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**BILL NO.** A4839

**Date of Intro.** _____

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AN ACT concerning county-based real property assessment and statutory assessment requirements, and amending and supplementing various parts of the statutory law.

Extends county-based real property assessment pilot program to Atlantic County; revises assessment calendar for counties operating under that pilot program.

PRIME Sponsor Mazzeo /

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Same as _____ 14/15 Same as S- _____ 16/17

Suggested allocation: Sec. 10: C.54:1-100.1; section 21: C.54:1-100.2; to 2017/47

**AN ACT** concerning county-based real property assessment and statutory assessment requirements, and amending and supplementing various parts of the statutory law.

**BE IT ENACTED** *by the Senate and General Assembly of the State of New Jersey:*

1. Section 3 of P.L.2009, c.118 (C.54:1-88) is amended to read as follows:

3. As used in this act:

"County governing body" means the county board of chosen freeholders of **[**the**]** a pilot county.

"County assessor" means the person appointed by the county governing body pursuant to section 4 of P.L.2009, c.118 (C.54:1-89) to assess property within the county for the purposes of taxation and exemption from taxation.

"Department" means the Department of the Treasury.

"Director" means the Director of the Division of Property Assessment in the Department of the Treasury.

"Deputy county assessor" means the holder of a certified property assessor certificate who is employed by the office of the county assessor within **[**the**]** a pilot county and assigned to perform duties and responsibilities for the assessment of property for purposes of taxation under the supervision of the county assessor.

"Division" means the Division of Taxation in the Department of the Treasury.

"Pilot county" means the County of Gloucester, and after the effective date of P.L. , c. (pending before the Legislature as this bill) also shall mean the County of Atlantic.

(cf: P.L.2009, c.118, s.3)

2. Section 4 of P.L.2009, c.118 (C.54:1-89) is amended to read as follows:

4. a. On the first day of January of the first full calendar year next following the effective date of P.L.2009, c.118 (C.54:1-86 et al.) or the effective date of P.L. , c. (pending before the Legislature as this bill), as appropriate, or as soon thereafter as may be practicable, the county governing body of a pilot county that does not operate under the provisions of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), or the county executive of a pilot county operating under the provisions of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), pursuant to section 37 of P.L.1972, c.154 (C.40:41A-37), as appropriate, shall appoint a county assessor.

b. (1) The county assessor shall be an employee of the pilot county and shall serve on a full-time basis for an initial five-year term.

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

(2) No person shall be appointed as county assessor unless that person holds a certified property assessor's certificate and has at least five years of experience as a municipal tax assessor or deputy county assessor in the pilot county in which the assessor is to be appointed, or has held the position of county tax administrator prior to the appointment of the first county assessor pursuant to this section.

(3) The county assessor shall acquire tenure in office upon reappointment to a second five-year term and thereafter shall hold office during good behavior and efficiency, and shall not be removed for political reasons or for any cause other than incapacity, misconduct, disobedience of rules or regulations established by the director or by the county governing body, failure to meet the standards of performance established by the director, or schedules or standards adopted pursuant to P.L.2009, c.118 (C.54:1-86 et al.).

c. [The] A pilot county shall constitute a taxing district for the purpose of the assessment of property in the State.

(cf: P.L.2009, c.118, s.4)

3. Section 5 of P.L.2009, c.118 (C.54:1-90) is amended to read as follows:

5. a. On or before December 31 of the third full calendar year next following the [effective date of P.L.2009, c.118 (C.54:1-86 et al.)] appointment of the county assessor pursuant to subsection a. of section 4 of P.L.2009, c.118 (C.54:1-89), every municipality within [the] a pilot county shall implement a real property revaluation.

b. (1) The county assessor appointed pursuant to subsection a. of section 4 of P.L.2009, c.118 (C.54:1-89) shall assist the municipalities in meeting the requirements of subsection a. of this section through the promulgation of a phase-in plan for the orderly completion and implementation of the municipal revaluations, or by any other means he deems appropriate.

