commencing with the introduction of crude oil and ending with refined petroleum products, but not including items of machinery, apparatus or equipment which are located on the grounds of a petroleum refinery but which are not directly used to refine crude oil into petroleum products.

b. A storage tank having a capacity of more than 30,000 gallons is deemed to be real property. The fact that products are mixed, blended, heated or subjected to a similar non-production process within a storage tank shall not in itself render that tank personal property.

Source: 54:4-1; 54:4-1.12.

Comment

Subsection (a) is substantially identical to language added to the first paragraph of 54:4-1 by the "Business Retention Act," L.1994 c.24, §3. Subsection (b) is substantially identical to 54:4-1.12. The property described in the section is made taxable as real property, but it is not classified as either real or personal property.

Discussion of cases from *Teaf v. Hewitt* (1853) to *General Motors v. Linden* (1997) dealing with the distinction between real and personal property (fixtures). Include conclusion re phase out (obsolete or not).*

NOTE-The provision that treated an executory contract as a mortgage has been moved to the section dealing with who may contest a tax. *

Tax:1-4. General provisions.

a. Classification of property as real property for purposes of taxation shall not be construed to affect any transaction or security interest provided for under the provisions of chapter 9 of the Uniform Commercial Code, Title 12A of the New Jersey Statutes.

b. The provisions of this section shall not be construed to repeal or in any way alter any exception to, real property taxation or any definition of personal property otherwise provided by statutory law.

c. The Director of the Division of Taxation in the Department of the Treasury *may* adopt regulations pursuant to the provisions of the "Administrative Procedure Act," (C.52:14B-1 et seq.) necessary to implement and administer the provisions of this act. The director shall make and enforce uniform regulations for ascertaining whether property is real or personal and for classifying personal property.

Source: 54:4-1

Comment

This section is derived from the last two paragraphs of 54:4-1. The section makes no substantive change from its source except that the Director is given the explicit power to make regulations distinguishing classes of property.

Chapter 2 -What is tax exempt

Tax:2-1 Exempt public property

The following public property is exempt from real property taxation:

- a. The property of the State of New Jersey;
- b. The property of the counties, municipalities, taxing districts and school districts
 - (1) used for public purposes,
 - (2) used for the preservation or exhibit of historical data, records or property,
 - (3) leased to a nonprofit organization for use that would make the property exempt from taxation if owned by the organization or ;
 - (4) leased to a board of education or governmental agency and used for public purposes.
- c. The property of the Passaic Valley Sewerage Authority used in connection with a main intercepting or trunk sewer, its branches or appurtenances, constructed for two or more of the municipalities within the Passaic valley sewerage district.

Source: 54:4-3.3; 54:4-3.4.

Comment

Subsections (a) and (b) are based on 54:4-3.3. However, the language of the subsections has been completely reorganized. Subsection (b) has been drafted to include all local public property. In present law separate and apparently differing provisions achieve the same substantive result as to county, municipal and school board property. The provision in 54:4-3.3 exempting property of the Morris Canal and Banking Company has been deleted since that property is now property of the state. Subsection (c) is substantially identical to 54:4-3.4.

Tax:2-2. Exceptions to exemption for public property

a. Real property acquired by the State or by a State agency, or by an authority created by the State, shall not be exempt from taxation during the period following acquisition, as follows:

- (1) Property acquired shall become tax exempt on January 1 of the calendar year following the date of acquisition, provided that the tax assessor of the municipality in which such property is located is given written notice of the acquisition by certified mail on or before January 10 of that year. If property is acquired between January 1 and

January 10 inclusive and the notice is given on or before January 10, the real property shall become tax exempt as of the date of acquisition.

(2) For the purposes of this subsection, the right of possession as provided by 20:1-3.11 (eminent domain), or vesting of title, whichever occurs first, shall be deemed to be acquisition with respect to the property.

(3) When, at the time of acquisition, the owner has paid the taxes for beyond the date of the acquisition, the owner shall be entitled to reimbursement for the taxes paid for the portion of the calendar year beyond the date of acquisition. If the taxes for the remaining portion of the year have not been paid by the owner, they shall be paid by the State or by the authority acquiring the property.

(4) In the event of a dispute between the owner and the State or authority, in respect to the apportionment and payment of the taxes, the Superior and the Tax Court shall have jurisdiction to determine the matter in a summary manner on the application of either the owner or of the State, or authority, and make any appropriate order to carry out the court's determination.

b. Lands of counties, municipalities, and other municipal and public agencies of this State used for the purpose and for the protection of a public water supply shall be subject to taxation by the taxing district where it is situated, at the taxable value of the land without regard to any buildings or other improvements which shall be exempt from taxation.

c. If a portion of the property of a county, municipality, taxing district or school district is leased to an organization for use that would make the property taxable if owned by the organization, that portion shall be subject to taxation.

Source: 54:4-3.3; 54:4-3.3b; 54:4-3.3d; 54:4-3.3e; 54:4-3.6e.

Comment

Subsection (a) is substantially identical to 54:4-3.3b; 54:4-3.3d and 54:4-3.3e. The definition of acquisition, 54:4-3.3c, was deleted as unnecessary; caselaw has established that if property is taken by eminent domain, title passes when the declaration of taking is filed.

Subsection (b) is substantially identical to a provision in 54:4-3.3. Subsection (c) is a generalization of 54:4-3.6e which, by its terms applies only to school board property. However, as noted in the comment to Section 2-1, property of other local public entities is treated similarly.

Tax:2-3. Inapplicability of act to taxes or payments in lieu of taxes; priority of conflicting laws

a. Nothing contained in this chapter shall grant a tax exemption for real property owned by the State, or by a State agency, or by an authority created by the State, where payment is required by the provisions of any law, nor shall an exemption under this chapter prohibit payment or agreements for payment of fair and reasonable sums in lieu of taxes as provided by law.

b. In the event of any conflict between this chapter and the provisions of an act providing for the acquisition of real property by the State or by a State agency, or by an authority created by the State for specific purposes, as to the payment of taxes to a municipality or for the prorating of taxes as between the owner and the State or a State agency, or an authority created by the State, the provisions of this chapter shall not supersede the provisions of the other act.

Source: 54:4-3.3f.

Comment

This section is substantially identical to its source.

Tax:2-4. Tax liability of private party using exempt real property in activity conducted for profit;

When real property that is exempt from taxation is used by a private party in connection with an activity conducted for profit, and the use does not render the real property taxable pursuant to section 1 of P.L.1949, c. 177 (C. 54:4-2.3) or otherwise, the real property shall be assessed and taxed as real property of the private party. The private party is subject to liability for taxation to the same extent as though he owned the property or any portion thereof, unless the owner consents to the taxation thereof. For purposes of this act, "use" means the right or license, express or implied, to possess and enjoy the benefits from any real property, whether or not that right or license is actually exercised.

Source: 54:4-1.10; 54:4-2.3

Comment

Tax:2-4½. Taxation of leases by state and federal governments.

a. When real property owned by the state or federal government is leased to another whose property is not exempt from taxation [and the leasing does not make the property taxable] the leasehold estate and appurtenances shall be listed as the real property of the lessee.

b. If the term of the lease in any calendar year is less than the whole year, the tax assessment for the year shall be the same proportion of the full assessment of the leased property as the number of days of the lease is of 365 days. If the lessee presents proof to the governing body of the municipality that the leasehold was terminated before the end of the term, the lessee shall be entitled to proportionate cancellation of the assessment and to the refund of taxes paid on the portion of the assessment canceled.

c. Assessments for leaseholds commencing between January 1 and October 1 of a year shall be entered in the Added Assessment List for that year; assessments for leaseholds commencing after October 1 of a year shall be entered in the Added Assessment List for the subsequent year.

d. Taxes on leaseholds shall be administered in the same way as other taxes on real estate entered on the Added Assessment List.

e. Unpaid taxes on a leasehold shall be a lien on the leasehold and the lessee or assignee shall be personally liable for them.

Source: 54:4-2.3; 54:4-2.4; 54:4-2.5; 54:4-2.6; 54:4-2.7; 54:4-2.8; 54:4-2.9; 54:4-2.10.

Comment

Subsection (a) is derived from 54:4-2.3. While the explicit limitation to State and Federal property is new, as a practical matter, the current provision applies only to that property. Subsection (b) is substantially identical to 54:4-2.4 and 54:4-2.9. Subsection (c) is substantially identical to 54:4-2.5. Subsection (d) is a generalization of 54:4-2.6; 54:4-2.7 and 54:4-2.10. Subsection (e) is substantially identical to 54:4-2.8.

Tax:2-5. Exempt private property

a. The following property owned by nonprofit organizations is exempt from real property taxation:

(1) Conservation or recreational land. Land and the improvements on it exclusively used for conservation or recreation purposes, owned and maintained for the benefit of the public by a nonprofit corporation or organization authorized to carry out the purposes for which the exemption is claimed and which is qualified for exemption from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code shall be exempt from taxation; if the Commissioner of the Department of Environmental Protection certifies that the real property and the property owner are qualified for this exemption.

(2) Educational Institutions. Buildings used for a college, school, academy or seminary, or buildings owned by an educational institution and leased to a historical society or association or a non-profit corporation organized for such purposes. If any portion of the buildings is leased to a profit-making organization or otherwise used for purposes which are not themselves exempt from taxation, that portion shall be subject to taxation and the remaining portion only shall be exempt. However, the exemption from taxation shall not be affected if a college, school, academy, or seminary leases a portion of its property which is regularly used for tax exempt purposes, to an organization or business during seasonal periods when the property is not being used by the college, school, academy or seminary in furtherance of tax exempt purposes, provided that:

(A) the income derived from the lease of the property is expended in furtherance of the organization's exempt purpose or purposes;

(B) the income received from the lease transaction is not primarily a profit seeking transaction, but remains a "de minimis" operation not materially affecting the overall pursuit of the tax exempt organization's principal purpose; and

(C) any lease is for a period of more than 4 consecutive months or less.