(2) The county assessor may waive the revaluation requirement for a particular municipality under subsection a. of this section upon his finding that the municipality implemented a revaluation, which, in the opinion of the county assessor, produced accurate valuations, within [24] 60 months of the [effective date of P.L.2009, c.118 (C.54:1-86 et al.)] appointment of the county assessor pursuant to subsection a. of section 4 of P.L.2009, c.118 (C.54:1-89).

c. The cost of the revaluations required under subsection a. of this section shall be paid by the pilot county. [The costs of a previous revaluation for a municipality that has been granted a waiver under paragraph (2) of subsection b. of this section shall be reimbursed by the pilot county.] Following the completion of the three year period established pursuant to subsection a. of this section, the State shall reimburse the pilot county for those amounts using funds made available to the pilot county from either the SHARE program pursuant to section 30 of P.L.2007, c.63 (C.40A:65-30) or from the Consolidation Fund established by

P.L.2008, c.35, or both in equal installments, over three years. If in any State fiscal year, sufficient funds are not available from the SHARE program or the Consolidation Fund to make the reimbursement to a county required in this subsection, the State shall reimburse the county from any other State funds that may be available, in equal installments, over three years.

d. The monies required to be paid for municipal revaluations by a pilot county pursuant to subsection c. of this section and the pilot county's administrative start-up costs shall not be included or considered a part of the county tax levy under section 4 of P.L.1976, c.68 (C.40A:4-45.4) or a part of the county's adjusted tax levy under sections 9 and 10 of P.L.2007, c.62 (C.40A:4-45.44 and 40A:4-45.45).

e. With respect to the filing of assessment appeals by property taxpayers in a municipality in a pilot county, such an appeal filed by a property taxpayer before the municipality's transition from municipal to county assessment, shall be the financial responsibility of the municipality in which the property is located, including the responsibility for payment of funds due to such a taxpayer following the taxpayer's successful assessment appeal. After that transition, all real property assessment appeals filed by property taxpayers in such a pilot county shall be the financial responsibility of the pilot county.

(cf: P.L.2009, c.118, s.5)

4. Section 6 of P.L.2009, c.118 (C.54:1-91) is amended to read as follows:

6. a. [During the revaluation period set forth pursuant to section 5 of P.L.2009, c.118 (C.54:1-90), and subject to the requirements of section 13 of P.L.2009, c.118 (C.54:1-98), the] The county governing body shall appoint deputy county assessors and assistant deputy county assessors as needed, subject to the requirements of section 13 of P.L.2009, c.118 (C.54:1-98). Deputy county assessors and assistant deputy county assessors may be appointed at any time after the appointment of the county assessor in a pilot county. The county assessor may make recommendations to the board of freeholders about candidates seeking appointment as deputy county assessors and assistant deputy county assessors based on the level of experience those candidates may have. A candidate for the position of deputy county assessor or assistant deputy county assessor who does not hold a certified tax assessor certificate may substitute, for any requirement of years of experience for appointment to those positions on a year for year basis, experience or certification in the appraisal of commercial real property or casino real property, but shall obtain a certified tax assessor certificate not later than 18 months immediately following his or her appointment as a deputy county assessor or an assistant deputy county assessor.

b. The county assessor shall direct the work of all deputy county assessors.

c. (1) The county assessor shall be responsible to the county governing body for the efficient operation of his office and of the deputy county assessors within the pilot county.

(2) The county assessor shall determine employment jurisdictions for deputy county assessors under his supervision, however, the county governing body shall establish their hours of employment, the terms and conditions of their employment, and fix their compensation.

d. The county assessor shall establish a permanent central office within the pilot county, and may authorize additional permanent or temporary district offices within the pilot county, within the limits of funds made available for those purposes by the county governing body.

e. (1) The county assessor may request that the county governing body employ such additional professional and clerical assistants as are necessary for the performance of his duties.

(2) Any professional or clerical assistants supervised by the county assessor shall be employees of the pilot county.

f. After December 31 of the third full year next following [enactment of P.L.2009, c.118 (C.54:1-86 et al.)] the first appointment of a county assessor pursuant to subsection a. of section 4 of P.L.2009, c.118 (C.54:1-89), the position of county tax administrator is abolished in [the] that pilot county.

(cf: P.L.2009, c.118, s.6)

5. Section 12 of P.L.2009, c.118 (C.54:1-97) is amended to read as follows:

12. The county assessor, in consultation with every municipal governing body and municipal tax assessor, shall promulgate a three-year schedule for the abolishment of the office of municipal tax assessor for every municipality within the pilot county. Thereafter, with respect to those municipalities, any reference in law to the duties and responsibilities of the office of municipal tax assessor pertaining to the assessment and reassessment of property shall be construed in the context of the statutory scheme of sections 1 through 15 of P.L.2009, c.118 (C.54:1-86 et seq.) as amended by P.L. , c. (pending before the Legislature as this bill) to mean the deputy county assessor under the supervision of the county assessor. Any reference in law to the office of municipal tax assessor which conflicts in whole or in part with sections 1 through 15 of P.L.2009, c.118 (C.54:1-86 et seq.) as amended by P.L. , c. (pending before the Legislature as this bill), particularly with regard to the appointment, employment, and removal of municipal tax assessors, shall be construed to have been repealed in whole or in conflicting part, with respect to municipalities located within [the] a pilot county, by the provisions of sections 1 through 15 of

P.L.2009, c.118 (C.54:1-86 et seq.) as amended by P.L. , c. (pending before the Legislature as this bill).
(cf: P.L.2009, c.118, s.12)

6. Section 13 of P.L.2009, c.118 (C.54:1-98) is amended to read as follows:

13. a. A serving municipal tax assessor or deputy municipal tax assessor who holds tenure in the position, or who has obtained a certified tax assessor certificate immediately prior to the appointment of the first county assessor within a pilot county, shall be entitled to preference with regard to the appointment of deputy county assessors and assistant deputy county assessors pursuant to subsection a. of section 6 of P.L.2009, c.118 (C.54:1-91).

b. Each person appointed as a deputy county assessor or an assistant deputy county assessor shall acquire tenure in office after serving three continuous years in the office. Thereafter, [a] deputy county [assessor] assessors and assistant deputy county assessors shall hold office during good behavior and efficiency, and shall not be removed for political reasons or for any cause other than incapacity, misconduct, disobedience of rules or regulations established by the director or by the county governing body, failure to meet the standards of performance established by the director, or schedules or standards adopted pursuant to P.L.2009, c.118 (C.54:1-86 et al.).
(cf: P.L.2009, c.118, s.13)

7. Section 37 of P.L.1972, c.154 (C.40:41A-37) is amended to read as follows:

37. The county executive:

a. Shall supervise, direct and control all county administrative departments;

b. With the advice and consent of the board, shall appoint the county counsel, the administrator, the heads of all departments and any divisions created within such departments, including the appointment of a county assessor in a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and the members of all county boards, commissions and authorities;

c. May, at his discretion, remove or suspend any official in the unclassified service of the county over whose office the county executive has power of appointment in accordance with the provisions of subsection b. of section [87b.] 87 of P.L.1972, c.154 (C.40:41A-87);

d. May, at his discretion, but subject to any pertinent provisions of the administrative code or civil service requirements, delegate to department heads powers of appointment and removal of their departmental employees. If the county executive does not so delegate his power he may appoint and remove, subject to civil service requirements, all employees whose positions have been

created in accordance with the administrative code, and the manner of whose appointment is not specified elsewhere in this article;

e. May require reports and examine the accounts, records and operations of any agency of county government;

f. May at his discretion order any agency under his jurisdiction as specified in the administrative code to undertake any task for any other agency on a temporary basis if he deems it necessary for the proper and efficient administration of the county government to do so;

g. Shall approve each ordinance of the board by signing it, or may veto any ordinance by returning it to the clerk of the board within 10 days of passage with a written statement of his objections to the ordinance. If two-thirds of the full membership of the board, upon reconsideration of the measure, shall vote for it, the executive's veto shall be overridden and the ordinance shall become law without the executive's signature in accordance with the provisions of law;

h. Shall review and approve or veto, within 10 days of delivery to him, except as otherwise provided herein, all or part of the minutes of every meeting of a county authority organized pursuant to the provisions of P.L.1946, c.138 (C.40:14A-1 et seq.), P.L.1957, c.183 (C.40:14B-1 et seq.) or P.L.1960, c.183 (C.40:37A-44 et seq.). If, within the 10-day period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at a meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 10 days of the receipt of the veto action. The county executive may approve all or any part of an action taken at a meeting prior to the expiration of the 10-day period. If the county executive takes no action with respect to the minutes within the 10-day period, the minutes shall be deemed to be approved. The veto powers accorded under this subsection shall not affect in any way the covenants contained in the bond indentures of the authority, or any collective bargaining agreement or binding arbitration decisions affecting employees of the authority.

No resolution or other action of the authority providing for the issuance or refunding of bonds or other financial obligations shall be adopted or otherwise made effective by the authority without the prior approval in writing of the county executive. This power shall be exercised with due regard for the rights of the holders of bonds of the authority at any time outstanding, and nothing in, or done pursuant to, this subsection shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its

bonds or for the benefit, protection or security of the holders thereof.