(3) Educational television and radio. Buildings and structures and used exclusively by a nonprofit association or corporation organized under the laws of this or another state for the production and broadcasting of educational television or educational radio programs; the land on which the buildings and structures are erected which is necessary for their fair enjoyment, is devoted to that use and no other, and does not exceed 30 acres. The foregoing exemption shall apply only where the association or corporation owns the property in question and is authorized to carry out the purpose for which the exemption is claimed.

(4) Fraternal organizations. Buildings used in the work and for the purposes of fraternal organizations or lodges, or any association or society organized on the lodge plan, or affiliated associations, whether incorporated or unincorporated, if the legal or beneficial ownership of the property is in one or more of the organizations, lodges, associations or societies, and no part of the property is used for profit, provided that each organization, lodge, association or society is also organized and operated in substantial

part for charitable or educational purposes and demonstrates these aims in its programs and activities.

(5) Hospitals and Health Care Facilities. Buildings used in the work of associations and corporations organized exclusively for hospital purposes, provided that if any portion of a building used for hospital purposes is leased to profit-making organizations or otherwise used for purposes which are not themselves exempt from taxation, that portion shall be subject to taxation and the remaining portion only shall be exempt. As used in this section "hospital purposes" includes health care facilities for the elderly, such as nursing homes; residential health care facilities; assisted living residences; facilities with a Class C license pursuant to P.L.1979, c.496 (C.55:13B-1 et al.), the "Rooming and Boarding House Act of 1979"; similar facilities that provide medical, nursing or personal care services to their residents; and that portion of the central administrative or service facility of a continuing care retirement community that is reasonably allocable as a health care facility for the elderly.

(6) Historic sites. Buildings and the land on which they are erected and which is necessary for their fair enjoyment owned by a nonprofit corporation and which has been certified to be an historic site to the Director of the Division of Taxation by the Commissioner of The Department of Environmental Protection. After consultation with the Historic Preservation Office, the Commissioner of the Department of Environmental Protection shall certify a building to be a historic site if the building has material relevancy to the history of the State and its government warranting its preservation as an historical site and that any restoration of the building is of substantially the same kind, character and description as the original. If any substantial change is made in the building or the premises, certification may be canceled by the commissioner, but cancellation shall preclude the issuance of a new certification.

(7) Historical Societies. Buildings actually used for historical societies, associations or exhibitions, when owned by the State, county or any political subdivision thereof or when located on land owned by an educational institution which derives its primary support from State revenue;

(8) Homes or Schools for the Mentally Disabled. Buildings exclusively used as homes or schools for mentally disabled persons or in connection with the work of care, treatment, and study of mentally disabled men, women and children, provided that the corporation conducts and maintains research or professional training facilities for the care and training of mentally disabled men, women and children.

(9) Moral and Mental Improvement. Buildings used in the work of associations and corporations organized exclusively for the moral and mental improvement of men, women and children, provided that if any portion of a building used for that purpose is leased to profit-making organizations or is otherwise used for purposes which are not themselves exempt from taxation, that portion shall be subject to taxation and the remaining portion only shall be exempt. Buildings owned by an association or corporation created for the purpose of holding title to buildings that are exclusively used in the work of two or more associations or corporations organized exclusively for the moral and mental improvement of men, women and children.

(10) Parsonages. Buildings, not exceeding two, occupied as a parsonage by the officiating clergymen of any religious corporation of this State, together with the accessory buildings located

(11) Prevention of Cruelty To Animals. Buildings used exclusively by any association or corporation formed for the purpose and actually engaged in the work of preventing cruelty to animals.

(12) Public Libraries. Buildings exclusively used for public libraries.

(13) Religious or Charitable Uses. Buildings owned by a corporation created under or otherwise subject to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes exclusively used in the work of associations and corporations organized exclusively for religious or charitable purposes, which associations or corporations may or may not pay rent for the use of the premises or the portions of the premises used by them.

(14) Residences of supervising clergymen.. Buildings, belonging to any religious association or corporation occupied as a residence by a clergyman of the association or corporation, occupied as a dwelling house of a clergymen who is an officiating clergymen or a district superintendent of the religious association or corporation together with the accessory buildings located on the same premises.

(15) Volunteer First Aid Squads. Buildings exclusively owned and used by volunteer first-aid squads, incorporated as associations not for profit.

b. Limitation on exemption for land. If a provision of subsection (a) of this section exempts buildings from taxation and does not include a specific provision for the land on which they are located, the land on which any of the buildings mentioned is erected, and which is necessary for the fair enjoyment of a building, and which is devoted exclusively to the purposes mentioned and does not exceed five acres in extent.

c. Nonprofit entity defined. An association, corporation or institution shall not be deemed to be conducted for profit and the exemption of the buildings and lands owned by it and used for charitable, benevolent or religious purposes denied because the charitable, benevolent or religious work carried on is supported partly by fees and charges received from or on behalf of beneficiaries using or occupying the buildings; provided the building is wholly controlled by and the entire income therefrom is used for the specified charitable, benevolent or religious purposes.

d. Continuation on transfer from one nonprofit organization to another. Wherever an owner of real property, who has been granted an exemption from taxation pursuant to this section transfers the property, a subsequent application for an exemption from taxation by the organization to which the property was transferred shall be deemed timely notwithstanding that the application was made subsequent to October 1 of the pretax year, and the exemption shall be extended, provided that the applicant and the property meet all other requirements for exemption; and

e. Charitable or religious associations or corporations; failure to file timely claim; refund. (54:4-3.6c.). The governing body of a municipality, by ordinance, upon a showing of good cause as to why a timely claim was not filed, may return all taxes collected on property owned by one or more associations or corporations organized exclusively for charitable or religious purposes, which would have been exempt pursuant to this section if a claim been made for exemption;

provided, however, that no refund shall be made if more than 3 years have passed since the last date for filing a timely application. No interest shall be paid by the municipality on any refund made pursuant to this provision.

Source: 54:4-3.6; 54:4-3.6d; 54:4-3.35; 54:4-3.52.) (54:4-3.53.) 54:4-3.54

Comment

Most of subsection (a) is derived from 54:4-3.6. Specifically, subsections (a)(2), (a)(5), (a)(7), (a)(8), (a)(9), (a)(10), (a)(11), (a)(12) and (a)(13) are from this source. While the section has been reorganized, the language has been simplified, clarified and modernized and superfluous provisions have been eliminated, the exemptions have not been expanded or contracted. Subsection (a)(1) is derived from 54:4-3.64. The portion of subsection (a)(2) that allows leases is a continuation of 54:4-3.6d. Subsection (a)(3) is derived from 54:4-3.6a. Subsection (a)(4) is derived from 54:4-3.26. Subsection (a)(6) is derived from 54:4-3.52 and 54:4-3.53. Subsection (a)(11) is derived from 54:4-3.35. Subsection (a)(13) is derived from 54:4-3.26. Subsection (a)(14) is derived from 54:4-3.35. Subsection (a)(14) is derived from 54:4-3.52; 54:4-3.53; 54:4-3.54. Subsection (a)(15) is derived from 54:4-3.64. Subsection (a)(15) is derived from Subsection (a)(15) is derived from

Subsection (d)

Tax. 2-6. Exemptions not limited to non-profit entities

The following property is exempt from real property taxation:

- a. Cemeteries [54:4-3.9.] Property dedicated to cemetery purposes;
- b. Fire associations [54:4-3.10.] Property of any exempt firemen's association, firemen's relief association and volunteer fire company incorporated under the laws of this state and which is used exclusively for the purpose of the corporation shall be exempt from taxation under this chapter.
- c. Fire patrol or salvage corps [54:4-3.13.] Property of an association or corporation organized under the laws of this state to maintain, and actually maintaining a public fire patrol or salvage corps for the public purpose of saving life and property from destruction by fire, used exclusively for the purpose of the association or corporation.
- d. *Property used by crippled soldiers [54:4-3.15.] Property not exceeding two hundred and fifty acres in extent, owned and actually and exclusively used by any corporation organized under the laws of New Jersey to provide instruction in agricultural pursuits for soldiers and sailors of the United States who have been permanently crippled while in active service in time of war, provided all income derived from the property in excess of the expense of its maintenance and operation, shall be used exclusively for the benefit of such crippled soldiers and sailors.*
- e. *Railroad property. Property used for railroad purposes by a railroad company subject to property tax under [cite].*
- f. *Utility property. Property used for utility purposes by a utility company subject to property tax under [cite].*
- g. Veterans' associations. (54:4-3.25). Property used in the work, for the support and for the purposes of bona fide national war veterans' organizations or posts, or affiliated associations, whether incorporated or unincorporated, existing and established on June 18, 1936, shall be exempt from taxation under this chapter if the legal or beneficial ownership of the property is in one or more of the organizations, or posts, or affiliated associations. Property shall not be denied an exemption from taxation under this section because of the use of the property for an income-

producing activity that is not the organization's primary purpose so long as all net proceeds from that activity are used in furtherance of the primary purpose of the organization or for other charitable purposes.

h. Volunteer aid and relief associations or organizations (54:4-3.27.) Property used in the work and for the purposes of any association or organization, whether incorporated or unincorporated, organized for the purpose of furnishing volunteer aid to the sick and wounded of armies in time of war or for the purpose of continuing and carrying on a national and international system of relief in peacetime to mitigate the sufferings caused by pestilence, famine, fire, floods, or other great national calamities, if the legal or beneficial ownership of the property is in the association or organization, and no part of the property is used for profit.

i. Young people's associations [54:4-3.24.] Property used for the purposes and in the work of the associations known as Young Men's Christian Associations, Young Women's Christian Associations, Young Men's and Young Women's Christian Associations, Young Men's Hebrew Associations, Young Women's Hebrew Associations or Young Men's and Young Women's Hebrew Associations or of the Boy Scouts of America or Girl Scouts of the United States of America in this State, whether incorporated or unincorporated, if the legal or equitable ownership of such property is in one or more of the associations using the property and the land exempt does not exceed 5 acres. Any real property upon which construction of a building or other improvement has been begun for the purpose of putting it to use for the work of such association shall be within the exemption. The foregoing exemption shall not apply to any part of the property used for profit.

Source:

Comment

The exemption for property dedicated to cemetery purposes in this section deletes the ten acre limitation found in 54:4-3.9 because 8A:5-10 exempts cemetery property without limitation.

Tax. 2-7. Exemptions for individuals

1. Disabled veteran's exemption (54:4-3.30.) SEE ABOUT FED CERTIF

a. The dwelling house and the lot or curtilage whereon the same is erected, of any citizen and resident of this State, now or hereafter honorably discharged or released under honorable circumstances, from active service, in time of war, in any branch of the Armed Forces of the United States, who has been or shall be declared by the United States Veterans Administration or its successor to have a service-connected disability from paraplegia, sarcoidosis, osteochondritis resulting in permanent loss of the use of both legs, or permanent paralysis of both legs and lower parts of the body, or from hemiplegia and has permanent paralysis of one leg and one arm or either side of the body, resulting from injury to the spinal cord, skeletal structure, or brain or from disease of the spinal cord not resulting from any form of syphilis; or from total blindness; or from amputation of both arms or both legs, or both hands or both feet, or the combination of a hand and a foot; or from other service-connected disability declared by the United States Veterans Administration or its successor to be a total or 100% permanent disability, and not so evaluated solely because of hospitalization or surgery and recuperation, sustained through enemy action, or accident, or resulting from disease contracted while in such active service, shall be exempt from taxation, on proper claim made therefor, and such exemption shall be in addition to any other exemption of such person's real and personal property which now is or hereafter shall

be prescribed or allowed by the Constitution or by law but no taxpayer shall be allowed more than one exemption under this act.

b. The surviving spouse of any such citizen and resident of this State, who at the time of death was entitled to the exemption provided under this act, shall be entitled, on proper claim made therefor, to the same exemption as the deceased had, during the surviving spouse's widowhood or widowerhood, as the case may be, and while a resident of this State, for the time that the surviving spouse is the legal owner thereof and actually occupies the said dwelling house or any other dwelling house thereafter acquired.

c. The surviving spouse of any citizen and resident of this State, who died in active service in time of war in any branch of the Armed Forces of the United States, shall be entitled, on proper claim made therefor, to an exemption from taxation on the dwelling house and lot or curtilage whereon the same is erected, during the surviving spouse's widowhood or widowerhood, as the case may be, and while a resident of this State, for the time that the surviving spouse is the legal owner thereof and actually occupies the said dwelling or any other dwelling house thereafter acquired.

d. The surviving spouse of any citizen and resident of this State who died prior to January 10, 1972, that being the effective date of P.L. 1971, c. 398, and whose circumstances were such that, had said law become effective during the deceased's lifetime, the deceased would have become eligible for the exemption granted under this section as amended by said law, shall be entitled, on proper claim made therefor, to the same exemption as the deceased would have become eligible for upon the dwelling house and lot or curtilage occupied by the deceased at the time of death, during the surviving spouse's widowhood or widowerhood, as the case may be, and while a resident of this State, for the time that the surviving spouse is the legal owner thereof and actually occupies the said dwelling house on the premises to be exempted.

e. Nothing in this subsection shall be intended to include paraplegia or hemiplegia resulting from locomotor ataxia or other forms of syphilis of the central nervous system, or from chronic alcoholism, or to include other forms of disease resulting from the veteran's own misconduct which may produce signs and symptoms similar to those resulting from paraplegia, osteochondritis, or hemiplegia.

e. Refund of taxes collected on property as to which exemption claim subsequently allowed (54:4-3.32.) The governing body of each municipality, by appropriate resolution, may return all taxes collected on property which would have been exempt had proper claim in writing been made therefor in the manner provided by this act; provided, however, that such refunds shall not be made for any year or portion thereof prior to the effective date of this act.

f. "Dwelling house" defined (54:4-3.33.) "Dwelling house," as used in this act, shall mean any one-family building or structure or any unit of a horizontal property regime established pursuant to the "Horizontal Property Act," P.L.1963, c.168 (C. 46:8A-1 et seq.) or any unit of a condominium property established pursuant to the "Condominium Act," P.L.1969, c. 257 (C.46:8B-1 et seq.) owned and occupied by a claimant as his legal residence in this State, or where a multiple-family building or structure is owned by a claimant, then that portion thereof which is occupied by the claimant as his legal residence in this State, and includes any outhouses or appurtenances belonging thereto or usually enjoyed therewith.

g. Active service in time of war defined (54:4-3.33a.) For the purposes of this act and the act hereby amended and supplemented "active service in time of war" means the periods of time set forth in section 1(a) of chapter 171 of the laws of 1963, and chapter 165 of the laws of 1965, except that "active service in time of war" for World War II means active service at some time during December 7, 1941 to December 31, 1946.

h. "Total blindness" defined (54:4-3.34.) A person shall be deemed to have "total blindness," as used in this act, when the vision in his better eye with proper correction does not exceed 20/200 as measured by Snellen chart or when there is a field defect in his better eye with proper correction in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than twenty degrees.

Source:

Tax. 2-9. Portions of property exempt

a. Exemption of blast or radiation fallout shelters (54:4-3.48.).

(1) The value of any blast or radiation fallout shelter erected upon real property occupied for residential purposes by not more than 2 families, to the extent that it has enhanced the value of such property, shall be exempt from taxation, provided, however, that such exemption shall not exceed \$1,000.00 of the assessed value of such property based at 100% of true value.

(2) Definition (54:4-3.49.) For the purposes of this act a "blast or radiation fallout shelter" is a structure erected within or without another building and designed and equipped, in compliance with standards to be established by the State Department of Defense, for temporary occupancy by human beings to minimize exposure to nuclear explosion or radioactive fallout resulting from nuclear explosion.

b. Equipment for abating or preventing pollution; exemption (54:4-3.56.)

(1) Any equipment, facility or device constructed or installed either prior to or subsequent to the effective date of this act and used primarily for the purpose of abating or preventing pollution of the atmosphere or the waters of this State and which has been certified to be an air or water pollution abatement facility by the State Commissioner of Health, as hereinafter in this act provided, shall be exempt from taxation under this chapter to which this act is a supplement.

c. Exemption of improvement to water supply or sewerage disposal system (54:4-3.59.)
The value of any structure, machinery, equipment, device or facility necessary to the installation or maintenance of a potable water supply system or a water-carried sewerage disposal system in accordance with the provisions of sections 26, 27 or 28 of chapter 71 of the laws of 1945, as amended and supplemented, to the extent that it has enhanced the value of the property, shall be exempt from general property taxation.

2-10. Application for exemption, deduction or abatement.

a. Regulations and forms. The Director of the Division of Taxation shall adopt regulations and forms necessary for the application and certification of any local property tax exemption, deduction or abatement. If certification by a state agency is a requirement for the

exemption, deduction or abatement, the Director shall adopt any regulations or forms jointly with the certifying agency.

b. Contents of initial application. The initial application form shall state the name and address of the owner of the property, the location of the property, the use of the property, the user of the property if different from the owner, a citation of the statute under which exemption, deduction or abatement is claimed and facts necessary to establish entitlement to the exemption, deduction or abatement. The initial application shall be under oath. The facts upon which the exemption, deduction or abatement is based shall be as of November 1 of the pre-tax year.

c. Filing application. An initial application for a exemption, deduction or abatement shall be filed with the tax assessor of the taxing district in which the property is located on or before November 1 of the pre-tax year. If an initial application is not filed by November 1, the exemption, deduction or abatement shall not be granted. If certification by a state agency is a requirement of for the exemption, deduction or abatement, a copy of the of the initial application shall be filed with the certifying state agency.

d. Continuation of exemption, deduction or abatement. When a tax exemption, deduction or abatement has been granted, the assessor may inquire as to the right of the applicant to continuation of the exemption, deduction or abatement, and may require the filing of a subsequent application or the submission of proof of continued entitlement.

e. Copy to County Board of Taxation. The assessor of the taxing district shall file a copy of the initial and any subsequent application for exemption, deduction or abatement with the County Board of Taxation with a list of property affected on or before January 10 of the tax year.

f. Filing proofs in subsequent years. Where an application for a tax deduction requires the filing of proof of income or other facts with the tax collector for subsequent years, the proof shall be filed on the prescribed form on or before March 1 of the tax year. The Tax Collector may grant reasonable extensions of time, but not beyond May 1 of the tax year.

Article II. How is the property tax assessed

Tax:4-1. Time for assessing property

a. The assessor shall determine taxable valuations of real property as of October 1 in each year and, by January 10 following, file an original and a copy of the complete assessment list with the county board of taxation. The list shall be examined, revised and corrected by the board as provided by law.

b. If an assessor fails to file the assessment list and duplicate with the county board of taxation by January 10 or within the further time that the board allows, the county board of taxation may summarily remove the assessor from office, and cause the assessment list to be made and filed itself.

Source: 54:4-35; 54:4-37.

Comment

Subsection (a) is substantially identical to 54:4-35, except that the reference to personal property has been removed, the requirement that the assessor attend a meeting of the county board to file the list has been deleted as

unnecessary and the material on the form and contents of the list has been moved to other sections. Subsection (b) is similar to 54:4-37 but the civil penalty against an assessor who fails to file the lists on time has been deleted as anachronistic.