If two-thirds or more of the members of an authority make a determination that an action taken at a meeting is in response to an emergency situation, a copy of the minutes of that meeting shall be delivered to the county executive as soon as practicable following the meeting and the county executive shall have up to 24 hours after the copy of the minutes has been delivered to approve or veto the minutes of that meeting. If the county executive takes no action with respect to the minutes within the 24-hour period, the minutes shall be deemed approved. If, within the 24-hour period, the county executive returns to the authority and to the board of freeholders the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, together with a written explanation of the reasons for his veto of the action, that action shall be of no effect unless the board of freeholders overrides the veto of the action by a majority vote of its full membership within 48 hours of the receipt of the veto action.
(cf: P.L.1995, c.91, s.1)

8. Section 38 of P.L.1972, c.154 (C.40:41A-38) is amended to read as follows:

38. The legislative power of the county shall be vested in the board of chosen freeholders. Such legislative power shall be exercised by ordinance, except for the exercise of the following powers which are required to be, or are permitted to be, exercised by resolution:

a. The establishment of a municipal advisory council pursuant to section 29 of P.L.1972, c. 154 (C. 40:41A-29);

b. The conduct of an inquiry or investigation pursuant to section 86 of such act (C. 40:41A-86);

c. The expression of disapproval of the suspension or dismissal of officers or employees pursuant to section 87 of such act (C. 40:41A-87);

d. The exercise of the power of advice and consent to actions of the executive pursuant to section 41a. of such act (C.40:41A-41a.);

e. The override of a veto of the county executive pursuant to section 41f. of such act (C.40:41A-41f.);

f. The adoption of rules for the board pursuant to section 100 of such act (C.40:41A-100);

g. The establishment of times and places for board meetings pursuant to section 99 of such act (C.40:41A-99);

h. The establishment of the board as a committee of the whole and the delegation of any number of its members as an ad hoc committee, both pursuant to section 86 of such act (C. 40:41A-86);

i. The declaration of emergencies pursuant to section 101c. of such act (C.40:41A-101c.);

j. The identification of emergency situations pursuant to section 128 of such act (C.40:41A-128);

k. Application for a county department of civil service pursuant to section 130 of such act (C.40:41A-130);

l. Designation of qualified newspapers pursuant to section 142 of such act (C.40:41A-142);

m. The appointment and removal of such officers and employees as the board is permitted by law, including, but not limited to, the appointment of deputy county assessors and assistant deputy county assessors pursuant to the provisions of section 6 of P.L.2009, c.118 (C.54:1-91).

n. Approval of contracts presented by the county executive;

o. Actions specified as resolutions in the "Local Budget Law" (N.J.S.40A:4-1 et seq.);

p. Consent to municipal ordinances or resolutions regulating traffic or parking on county roads pursuant to section 1 of P.L. 1957, c. 69 (C.39:4-197.2), except that the resolution of consent shall be subject to the approval or veto of the county executive, as provided for in the case of ordinances by subsection g. of section 37 of P.L.1972, c. 154 (C.40:41A-37g.), and to the requirements set forth therein for overriding a veto; and

q. The expression of such board policies or opinions as require no formal action by the governing body.

(cf: P.L.1983, c.199, s.1)

9. Section 41 of P.L.1972, c.154 (C.40:41A-41) is amended to read as follows:

41. The board of freeholders:

a. Shall advise and consent to all appointment by the executive for which board confirmation is specified under this article;

b. Shall pass in accordance with this act whatever ordinances and resolutions it deems necessary and proper for the good governance of the county, including, but not limited to, establishing the position, and the office, of county assessor pursuant to the provisions of section 4 of P.L.2009, c.118 (C.54:1-89);

c. Shall appoint a clerk to the board who shall keep the records and minutes of the board, and who shall serve at the pleasure of the board or for such term, not to exceed 3 years, as may be provided by the administrative code; provided, however, that an ordinance providing for the adoption of any such term shall not be enacted between October 1 of any year and January 1 of the succeeding year;

d. May appoint counsel to the board, if such position is created by the administrative code, to serve at the pleasure of the board;

e. May pass a resolution of disapproval or dismissal, subject to the provisions of subsection b. of section [87b.] 87 of [this act] P.L.1972, c.154 (C.40:41A-87);

f. May override a veto of the county executive by a two-thirds vote of its full membership;

g. Shall approve the annual operating and capital budgets pursuant to the Local Budget Law.

(cf: P.L.1978, c.141, s.4)

10. (New section) The governing body of a county that is a "pilot county," as defined in section 3 of the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-88), as amended by P.L. , c. (C. ) (pending before the Legislature as this bill), shall use, and shall operate under on a permanent basis, the alternative real property assessment calendar established in the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-101 et al.), for all municipalities in the county, notwithstanding that the county shall not operate under the "Real Property Assessment Demonstration Program."

The Director of the Division of Taxation in the Department of the Treasury shall provide such a county with any information and assistance as may be necessary to effectuate the provisions of this section.

The county governing body shall inform the county's residents, by publication in the official newspaper of the county and on the county website, of this statutory requirement to permanently operate under the alternative real property assessment calendar, and the effect of that calendar on county property taxpayers, including, but not limited to, the change in the date for filing an assessment appeal with the county tax board.

The county assessor of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.) after the enactment of P.L. , c. (C. ) (pending before the Legislature as this bill) shall prepare a report detailing the cost savings to the county achieved through the county-based real property assessment program, and an analysis of the operation of county-based real property assessment, not later than the first day of the 40th month next following the appointment of the county assessor in that county. The county assessor shall provide a copy of the report to the Governor, the President of the Senate, the Speaker of the General Assembly, the Director of the Division of Taxation in the Department of the Treasury, the Director of the Division of Local Government Services in the Department of Community Affairs, the county executive in a county that has adopted the provisions of the "county executive plan" of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), the county board of freeholders, and all of the members of the Senate and the General Assembly representing the county.

11. Section 19 of P.L.1979, c.499 (C.54:3-5.1) is amended to read as follows:

19. a. The president of each county board of taxation shall annually on or before August 15 report to the Director of the Division of Taxation in the Department of the Treasury, except that the president of a county board of taxation participating in the demonstration program established in section 4 of P.L.2013, c.15

(C.54:1-104) and the president of a county board of taxation of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), shall make this required report to the director annually on or before June 1. Such report shall be in such form as shall be prescribed by the director and shall contain such information and statistics as may be appropriate to demonstrate for the immediately preceding 3-month period during which tax appeals were heard by the county board: the total number of appeals filed with the county board; the disposition of the various appeals disposed of during that period; the character of appeals filed with regard to the classification of properties appealed; the total amount of assessments involved in those appeals; the number of appeals filed in each filing fee category during that period; and, the total amount of reductions and increases of assessed valuation granted by the board during that period.

b. The Director of the Division of Taxation shall annually review the reports required under subsection a. of this section, and shall include a summary of the information contained therein in the division's annual report.

(cf: P.L.2013, c.15, s.6)

12. R.S.54:3-17 is amended to read as follows:

54:3-17. Each county tax administrator shall annually ascertain and determine, according to his best knowledge and information, the general ratio or percentage of true value at which the real property of each taxing district is in fact assessed according to the tax lists laid before the board. On or before March 1 of each year, or on or before May 15 in the case of a county board of taxation participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) and a county board of taxation of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), the county tax administrator shall prepare and submit to the county board an equalization table showing, for each district, the following items:

(a) The percentage level established pursuant to law for expressing the taxable value of real property in the county;

(b) The aggregate assessed value of the real property, exclusive of class II railroad property;

(c) The ratio of aggregate assessed to aggregate true value of the real property, exclusive of class II railroad property;

(d) The aggregate true value of the real property, exclusive of class II railroad property;

(e) The amount by which the valuation in item (b) should be increased or decreased in order to correspond to item (d);

(f) The aggregate assessed value of machinery implements and equipment and all other personal property used in business;

(g) The aggregate true value of machinery, implements and equipment and all other personal property used in business;

(h) The aggregate equalized valuation of machinery, implements and equipment and all other personal property used in business, computed by multiplying the aggregate true value thereof by the lower of (1) that percentage level established pursuant to law for expressing the taxable value of real property in the county, or (2) the average ratio of assessed to true value of real property as promulgated by the director on October 1 of the pretax year, pursuant to chapter 86, laws of 1954, for State school aid purposes, as the same may have been modified by the Tax Court;

(i) The amount by which the valuation in item (f) should be increased or decreased in order to correspond to item (h).

A copy of the table shall be mailed to the assessor of each district, and to the Division of Taxation, and be posted at the courthouse, not later than March 1, or not later than May 15 in the case of a county board of taxation participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) <u>and a county board of taxation of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)</u>.

(cf: P.L.2013, c.15, s.7)

13. R.S.54:3-18 is amended to read as follows:

54:3-18. The county board of taxation in each county shall meet annually for the purpose of reviewing the equalization table prepared pursuant to R.S.54:3-17 with respect to the several taxing districts of the county. At the meeting a hearing shall be given to the assessors and representatives of the governing bodies of the various 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 hearings may be adjourned from time to time but the equalization shall be completed before March 10, or not later than May 25 in the case of a county board of taxation participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) <u>and a county board of taxation of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)</u>. At the first 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.