Tax:4-2. Assessment list; form and content

a. The assessment list shall be in tabular form and shall include, in columns, the names of the owners, a description of each parcel sufficient to ascertain its location and extent and the taxable value of each parcel as assessed. Property held in trust shall be assessed in the name of one or more of the trustees as such. If the name of the owner of a parcel is unknown, the list shall so indicate, and where an owner is not known to reside in the taxing district the list shall describe the owner as a nonresident.

b. In taxing districts that have adopted block assessment maps, the assessor shall describe the real property by block and lot numbers as shown upon the assessment map. In taxing districts that have a system of numbering houses by street numbers the assessor shall add to any other description of real property required to be made, its proper street number.

c. The assessment list shall be prepared in the manner and form required by the Director of the Division of Taxation. In listing the names of owners and properties the assessor shall follow the forms and methods prescribed by the Director of the Division of Taxation including, if prescribed, a listing of the use of each parcel assessed, the taxable value of the land and of the buildings and improvements separately on each parcel, and the sum of these separate values as the assessed value of the parcel, and in such case the tax bill shall contain the separate valuations of land and of buildings and improvements. The director, by regulation, may require the assessor to certify land and improvements in his tax list according to prescribed characteristics and require the assessor to append to his tax list a statement showing the total valuation of each category of property in the taxing district.

Source: 54:4-24; 54:4-26; 54:4-28.

Comment

Subsection (a) is substantially identical to 54:4-24. Subsection (b) is substantially identical to 54:4-28. The first sentence of subsection (a) is from 4-35. Otherwise the subsection is substantially identical to 54:4-26.

Tax:4-3. List of exempt property

The assessor shall prepare a separate list real property exempt from taxation. The list shall include the name of the owner, the value of the land and buildings at the amount which would be the taxable value if the property were not exempt from taxation, and the ground of exemption.

Source: 54:4-27.

Comment

This section is substantially identical to its source.

Tax:4-4. Statement of estimated total amount of approved tax deductions

Each assessor shall prepare and file with the assessment list a statement of the estimated total amount of approved tax deductions. For the purposes of the estimate the assessor shall calculate each approved deduction at the maximum allowed by law.

Source: 54:4-36.1.

Comment

This section is substantially identical to its source.

Tax:4-5. Assessor's affidavit; form and content

a. The assessor shall file, with the assessment list, an affidavit in substantially the following form:

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

b. If applicable, the following statement shall be added to the affidavit:

"I do further swear (or affirm) that, for the tax year _____, I have completed and put into operation a district-wide adjustment of real property taxable valuations and these taxable valuations conform to true value."

Source: 54:4-36.

Comment

This section is substantially identical to its source.

Tax:4-6. Assessment of property in two districts

When the line between taxing districts divides a tract of land, each part shall be assessed in the taxing district where located, unless the governing body of one of the taxing districts, by resolution, requests that the entire tract be assessed by the other taxing district.

Source: 54:4-25.

Comment

This section is substantially identical to its source.

Tax:4-7. Residential property rezoned as commercial or industrial

If a parcel of property has been valued and assessed as residential property within a zone designated as residential for three years or more, and, because of a revision of a zoning ordinance the parcel is now in a commercial or industrial zone, the parcel shall continue to be valued and assessed as residential property so long as the owner at the time of the change in the zoning ordinance continues to occupy the property as his or her principal place of residence.

Source: 54:4-23.24.

Tax:4-8. Change of value between October 1 and January 1

a. When a parcel of real property contains a building or other structure that is destroyed or altered in such a way that its value has materially depreciated, either intentionally or by the action of storm, fire, earthquake, or other casualty, and the depreciation of value occurs between October first and January first of the following year, and the property owner gives notice of the

depreciation of value prior to January tenth, the assessor, after examination and inquiry, shall determine the value of the parcel of real property as of January first, and assess it at that value.

b. When a parcel of real property has been sold by a municipality as not needed for public use, and the deed has been delivered between October first and January first of the following year, or when a parcel of real property contains a building or other structure that is erected, added to or improved between October first and January first of the following year, the assessor, after examination and inquiry, shall determine the taxable value of the parcel of real property as of the first day of the month after completion or sale of the property. If the value exceeds the assessment made as of October first preceding, the assessor, shall enter the amount of the excess, as an added assessment against the parcel of real property, for the subsequent tax year in a list to be known as the "Added Assessment List" of the year in which the assessment is made. In addition, the assessor shall enter in the added assessment list an assessment for that portion of the pretax year between the first day of the month following completion or sale of the property and December 31 to be determined by multiplying the amount of the excess by the number of whole months remaining in the pretax year after the completion or sale of the property, and by dividing the result by 12. As used in this subsection, "completed" shall mean substantially ready for the use for which it was intended.

Source: 54:4-35.1; 54:4-63.1; 54:4-63.2; 54:4-63.3.

Comment

Subsection (a) is substantially identical to 54:4-35.1. Subsection (b) is substantially identical to 54:4-63.1 54:4-63.2 and 54:4-63.3.

Tax:4-9. Taxation of mortgaged property

No deduction from the assessed value of real property shall be made by the assessor because of any mortgage debt.

Source: 54:4-33.

Comment

This section is substantially identical to 54:4-33 insofar as that section taxes the whole value of mortgaged property to the mortgagor. The other part of 54:4-33, which allows the mortgagor a credit against interest for a portion of the taxes paid unless the mortgage provides otherwise, has been deleted as anachronistic.

Tax:4-10. Public inspection of assessment list; notice; advertisement

Every assessor, at least ten days before filing the complete assessment list with the county board of taxation, shall notify each taxpayer of the current assessment and preceding year's taxes and of a time and place when and where the assessment list may be inspected by any taxpayer for the purpose of enabling the taxpayer to ascertain what assessments have been made against the taxpayer's property and to confer informally with the assessor as to the correctness of the assessments, so that any errors may be corrected before the filing of the assessment list. Thereafter, the assessor shall notify each taxpayer by mail within 30 days of any change to the assessment. This notification of change of assessment shall contain the prior assessment and the current assessment.

The director shall establish the form of notice of assessment and change of assessment. Any notice issued by the assessor or county board of taxation shall contain information instructing taxpayers on how to appeal their assessment.

Source: 54:4-38; 54:4-38.1.

Comment

This section is substantially similar to the combination of the two source sections. The requirement for newspaper notice in 54:4-38 was deleted as unnecessary in light of actual mail notice given to each taxpayer.

Tax:4-11. Presentation of deed to assessor; Duty of recording officer if deed not certified

a. In all taxing districts, whether or not, When a change of ownership of real estate occurs, the new owner may present a deed or other evidence of title to the custodian of the assessment maps, if assessment maps have been adopted and otherwise to the assessor. That officer shall record the change of ownership on the books and on the maps, if any, and shall certify that recording on the deed or other instrument of transfer.

b. If an assessor's certificate does not appear on a deed or other instrument conveying title to real property, the recording officer with whom it is filed for record shall ascertain from the person leaving it for record, or otherwise, the post-office address of the grantee. If the address does not appear in the instrument, the recording officer shall mark it on the face of the instrument.

c. Within one week after a deed or other instrument conveying title to real property is recorded, the recording officer shall mail an abstract of the instrument, with, to the assessor of the taxing district in which the property is located. The abstract shall contain the names of the grantor and grantee, the address of the grantee, the lot and block number of the property, an exact description of the property, and the date of presentation of the instrument for record.

d. The recording officer shall not require a fee from the assessor for the certification and abstract

Source: 54:4-29; 54:4-30; 54:4-31.

Comment

Subsection (a) is substantially identical to 54:4-29. Subsection (b) is substantially identical to 54:4-30. Subsection (c) is substantially identical to 54:4-31. Subsection (d) is derived from 54:4-32. The other parts of 54:4-32, which make the presence of the address of the grantee and payment of the fee for preparation of the abstract prerequisites for recordation of a deed, were superseded by 46:15-1.1. 46:15-1.1 should be amended to restore these requirements.

Tax:4-12. Request by assessor for statement by owner

If the assessor so requests by certified mail, an owner of real property in the taxing district shall give a full account of the owner's name and real property and, if the property is income-producing, the income from it, and produce title papers. The property owner may also be examined on oath by the assessor. If the owner fails to respond to the written request within 45 days, or refuses to testify on oath when required, or gives a false or fraudulent account, the assessor shall value the property from any available information, and, if the property is income-producing, no appeal shall be heard from the assessor's valuation. The county board of taxation may impose terms and conditions for furnishing the requested information where it appears that the owner, for good cause shown, could not furnish the information within the required period of time. When the assessor makes a written request for information pursuant to this section, the assessor shall enclose a copy of this section with the request.

Source: 54:4-34.

Comment

This section is substantially identical to its source.

Tax:4-13. Date of assessment; duty of assessor; determination of taxable value

a. Real property shall be assessed to the person owning it on October 1 in each year. The assessor shall ascertain the names of the owners of all real property in the taxing district, and after examination and inquiry, except as specifically provided by law, determine the full and fair value of each parcel of real property at the price as, in his judgment, it would sell for at a fair and bona fide sale by private contract on the October 1 preceding the date on which the assessor completes the assessments. [In determining the full and fair value of land which is being assessed and taxed under the Farmland Assessment Act of 1964, chapter 48, laws of 1964, the assessor shall consider only those indicia of value which such land has for agricultural or horticultural use as provided by said act.] For the purposes of assessment, the assessor shall compute and determine the taxable value of such real property at the level established for the county pursuant to law.

b. the assessor shall assess property that is subject to special assessment, in the manner specified in the special assessment provision.

c. A building or other structure newly constructed and intended for use as a single family dwelling shall not be added to the assessment list as real property subject to taxation until a certificate of occupancy or temporary certificate of occupancy has been issued and the building or structure is actually occupied. However, such a building or structure shall not be omitted from taxation for more than 24 months. At the end of the 24 month period or when a certificate of occupancy or temporary certificate of occupancy is granted and the building or structure is occupied for residential purposes, the building or structure shall be assessed and taxed as of the first day of the next month for the proportionate part of the year remaining. Construction will be deemed to commence on the date of the footing inspection.

Source: 54:4-23; 54:4-23a.

Comment

Subsections (a) and (b) are derived from 54:4-23. However, the exception to full value in subsection (a) has been broadened so as to encompass all statutory provisions that limit the extent to which particular kinds of property are considered in assessing value. Similarly, subsection (b) is a generalization of a provision that refers only to farmland assessment. Subsection (c) is substantially identical to 54:4-23a.