(cf: P.L.2013, c.15, s.8)

14. R.S.54:3-21 is amended to read as follows:

54:3-21. a. (1) Except as provided in subsection b. of this section a taxpayer feeling aggrieved by the assessed valuation of the taxpayer's property, or feeling discriminated against by the assessed valuation of other property in the county, or a taxing district which may feel discriminated against by the assessed valuation of property

in the taxing district, or by the assessed valuation of property in another taxing district in the county, may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever is later, appeal to the county board of taxation by filing with it a petition of appeal; provided, however, that any such taxpayer or taxing district may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever is later, file a complaint directly with the Tax Court, if the assessed valuation of the property subject to the appeal exceeds $1,000,000. In a taxing district where a municipal-wide revaluation or municipal-wide reassessment has been implemented, a taxpayer or a taxing district may appeal before or on May 1 to the county board of taxation by filing with it a petition of appeal or, if the assessed valuation of the property subject to the appeal exceeds $1,000,000, by filing a complaint directly with the State Tax Court. Within ten days of the completion of the bulk mailing of notification of assessment, the assessor of the taxing district shall file with the county board of taxation a certification setting forth the date on which the bulk mailing was completed. If a county board of taxation completes the bulk mailing of notification of assessment, the tax administrator of the county board of taxation shall within ten days of the completion of the bulk mailing prepare and keep on file a certification setting forth the date on which the bulk mailing was completed. A taxpayer shall have 45 days to file an appeal upon the issuance of a notification of a change in assessment. An appeal to the Tax Court by one party in a case in which the Tax Court has jurisdiction shall establish jurisdiction over the entire matter in the Tax Court. All appeals to the Tax Court hereunder shall be in accordance with the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

If a petition of appeal or a complaint is filed on April 1 or during the 19 days next preceding April 1, a taxpayer or a taxing district shall have 20 days from the date of service of the petition or complaint to file a cross-petition of appeal with a county board of taxation or a counterclaim with the Tax Court, as appropriate.

(2) With respect to property located in a county participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) <u>or a property located in a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)</u>, and except as provided in subsection b. of this section, a taxpayer feeling aggrieved by the assessed valuation of the taxpayer's property, or feeling discriminated against by the assessed valuation of other property in the county, or a taxing district which may feel discriminated against by the assessed valuation of property in the taxing district, or by the assessed valuation of property in another taxing district in the county, may on or before January 15, or 45 days from the date the bulk mailing of notification of assessment is completed in the

taxing district, whichever date is later, appeal to the county board of taxation by filing with it a petition of appeal; provided, however, that any such taxpayer, or taxing district, may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever date is later, file a complaint directly with the Tax Court, if the assessed valuation of the property subject to the appeal exceeds $1,000,000.

If a petition of appeal is filed on January 15 or during the 19 days next preceding January 15, or a complaint is filed with the Tax Court on April 1 or during the 19 days next preceding April 1, a taxpayer or a taxing district shall have 20 days from the date of service of the petition or complaint to file a cross-petition of appeal with a county board of taxation or a counterclaim with the Tax Court, as appropriate.

Within 10 days of the completion of the bulk mailing of notification of assessment, the assessor of the taxing district shall file with the county board of taxation a certification setting forth the date on which the bulk mailing was completed. If a county board of taxation completes the bulk mailing of notification of assessment, the tax administrator of the county board of taxation shall within 10 days of the completion of the bulk mailing prepare and keep on file a certification setting forth the date on which the bulk mailing was completed. A taxpayer shall have 45 days to file an appeal upon the issuance of a notification of a change in assessment. An appeal to the Tax Court by one party in a case in which the Tax Court has jurisdiction shall establish jurisdiction over the entire matter in the Tax Court. All appeals to the Tax Court hereunder shall be in accordance with the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

b. No taxpayer or taxing district shall be entitled to appeal either an assessment or an exemption or both that is based on a financial agreement subject to the provisions of the "Long Term Tax Exemption Law" under the appeals process set forth in subsection a. of this section.

(cf: P.L.2013, c.15, s.9)

15. Section 18 of P.L.1979, c.499 (C.54:3-21.3a) is amended to read as follows:

18. All revenues received by the county from fees, either established or increased pursuant to this amendatory and supplementary act, shall be used exclusively for the purposes of modernizing the record-retention capabilities of the county board of taxation, for defraying the costs incurred by the county board of taxation in recording and transcribing appeal proceedings, setting forth memorandums of judgment and in providing copies thereof, for paying any salary required to be paid by the county which is increased pursuant to this amendatory and supplementary act, and to effectuate the provisions of the real property assessment

demonstration program established by section 4 of P.L.2013, c.15 (C.54:1-104).

In addition to these purposes, a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), also shall be able to use these fee moneys for costs of software and hardware necessary for computer assisted mass appraisal of real property, and for all costs related to the maintenance of tax maps.

(cf: P.L.2013, c.15, s.10)

16. R.S.54:4-23 is amended to read as follows:

54:4-23. All real property shall be assessed to the person owning the same on October 1 in each year. The assessor shall ascertain the names of the owners of all real property situate in his taxing district, and after examination and inquiry, determine the full and fair value of each parcel of real property situate in the taxing district at such price as, in his judgment, it would sell for at a fair and bona fide sale by private contract on October 1 next preceding the date on which the assessor shall complete his assessments, as hereinafter required; provided, however, that 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] "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.), the assessor shall consider only those indicia of value which such land has for agricultural or horticultural use as provided by said act; and provided further however, that when the assessor has reason to believe that property comprising all or part of a taxing district has been assessed at a value lower or higher than is consistent with the purpose of securing uniform taxable valuation of property according to law for the purpose of taxation, or that the assessment of property comprising all or part of 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 assessor shall, after due investigation, make a reassessment of the property in the taxing district that is not in substantial compliance, provided that (1) the assessor has first notified, in writing, the mayor, the municipal governing body, the county board of taxation, and the county tax administrator of the basis of the assessor's determination that a reassessment of that property in the taxing district is warranted and (2) the assessor has submitted a copy of a compliance plan to the county board of taxation for approval. In the case of real property located in a county participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) and in the case of real property located in a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), the assessor of the municipality in which the real property is situate, after due investigation, shall make a reassessment of the property in the taxing district that is not in substantial compliance. Following a

reassessment of a portion of the taxing district pursuant to the provisions of this section, the assessor shall certify to the county board of taxation, through such sampling as the county board of taxation deems adequate, that the reassessment is in substantial compliance with the portions of the taxing district that were not reassessed. 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.
(cf: P.L.2013, c.15, s.11)

17. R.S.54:4-35 is amended to read as follows:

54:4-35. a. Except as provided in subsection b. of this section, the assessor shall determine his taxable valuations of real property as of October 1 in each year and shall complete the preparation of his assessment list by January 10 following, on which date he shall attend before the county board of taxation and file with the board his complete assessment list, and a true copy thereof, to be called the assessor's duplicate. Such list and duplicate shall include the assessments of personal property reported or determined pursuant to this chapter. They shall be properly made up in such manner and form required by the Director of the Division of Taxation pursuant to R.S.54:4-26, to be examined, revised and corrected by the board as provided by law.

b. In the case of a municipality located in a county where the county board of taxation is participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) <u>and in the case of a municipality located in a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)</u>, the assessor shall determine the taxable valuations of real property as of October 1 in each year and shall complete the preparation of the preliminary assessment list by November 1, and the assessor shall appear on that date before the county board of taxation and <u>shall file with the board a hard copy of the complete preliminary assessment list, or</u> shall certify to the board, on forms promulgated by the Director of the Division of Taxation in the Department of the Treasury, that the electronic file within the county's MOD-IV tax system is his complete preliminary assessment list.

After all of the assessment appeals filed with the county tax board have been decided, the assessor shall complete the preparation of the final assessment list by May 5, on which date the assessor shall appear before the county board of taxation and shall file with the board his completed final assessment list, and a true copy of the final assessment list, which true copy shall be the assessor's duplicate. The final assessment and the assessor's duplicate shall include the assessments of personal property reported or determined pursuant to the requirements of chapter 4 of Title 54 of the Revised Statutes, in such manner and form as shall

be required by the director pursuant to R.S.54:4-26, and shall be examined, revised and corrected by the board as provided by law.
(cf: P.L.2013, c.15, s.13)

18. R.S.54:4-38 is amended to read as follows:

54:4-38. a. Except as provided in subsection b. of this section, every assessor, at least ten days before filing the complete assessment list and duplicate with the county board of taxation, and before annexing thereto his affidavit as required in section 54:4-36 of this title, shall notify each taxpayer of the current assessment and preceding year's taxes and give public notice by advertisement in at least one newspaper circulating within his taxing district 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 him or his 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 and duplicate. 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. Any notice issued by the assessor shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type.

b. In the case of a municipality located in a county where the county board of taxation is participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104), every assessor, before filing the preliminary assessment list with the county board of taxation pursuant to subsection b. of R.S.54:4-35, shall notify each taxpayer of the preliminary assessment and preceding year's taxes and give public notice by advertisement in at least one newspaper circulating within his taxing district 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 or the taxpayer's property. 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. Any notice issued by the assessor shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type.