Tax:4-14. Correction of errors; assessment against or payment on wrong property; refund

a. Where by mistake real property has been assessed twice on the assessment list, the governing body of the taxing district or county board of taxation may order the tax record to be corrected. If the tax has been paid twice, the governing body shall refund the excessive payment without interest.

b. Where an assessment intended for one parcel has been placed on another, the governing body may cancel the erroneous assessment, return any money paid by a person who is not the owner of the parcel without interest. After a hearing upon five days' notice to the owner, the governing body may enter the assessment against the proper parcel on the record.

c. Where a person, by mistake, has paid the tax on the property of another, the governing body after a hearing, on five days' notice to the owner, may return the money paid in error without interest and restore the record of the assessment and tax against the property in the name of the true owner, provided the lien of the tax has not expired and no transfer or encumbrance has been put on record against the property since the date of the payment in error.

d. An assessment on real property shall not be invalid because it is listed in the wrong name, or because it is erroneously listed as property of an unknown or nonresident owner.

Source: 54:4-54.

Comment

The section is substantially identical to its source, except that the provision on irregularities in assessments has been moved to section 4-15.

Tax: 4-15. Irregularities in tax, assessment or water rate

a. If the person or the property upon which it is assessed is, in fact, liable to taxation, assessment or imposition of the tax, assessment or water rate shall not be invalid for:

(1) listing in the wrong name, erroneously listing as property of an unknown or nonresident owner,

(2) irregularity or defect in form,

(3) illegality in assessing or levying, or

(4) illegality in the proceeding for collection.

b. If an action is brought to review a tax, assessment or water rate, the court shall correct irregularities, errors or defects, and determine the sum for which the person or property was legally liable. The tax, assessment or water rate determined shall be collectible in the same manner as if it had been legally levied, assessed or imposed in the first instance by the taxing district.

c. An assessment of taxes shall not be set aside because taxes are blended together, or because the aggregate amount of money or assessed in a taxing district for taxes is greater than called for by the law or resolutions, or because the assessment is made upon any person or property at a rate higher than authorized by the law, ordinance or resolutions granting the money for which the assessment of taxes is made.

Source: 54:4-54, 54:4-58; 54:4-59.

Comment

Subsection (a)(1) is derived from the part of 54:4-54 not found in section 4-14. The balance of subsection (a) is substantially identical to 54:4-58. Subsection (b) is substantially identical to 54:4-59 and 54:4-60. Subsection (c) is substantially identical to 54:4-61.

Added and Omitted Assessments

Tax:5-1 Added assessment list

a. On October first, the assessor shall file an original and copy of the added assessment list with the county board of taxation. The list shall be examined, revised and corrected by the board as provided by law. On or before October tenth the board shall cause copies of the corrected, revised and completed lists to be delivered to the collectors of the various taxing districts in the county. Copies of the added assessment lists shall also remain in the office of the board as a public record.

b. In listing the names and properties in the added assessment list the assessor shall follow the forms and methods prescribed by the Director of the Division of Taxation.

c. Added assessments shall be entered on the appropriate columns on the added assessment lists. The amount of tax on each assessment shall be computed at the same rate as real property in the particular municipality is obliged to pay in the particular year.

Source: 54:4-63.4; 54:4-63.5; 54:4-63.6.

Comment

Subsection (a) is substantially identical to 54:4-63.5. Subsection (b) is substantially identical to 54:4-63.4. Subsection (c) is substantially identical to 54:4-63.6.

Tax:5-2 Payment of added taxes

a. As soon as the added assessment duplicate is delivered to the collector of the taxing district, the collector shall begin preparing the tax bills for added assessments and shall complete that work and mail or deliver the bills at least one week before November first. The validity of an added tax or assessment or the time at which it shall be payable shall not be affected by the failure of a taxpayer to receive a tax bill.

b. Taxes for added assessments shall be payable on November first of the year of levy after which date, if unpaid, they shall become delinquent.

c. Taxes on assessments entered in the added assessment list shall be collected and accounted for in the same manner as other taxes in the added assessment list shall be collected and accounted for in the same manner as other taxes.

d. On February fifteenth of each year, in addition to the regular installment of county taxes paid on that date, the municipality shall pay to the county an amount determined by multiplying the total amount of assessments in the added assessment list for the previous year by the county and State rate for the preceding year.

Source: 54:4-63.7; 54:4-63.8; 54:4-63.9; 54:4-63.10.

Comment

Subsection (a) is substantially identical to 54:4-54:4-63.7. Subsection (b) is substantially identical to 54:4-63.8. Subsection (c) is substantially identical to 54:4-63.9. Subsection (d) is substantially identical to 54:4-63.10.

Tax:5-3 Appeals from added assessments

Appeals from added assessments shall be made to the county board of taxation on or before December 1 of the year of levy, and the county board of taxation shall hear all such appeals by January 1. Appeals to the tax court from the judgment of the county board of taxation

on added assessments shall be made within 45 days after final decision by the county board of taxation. In all other respects such appeals shall be governed by the laws concerning appeals from real property assessments.

b. Any judgment of the county board of taxation assessing omitted property for a particular year may be reviewed by the Tax Court upon an appeal taken by the taxing district, owner or other interested party, taken and prosecuted in accordance with the provisions of the State Uniform Tax Procedure Law, 54:48-1 et seq.

Source: 54:4-63.11; 54:4-63.23.

Comment

Subsection (a) is substantially identical to 54:4-63.11. Subsection (b) is substantially identical to 54:4-63.23.

Tax:5-4 Assessment of omitted property by county board of taxation

a. The county board of taxation may, in assess any taxable property omitted from the assessment for any year or for the previous year in accordance with the provisions of this section,.

b. On the written complaint of the tax assessor, the collector of taxes, the governing body, or any taxpayer of the taxing district, or on its own motion, the county board of taxation shall hear the matter. The complaint or motion shall specify the property alleged to have been omitted and the particular year of the assessment. At least 15 days' notice in writing shall be given to the owner of the property of the time and place of the hearing and the notice shall specify the property alleged to have been omitted and the particular year of the assessment. If the complaint was not filed by the tax collector, a copy of the notice shall be sent to the tax collector. The notice may be served by certified mail. The collector shall present the complaint.

c. The county board of taxation shall hear the matter in a summary manner and shall decide it on the proofs presented. A copy of the judgment shall be sent to the assessor of the taxing district and to the owner of the property.

d. If the county board determines that the property was omitted from the assessment, the amount of the assessment shall be fixed by the judgment. The amount of the assessment shall be entered by the assessor as an omitted assessment in an "Omitted property assessment list for the particular year. The omitted assessment list shall follow the forms and methods prescribed by the Director of the Division of Taxation. The assessor shall file an original and copy of the omitted assessment list with the county board of taxation on October first. The county board of taxation shall examine and correct the omitted assessment lists or before October tenth in each year, file the list and deliver copies to the collectors of the taxing districts affected by the omitted assessments.

e. As soon as the added assessment duplicate is delivered to the collector of the taxing district, the collector shall begin preparing the tax bills for added assessments and shall complete that work and mail or deliver the bills at least one week before November first. The validity of an added tax or assessment or the time at which it shall be payable shall not be affected by the failure of a taxpayer to receive a tax bill.

f. Taxes for added assessments shall be payable on November first of the year of levy after which date, if unpaid, they shall become delinquent.

g. Taxes on assessments entered in the added assessment list shall be collected and accounted for in the same manner as other taxes.

h. On February fifteenth of each year, in addition to the regular installment of county taxes paid on that date, the municipality shall pay to the county an amount determined by multiplying the total amount of assessments in the added assessment list for the previous year by the county and State rate for the preceding year.

Source: 54:4-63.12; 54:4-63.13; 54:4-63.14; 54:4-63.15; 54:4-63.16; 54:4-63.17; 54:4-63.19; 54:4-63.20; 54:4-63.21; 54:4-63.22.

Comment

Subsection (a) is substantially identical to 54:4-63.12. Subsection (b) is substantially identical to 54:4-63.13. Subsection (c) is substantially identical to 54:4-63.14. Subsection (d) is substantially identical to 54:4-63.15, 54:4-63.16 and 54:4-63.17. Subsection (e) is substantially identical to 54:4-63.19. Subsection (f) is substantially identical to 54:4-63.20. Subsection (g) is substantially identical to 54:4-63.21. Subsection (h) is substantially identical to 54:4-63.22.

Tax:5-5. Property which ceases to be exempt

a. Whenever the right of real property to exemption from taxation ceases because of a change in the use or ownership of the property, the property shall be assessed as omitted property. The county board of taxation, by resolution, shall cause an assessment to be made and entered upon the tax duplicate as in other cases of omitted property. The assessment shall be entered in the Added Assessment List of the municipality in which the property is located.

b. The valuation of the property shall be based upon the assessor's valuation made when the property was listed as exempt property. The valuation shall be subject to equalization and revision by the county board of taxation.

c. The property shall be assessed and taxed as of the first day of the month following the date when the right to exemption ceased, for the proportionate part of the year remaining. The amount of tax shall be determined by multiplying the amount which the tax would be if such tax were for the entire year by the number of whole months remaining in the calendar year and dividing the result by 12.

Source: 54:4-63.26; 54:4-63.27; 54:4-63.28.

Comment

Subsection (a) is substantially identical to 54:4-63.26. Subsection (b) is substantially identical to 54:4-63.27. Subsection (c) is substantially identical to 54:4-63.28.

Tax:5-6. Taxable value of omitted property.

The assessor of any taxing district may assess any taxable property omitted from the assessment list for the tax year or for the previous tax year. The taxable value of the property shall be determined as of October 1 of the preceding year.

Source: 54:4-63.31;

Comment

This section is substantially identical to 54:4-63.31.

Tax:5-7. Assessor's omitted list

a. If the assessor has assessed omitted property, the assessor shall file an original and copy of an assessor's omitted list with the county board of taxation on October 1. The county board of taxation shall examine and correct the omitted assessment lists and, by October 10, cause copies of the corrected list to be delivered to the assessors and the collectors of the taxing districts in the county, affected by the omitted assessments. A copy of the omitted assessments lists shall remain in the office of the board as a public record.

b. Omitted assessments shall be entered on the appropriate columns upon the omitted assessment lists and duplicates, and there shall be extended on the duplicates the amount of tax computed on each assessment at the same rate as property in the particular taxing district is being taxed in the particular year.

c. In listing the names and properties in the omitted assessment list, the assessor shall follow such forms and methods as may be prescribed by the Director of the Division of Taxation.

Source: 54:4-63.32; 54:4-63.33; 54:4-63.34...

Comment

Subsection (a) is substantially identical to 54:4-63.32. Subsection (b) is substantially identical to 54:4-63.34. Subsection (c) is substantially identical to 54:4-63.33.

Tax:5-8. Notice to owner of omitted tax assessment

As soon as the certified copy of the omitted assessment list is received by the assessor from the county board, the assessor shall send notice by certified mail to the owner of each of the properties affected. The notice shall state that an omitted tax assessment has been made as to the taxpayer's property and that the tax payable as a result thereof may be ascertained from the collector of taxes of the taxing district.

Source: 54:4-63.35.

Comment

This section is substantially identical to 54:4-63.35.

Tax:5-9. Preparation and delivery of tax bills

As soon as a copy of the omitted assessment list is delivered to the collector of the taxing district, the collector shall begin to prepare, and to mail or deliver the tax bills to the owners whose property has been assessed as omitted assessments. The collector shall complete that work at least 1 week before November 1. The validity of any omitted tax or assessment or the time at which it is payable shall not be affected by the failure of a taxpayer to receive a tax bill. A taxpayer to whom a notice of an omitted assessment has been sent is put upon notice to ascertain from the collector of taxes of the taxing district the amount which is be due for taxes or assessments for omitted assessments.

Source: 54:4-63.36.

Comment

This section is substantially identical to 54:4-63.36.

Tax:5-10. Payment of taxes

a. Taxes assessed for omitted assessments shall be payable on November 1 of the year of levy. Taxes on account of assessments entered in the omitted assessment list shall be collected and accounted for in the same manner as other taxes.

b. On February 15 of each year, in addition to the regular installment of county taxes to be paid on that date, the municipality shall pay to the county an amount determined by multiplying the total amount of assessments in the omitted assessment list for the previous year by the county rate for the preceding year.

Source: 54:4-63.37; 54:4-63.38.

Comment

Subsection (a) is substantially identical to 54:4-63.37. Subsection (b) is substantially identical to 54:4-63.38.

Tax:5-11. Appeals

Appeals from assessor's omitted assessments shall be made to the county board of taxation on or before December 1 of the year of levy and the county board shall hear all such appeals by January 1. Appeals to the tax court from the judgment of the county board of taxation shall be made within 45 days from the date fixed for final decisions by the county board of taxation on appeals from assessor's omitted assessments. In all other respects, appeals shall be governed by the laws concerning appeals from property assessments.

Source: 54:4-63.39.

Comment

This section is substantially identical to 54:4-63.36.

Equalization of Assessments

Tax:6-1. Investigation of equality of assessments

a. If a taxing district or county, by written complaint, claims that another taxing district or county which, by taxes, is contributing to a common cause with the complainant, is escaping its fair share of the common burden by inequality of valuation or otherwise, Director of the Division of Taxation shall investigate the complaint and shall render all possible assistance for the purpose of arriving at a fair and equitable adjustment of values of all real property.

b. In making the investigation, the Director of the Division of Taxation may examine any assessor under oath, as to his assessments, both as to the valuation as a whole and as to any particular piece of property or as to any property omitted from assessment, and may examine any witnesses concerning the same. The Director may also make a personal examination of any property in a taxing district or county.

c. If it appears that the value of any property contained in a taxing district or county, is relatively less than the value of other property contributing by taxation to a common burden, or that property which should be assessed has been omitted from assessment, the Director may,

after giving the notice required by this section, add to the assessment the amount as is warranted by the comparison and examination.

d. If after investigation it appears to the Director of the Division of Taxation that the assessment of any property in a taxing district or county is greater than its taxable value, the Director may reduce the assessment to the amount of the taxable value of the property throughout the territory which contributes to the common burden and make increases in the valuation as is warranted. In any year in which the reduction or increase is made and the tax rate has already been fixed, the Director may further, in order to do justice, equalize the assessment of any piece of property.

e. Before a change is made in valuation, the assessor of the taxing district in which the change is proposed and the owner of the property affected shall be notified in writing that the Director proposes to make the change, and shall be directed to show cause at a time and place designated in the notice, why the change should not be made.

f. The notice shall be published in one of the newspapers circulating in the county, at least five days before the hearing, and mailed to the post office address of the assessor and owner or served on them personally, at least five days before the hearing.

g. When the taxes are amended, they shall be levied and collected upon the basis of the corrected valuation.

Source: 54:1-18; 54:1-19; 54:1-20; 54:1-21; 54:1-22; 54:1-23; 54:1-24.

Comment

Subsection (a) is substantially identical to 54:1-18. Subsection (b) is substantially identical to 54:1-19. Subsection (c) is substantially identical to 54:1-20. Subsection (d) is substantially identical to 54:1-21. Subsection (e) is substantially identical to 54:1-22. Subsection (f) is substantially identical to 54:1-22. Subsection (g) is substantially identical to 54:1-22.

Tax:6-2. State equalization table; annual hearing; , abstract of ratables

a. The Director of the Division of Taxation shall annually, after receiving from the county boards of taxation the certified abstracts of ratables, determine the general percentage of full value at which the real property within each county is assessed. The Director shall prepare a state equalization table of county ratables, showing the assessed valuation of property in each county, the percentage by which the assessed valuation of property of each county should be increased or decreased to correspond to true value, and the true valuation of real property. A copy of the table shall be mailed to the county board of taxation and director of the board of freeholders of each county, and to the state comptroller, and posted at the state house, at least ten days before the hearing provided for in this section.

b. Annually, on the second Tuesday in July, the Director of the Division of Taxation shall hold a hearing in Trenton for the purpose of equalizing the assessments between the several counties. At that time, the county boards of taxation and representatives of the boards of freeholders shall be heard as to the accuracy of the ratios and true valuations of property as shown in the state equalization table. The hearing may be adjourned from time to time, but shall be completed by August twenty-fifth. Any county may object to the ratio or valuation of any other county.

c. After the hearing, the Director shall confirm or revise the equalization table in accordance with the facts, but shall not increase any valuation as shown in the table without giving a hearing, after five days' notice to the board of freeholders of the county affected.

d. The Director of the Division of Taxation shall prepare an abstract of the total ratables of the State, as returned by the county boards of taxation and corrected in accordance with the State equalization table, and transmit a certified copy of it to the Tax Court, the county boards of taxation and the State Comptroller, who shall apportion the State school tax, State tax or State money, as provided by law, upon the ratables as shown in the abstract, which shall take the place of annual abstracts filed by county boards of taxation for all purposes.

Source: 54:1-33; 54:1-34; 54:1-35.

Comment

Subsection (a) is substantially identical to 54:1-33. Subsections (b) and (c) are substantially identical to 54:1-34. Subsection (d) is substantially identical to 54:1-35.

Tax:6-3. Average ratio and common level range; determination; certified list

a. On or before April 1 in each year the Director of the Division of Taxation shall prepare a list of the average ratio and the common level range for each taxing district, and shall mail a certified copy of the list to the secretary of each county board of taxation and to the assessor and the municipal clerk of each municipality.

b. The "average ratio" is the ratio of assessed to true value of real property for a taxing district as promulgated by the Director of the Division of Taxation as of October 1 of the year preceding the tax year, and as revised by the Tax Court. The "common level range" for a taxing district is that range which is plus or minus 15% of the average ratio for that district.

c. Where it is not possible to determine the average ratio in any taxable district because there are no usable real estate sales during the period, the Director may consider other available data and studies and may investigate the assessment practices to establish the average ratio.

Source: 54:1-35a; 54:1-35b; 54:1-35c.

Comment

Subsection (a) is substantially identical to 54:1-35b. Subsection (b) is substantially identical to 54:1-35a. Subsection (c) is substantially identical to 54:1-35c.

Tax:6-4. Table of equalized valuations

a. On or before October 1 in each year, the Director of the Division of Taxation shall promulgate a table of equalized valuations to be used in the calculation and apportionment of distributions pursuant to the State School Aid Act of 1954 by delivering a copy of the table to the Commissioner of Education, by mailing a certified copy to the municipal clerk of each municipality, to the secretary of each county board of taxation and, by mailing by certified mail a certified copy to the mayor or other chief executive officer of any municipality for which the equalized valuation so certified exceeds by 10% or more the equalized valuation determined for the preceding year. The table for each year and any revision of it shall be kept as a public record in each office to which it is sent and in the office of the Director of Taxation.

b. The table of equalized valuations shall be in columnar form and shall list each taxing district in the State, with its (1) aggregate assessed valuation of real property (exclusive of Class

II railroad property); (2) the average ratio of assessed to true value of in the taxing district, (3) the aggregate true value of real estate; (4) the assessed valuation of Class II railroad property in the district; and (5) the sum of the items numbered (3) and (4), which shall be known as the "equalized valuation."

c. True value for the purposes of the table of equalized valuations is valuation at current market prices, determined in the manner that the Director selects. The Director shall determine the ratio of aggregate assessed to aggregate true valuation of real estate of each taxing district. That determination may be made by reference to the county equalization table if the Director 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 of it for the taxing districts in the county. The Director, may consider any other assessment ratio studies that are available and may investigate assessment practices to establish assessment ratios.

d. The equalization table may be reviewed by the Tax Court in accordance with the provisions of the *State Uniform Tax Procedure Law*, R.S. 54:48-1 et seq.

Source: 54:1-35.1; 54:1-35.2; 54:1-35.3; 54:1-35.4..

Comment

Subsection (a) is substantially identical to 54:1-35.1. Subsection (b) is substantially identical to 54:1-35.2. Subsection (c) is substantially identical to 54:1-35.3. Subsection (d) is substantially identical to 54:1-35.4.

Tax:6-5. Real estate sales ratio records as public records

Real estate sales ratio records (Form SR 1-A) of the Local Property Tax Bureau, Division of Taxation, Department of the Treasury, in the possession of the boards of taxation of each county, and containing information relating to the sale of real property and the address or block and lot designation of such real property as reported by the register of deeds and mortgages or county clerk of the county in which the property is located are public records for the purposes of P.L.1963, c. 73 (C. 47:1A-1 et seq.).

Source: 54:1-35.6.

Comment

This section is substantially identical to 54:1-35.6.

Reassessment and Revaluation Programs

Tax:6-6. Authority of director to reassess property

a. When the Director of the Division of Taxation has reason to believe that any property, including the property of railroad companies, has been assessed at a rate lower than is consistent with the purpose of securing uniform taxable valuation of property according to law, or that the assessment of property according to law in a taxing district is not in substantial compliance with the law and that the interests of the public will be promoted by a reassessment of such property, the Director, after due investigation, may order or make a reassessment of any property undervalued or a reassessment of all the property in the taxing district.

b. The Director shall give notice of the investigation preceding such a reassessment by mail to the chief executive officer and the clerk of the taxing district and by publication in a newspaper circulating in the taxing district to be affected. The notice shall set forth the purpose of the investigation and specify the time when and the place in the taxing district where the taxpayers and the municipal officers may be heard concerning the value of the taxable property of the district. The notice shall be given at least ten days before the time of the hearing.

c. The Director of the Division of Taxation, if necessary, may direct an assessor or other taxing officer to make a reassessment of any or all of the property, according to rules which he shall prescribe. If the assessor or other taxing officer fails to comply forthwith with the order given, the Director may designate some other person to make the new assessment under his direction. The assessment so made when certified by the Director to the taxing district shall be the assessment of the property for the year.

d. The reassessment shall be completed and the valuations certified to the county board of taxation by March fifteenth following the date of the original assessment. The valuations shall take the place of the tax duplicates required to be certified by the county board and delivered to the collectors of the taxing districts. The Director may make rules and issue orders to effectuate the reassessment. The Director may also assess any property omitted and may correct errors in assessment on notice to the parties concerned.

Source: 54:1-26; 54:1-27; 54:1-28; 54:1-29.

Comment

Subsection (a) is substantially identical to 54:1-26. Subsection (b) is substantially identical to 54:1-28. Subsection (c) is substantially identical to 54:1-27. Subsection (d) is substantially similar to 54:1-29 but the specific authority to spend state funds was deleted as anachronistic and the limitations on the amount authorized to be spent was deleted as anachronistic and probably superseded by appropriation acts.

Tax:6-7. Investigation for securing true valuation every five years

The Director of the Division of Taxation, once in every 5 years in each county, shall investigate assessments made against property, including the property of railroad companies, for the purpose of securing a uniform taxable valuation of all property within each county. The Director may, after due investigation, order or make a reassessment of any property undervalued, or a reassessment of all property in the county.

Source: 54:1-30.

Comment

This section is substantially identical to 54:1-30 but the material on the conduct of the investigation was deleted as unnecessary.

Tax:6-8. Standards for valuation and revaluation of real property; review of contracts with municipalities

a. The Director of the Division of Taxation shall adopt regulations establishing standards to be used in the valuation and revaluation of real property and shall prescribe minimum qualifications for firms and individuals engaged in the business of valuing and revaluing all or designated portions of real property under contract to a municipality.

b. Any municipality proposing to contract for a valuation or revaluation of some or all real property in the municipality shall submit the proposed contract to the Director of the Division of Taxation for determination as to whether the proposed valuation is in accord with the standards on valuation and whether the proposed contractor meets the qualifications established by regulations. The director shall take action on the proposed contract within 30 days of its submission.

c. Any municipality, or person aggrieved by any determination of the Director in regard to a proposed contract shall be entitled to a formal hearing conducted pursuant to the Administrative Procedure Act before the Director. The Director shall decide the matter within 30 days after the date of the hearing.

Source: 54:1-35.35; 54:1-35.36; 54:1-35.37.

Comment

Subsection (a) is substantially identical to 54:1-35.35. While it has been reworded, subsection (b) is substantially identical to 54:1-35.36. Subsection (c) is substantially identical to 54:1-35.37.

Tax:7-1. Findings, determinations

2. The Legislature finds and determines that:

a. Article VIII, Section I, paragraph 1 of the Constitution of the State of New Jersey requires that all real property in this State be assessed for taxation under the same standard of value, which the Legislature has defined as "true" or "market" value, and taxed at a uniform general tax rate within each taxing district;

b. Because of such factors as rapidly changing real estate markets, excessive workloads borne by local tax assessors and limited resources available thereto, a lack of uniform data processing standards, and the technological obsolescence of certain local assessment practices, it has been extremely difficult for many municipalities to maintain current market value assessments for all properties within their corporate boundaries;

c. Through the statutory equalization process, the Legislature has addressed certain difficulties arising from differential assessment levels, by directing county boards of taxation to adjust aggregate assessments to presumed market levels for the purpose of equitable inter-municipal apportionment of county and school tax burdens; however, adequate resources have not been available for the provision of an ongoing adjustment process to address the assessment discrepancies which often arise within individual municipalities;

d. When intra-municipal discrepancies become too severe, it is necessary to periodically revalue all parcels of real property within a municipality, in order to reestablish fair and equitable taxation pursuant to the intent of our constitutional mandate, and to avoid costly and time consuming litigation;

e. While revaluations are thus necessary to maintain tax equity, they generally result in shocking, immediate increases in individual property tax bills, which severely strain the financial resources of many property owners, particularly homeowners, and which threaten the stability and viability of long-standing neighborhoods and communities which are often already in need of rehabilitation; and

f. It is, therefore, incumbent upon the Legislature, as a compelling public purpose and a matter of the general public welfare, to provide municipalities with the authority to mitigate this fiscal shock by phasing in tax increases in areas determined to be in need of rehabilitation, thus maintaining the stability and viability of those neighborhoods and communities, while encouraging those governing bodies to conduct revaluations.

Source: 54:1-35.40.

Comment

This section is substantially identical to 54:1-35.40.

Tax:7-2. Definitions

As used in this chapter:

- a. "Base year" means the tax year immediately preceding the revaluation year;
- b. "Constant rate factor" means the result obtained by dividing the total tax levy for a municipality, excluding any special district tax levies, for the base year by the net valuation taxable for that municipality for the revaluation year, as both are listed in the Abstract of Ratables and Exemptions compiled from the Table of Aggregates prepared for the municipality;
- c. "Director" means the Director of the Division of Taxation in the Department of the Treasury;
- d. "Eligible property" means any parcel of real property containing a building or structure and located within an area declared in need of rehabilitation pursuant to this act in a municipality in which the director and municipal governing body have determined to implement a revaluation phase-in program, and for which the net assessed valuation of that parcel after exemptions and abatements as it appears on the assessor's duplicate for the revaluation year is scheduled to increase from the value as it appeared on the assessor's duplicate for the base year at a ratio equal to or greater than the total ratio change in net valuation taxable of that municipality for the revaluation year;
- e. "Revaluation" means the revaluation of all real property within the corporate boundaries of a municipality, performed under a contract approved by the Director;
- f. "Revaluation relief credit" means an exemption equivalent to the amount deducted from the tax liability of an eligible property, as part of a revaluation phase-in program;
- g. "Revaluation impact study" means a calculation of the difference between the tax liability for each parcel of real property situated within the municipality for the revaluation year without benefit of a revaluation phase-in credit, and that liability for the base year, and the average of all the differences within appropriate groupings of those parcels, which study is conducted under procedures established by the director and is reviewed and certified by the director;
- h. "Revaluation management analysis" means a revaluation impact study and a revaluation phase-in analysis;
- i. "Revaluation phase-in analysis" means a calculation of the increase in the tax liability for each parcel of eligible property within a municipality between the base year and the revaluation year after application of the constant rate factor, minus the revaluation relief credit

the municipality is authorized to allow for that property for each of the three years of a revaluation phase-in program provided for by this act, and the average of all such calculations within such groupings of those parcels as appropriate which study is conducted under procedures established by the director and is reviewed and certified by the director;

j. "Revaluation phase-in program" means the provision of revaluation relief credits by a municipality for eligible properties pursuant to this chapter;

k. "Revaluation year" means the first tax year in which the tax liability of real property within a municipality is determined, pursuant to chapter 4 of Title 54 of the Revised Statutes, on the basis of assessed valuations of the property established by a revaluation within that municipality; and

l. "Area in need of rehabilitation" means a municipality or a portion of a municipality in which at least 60% of the housing units are at least 30 years of age; or which has been determined to be an area in need of rehabilitation or redevelopment pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et al.) or a "**blighted area**" as determined pursuant to the Blighted Area Act, P.L.1949, c.187 (C.40:55-21.1 et seq.); or which has been determined to be in need of rehabilitation pursuant to the "Five-Year Exemption and Abatement Law," P.L.1991, c.441 (C.40A:21-1 et seq.), P.L.1975, c.104 (C.54:4-3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.), or P.L.1979, c.233 (C.54:4-3.121 et al.).

Source: 54:1-35.41.

Comment

This section is substantially identical to 54:1-35.41.

Tax:7-3. Allowance of revaluation relief credits

The Director and the governing body of a municipality which has undertaken a revaluation may allow revaluation relief credits for eligible properties as provided in this chapter:

a. On or before April 15 of the revaluation year for municipalities operating on the January 1 to December 31 fiscal year, or one week following the date established by law for the adoption of the municipal budget for municipalities operating on the State fiscal year, whichever is appropriate, the governing body of the municipality shall conduct a revaluation management analysis; provided, however, that a municipality which has conducted a revaluation that has not yet been used as the basis for a tax billing as of the effective date of this act may undertake the revaluation management analysis without regard for the deadline established. The governing body shall, at the same time, notify the county board of taxation of the county in which the municipality is situated of its intention to conduct a revaluation management analysis.

b. Within three days of filling out the Table of Aggregates for the county, the county board of taxation shall transmit to each municipality which has notified the county board of taxation of its intention to conduct a revaluation management analysis certified copies of the assessment list for the revaluation year and the base year and include a certified copy of the Table of Aggregates for the municipality.

c. As soon as practicable after receipt of the assessment list and Tables of Aggregates, and the certified copy of the Table of Aggregates from the county treasurer, the municipality shall prepare a revaluation management analysis.

d. After review of the revaluation management analysis, the governing body of the municipality may determine, by ordinance, to implement a revaluation phase-in program. That ordinance also shall contain a listing of the areas within the municipality declared in need of rehabilitation. A listing, by block and lot, shall be available for public inspection in the office of the municipal assessor immediately following adoption of the ordinance.

e. Upon the adoption of an ordinance, the governing body shall immediately notify and transmit certified copies of the ordinance to the director and the county board of taxation. In addition, the governing body shall direct the collector of the taxing district not to prepare and deliver any tax bills until the county board of taxation has prepared and delivered a revised tax list for the municipality. The collector shall prepare and mail or deliver, a statement to the individuals assessed and, if so authorized, to any mortgagee or other agent in substantially the following form: "The governing body of (municipality) has determined to phase in tax increases associated with the recently completed revaluation. Your tax bill incorporating the phase-in will be forthcoming."

Source: 54:1-35.42.

Comment

This section is substantially identical to 54:1-35.42.

Tax:7-5. Determination of eligible properties

a. Upon the receipt of a certified copy of the ordinance, the Director shall conduct a final review of the tax list for the municipality, and make a final determination of which parcels of real property in the municipality are eligible properties.

b. The Director shall determine the amount of the revaluation relief credit for each eligible property for the revaluation year as follows:

$$RRC = 0.75 (A - B)$$

here:

"RRC" equals the revaluation relief credit for the eligible property;

"A" equals the tax liability produced by multiplying the constant rate factor for the municipality for the revaluation year times the net assessed value of the eligible property as it appears on the assessment list for the revaluation year; and

"B" equals the tax liability produced by multiplying the general tax rate for the municipality for the base year times the net assessed value of the eligible property as it appeared on the assessment list for the base year.

Source: 54:1-35.43.

Comment

This section is substantially identical to 54:1-35.43.

Tax:7-6. Certification of aggregate amount of revaluation relief credits allowable

a. The Director shall certify to the county board of taxation the aggregate amount of revaluation relief credits to be allowed eligible properties within the municipality. The county board of taxation shall forthwith prepare a revised Table of Aggregates. In the revised Table of

Aggregates, the board shall include, as part of the amount which must be raised for local municipal purposes through taxation, the aggregate amount of the revaluation relief credits to be allowed eligible properties within the municipality. The revised Table of Aggregates for the municipality shall be signed and transmitted.

b. The Director shall provide, at the same time, the county board of taxation with a certified list of the eligible properties within the municipality and the amount of the revaluation relief credit to which each is entitled. The county board shall immediately cause the revised and completed duplicate, certified by it to be a true record of the taxes assessed, to be delivered to the collector of the municipality. The revised tax list shall remain in the office of the board as a public record. Thereafter neither the assessor nor the collector shall make any change in copies of the tax list except as provided by law.

Source: 54:1-35.44.

Comment

This section is substantially identical to 54:1-35.44.

Tax:7-7. Calculation of revaluation relief credit

Revaluation relief credits for eligible properties in the revaluation year shall continue to be provided in the first and second tax year following the revaluation year. For the first and second year following the revaluation year, on the receipt of a certified copy of a resolution from the municipality, the Director shall calculate the amount of the revaluation relief credit for each eligible property.

For the purposes of this section:

"RRC" equals the revaluation relief credit for the eligible property;

"A" equals the tax liability produced by multiplying the constant rate factor for the municipality for the revaluation year by the net assessed value of the eligible property as it appeared on the assessment list for the revaluation year; and

"B" equals the tax liability produced by multiplying the general tax rate for the municipality for the base year by the net assessed value of the eligible property as it appeared on the assessment list for the base year.

For the first tax year following the revaluation year, the Director shall determine the amount of the revaluation relief credit as follows:

$$\text{RRC} = 0.50 (A - B)$$

For the second tax year next following the revaluation year, the Director shall determine the amount of the revaluation relief credit for each eligible property as follows:

$$\text{RRC} = 0.25 (A - B)$$

In each of those tax years the Director shall certify to the county board of taxation the aggregate amount of revaluation relief credits to be provided for eligible properties within the municipality, and shall provide the county board of taxation with a certified list of eligible properties within the municipality and the amount of the revaluation relief credit to which each is entitled. The county board of taxation shall incorporate the information provided on that list into the tax list prepared for the taxing district.

Source: 54:1-35.47.

Comment

This section is substantially identical to 54:1-35.47.

Tax:7-8. Tax liability not less than base year

The provision of revaluation relief credits pursuant to this act shall not result in any tax year in a tax liability for an eligible property which is less than the tax liability for the base year.

Source: 54:1-35.48.

Comment

This section is substantially identical to 54:1-35.48.

Tax:7-9. Policies, procedures and regulations

The Director may establish policies and procedures to address technical problems which arise in overseeing implementation of this chapter. The Director shall promulgate regulations necessary to effectuate the purposes of this chapter pursuant to the Administrative Procedure Act.

Source: 54:1-35.49; 54:1-35.50.

Comment

This section is substantially identical to 54:1-35.49 and 54:1-35.50.

Tax:8-1. Review and confirmation of equalization table

a. The county board of taxation in each county shall meet annually for the purpose of reviewing the table equalized valuations prepared by the Director of the Division of Taxation with respect to the taxing districts of the county. At the meeting, a hearing shall be given to the assessors and representatives of the governing bodies of the taxing districts for the purpose of determining the accuracy of the ratios and valuations of property as shown in the equalization table, and the board shall confirm or revise the table in accordance with the facts. The equalization shall be completed before March 10. At the hearing any taxing district may object to the ratio or valuation fixed for any other district, but no increase in any valuation as shown in the table shall be made by the board without giving a hearing, after 3 days' notice, to the governing body and assessor of the taxing district affected.

b. After the equalization table is finally confirmed by the board, the valuations of property in each district as equalized shall be deemed to be the valuation of property in computing the total ratables of each district for all apportionments of county taxes, charges or distribution of money, except as may be otherwise provided by law. A certified copy of the equalization table as confirmed shall be transmitted to the tax court, the Director of the Division of Taxation, and each taxing district in the county.

Source: 54:3-18; 54:3-19.

Comment

Subsection (a) is substantially identical to 554:3-18. Subsection (b) is substantially identical to 554:3-19.

Tax:8-2. Apportionment of tax assessment on subdivisions

a. Any municipal assessment, charge or lien against a parcel of real estate may be apportioned among proper subdivisions of the parcel by the governing body of the municipality in which the parcel is located.

b. The assessments, charges or liens which may be apportioned include assessments for taxes, assessments for benefits for local improvements and all other municipal charges which are or may become liens upon real estate, due or to become due to the municipality, including the claim of the municipality under a sale for the enforcement of taxes or other municipal liens or charges.

c. The apportionment shall be made on the written application of any person interested, or on motion of the governing body without application, and shall be made according to the values of the respective subdivisions at the time the respective charges were imposed or levied, unless the claim is justly chargeable only to a particular part of the whole parcel.

d. The governing body may make the apportionment by resolution. A copy of the apportionment shall be filed with the clerk and with the collecting officer of the municipality, and the charge as apportioned to each subdivision shall then be a charge or lien on it in the same manner as if it were originally so assessed or imposed.

e. The apportionment may be made without notice to the interested parties, but in such a case any interested party who did not waive notice may apply for a reapportionment. If, on the reapportionment, a sum is apportioned to a subdivision in excess of the former apportionment, the amount of the excess shall be abated and lost to the municipality.

f. Notice of proposed apportionment shall state the time and place of hearing on the application, and shall be given at least one week in advance by publication in a newspaper in which ordinances of the municipality may be published, and by delivery or mail to each interested person.

g. The governing body, either in a particular case or by standing resolution, may direct the apportionment to be made by a municipal official, and the resolution may impose such lawful regulations on the manner of apportionment.

h. The governing body or authorized officer may require that the written application be accompanied by a map showing the entire parcel and the subdivisions desired and the deposit of a sum sufficient to cover the expenses of the notice and advertisement, and to pay the estimated amount apportionable to the subdivision in which the applicant is interested.

i. When part of a parcel of land has been taken for the opening, widening or extension of a street in a municipality, all taxes, assessments and water rents which are liens upon the whole parcel of land, shall be equitably apportioned between the part taken and the balance of the parcel in the same manner as other apportionments are made.

Source: 54:7-1; 54:7-2; 54:7-3; 54:7-4; 54:7-5; 54:7-6; 54:7-7; 54:7-8.

Comment

Subsection (a) is substantially identical to 54:7-1. Subsection (b) is substantially identical to 54:7-2. Subsection (c) is identical to 54:7-1. Subsection (d) is substantially identical to 54:7-4. Subsection (e) is substantially identical to 54:7-5. Subsection (f) is based on 54:7-6, but mail notice has been allowed and notice has

been required for interested persons who do not reside in the municipality. Subsection (g) is substantially identical to 54:7-7. Subsection (h) is substantially identical to 54:7-8. Subsection (i) is substantially identical to 54:7-9.