<u>In the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), after the first year that the county operates under that law, the county assessor may, but shall not be required to, provide the annual written notification required by subsection a. of this section to each property taxpayer, if the county's property assessment records are</u>

available on the county's website, unless a taxpayer's assessment has increased or decreased from the previous year's assessment.

If, in any year after the first year that the county operates under that law, the county's property assessment records for that year are not available on the county's website, the county assessor shall issue the notice required by mail in subsection a. of this section.

However, a county property owner may request, in writing, by regular mail or by e-mail, that the county assessor shall continue to provide the annual notification required by subsection a. of this section by mail or by e-mail.

(cf: P.L.2017, c.16, s.2)

19. Section 32 of P.L.1991, c.75 (C.54:4-38.1) is amended to read as follows:

32. a. Except as provided in [subsection] subsections b. or d. of this section, every assessor, prior to February 1, shall notify by mail each taxpayer of the current assessment and preceding year's taxes. Thereafter, the assessor or county board of taxation 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 along with the deadline to file an appeal, printed in boldface type.

b. In the case of a municipality located in a county where the county board of taxation is participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104), every assessor, on or before November 15 of the pretax year, shall notify by mail each taxpayer of the preliminary assessment and preceding year's taxes. Thereafter, the assessor or county board of taxation 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 along with the deadline to file an appeal, printed in boldface type.

c. The county board of taxation of the demonstration county shall make the preliminary data electronically accessible to the public by posting the data in searchable form on the county's website not later than 15 business days after the submission of the preliminary data.

d. In the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), after the first year that the county operates under that law, the county assessor may, but shall not be required to, provide the annual

written notification required by subsection a. of this section to each property taxpayer, if the county's property assessment records are available on the county's website, unless a taxpayer's assessment has increased or decreased from the previous year's assessment.

If, in any year after the first year that the county operates under that law, the county's property assessment records for that year are not available on the county's website, the county assessor shall issue the notice required by mail in subsection a. of this section.

However, a county property owner may request, in writing, by regular mail or by e-mail, that the county assessor shall continue to provide the annual notification required by subsection a. of this section by mail or by e-mail.

(cf: P.L.2017, c.16, s.1)

20. R.S.54:4-52 is amended to read as follows:

54:4-52. The county board of taxation shall, on or before May 20, or on or before May 31 in the case of a county board of taxation participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104) and a county board of taxation of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), fill out a table of aggregates copied from the duplicates of the several assessors and the certifications of the Director of the Division of Taxation relating to second-class railroad property, and enumerating the following items:

(1) The total number of acres and lots assessed;

(2) The value of the land assessed;

(3) The value of the improvements thereon assessed;

(4) The total value of the land and improvements assessed, including:

a. Second-class railroad property;

b. All other real property.

(5) The value of the personal property assessed, stating in separate columns:

a. Value of household goods and chattels assessed;

b. Value of farm stock and machinery assessed;

c. Value of stocks in trade, materials used in manufacture and other personal property assessed under section 54:4-11;

d. Value of all other tangible personal property used in business assessed.

(6) Deductions allowed, stated in separate columns:

a. Household goods and other exemptions under the provisions of section 54:4-3.16 of this Title;

b. Property exempted under section 54:4-3.12 of this Title.

(7) The net valuation taxable;

(8) Amounts deducted under the provisions of sections 54:4-49 and 54:4-53 of this Title or any other similar law (adjustments resulting from prior appeals);

(9) Amounts added under any of the laws mentioned in subdivision 8 of this section (like adjustments);

(10) Amounts added for equalization under the provisions of sections 54:3-17 to 54:3-19 of this Title;

(11) Amounts deducted for equalization under the provisions of sections 54:3-17 to 54:3-19 of this Title;

(12) Net valuation on which county, State and State school taxes are apportioned;

(13) The number of polls assessed;

(14) The amount of dog taxes assessed;

(15) The property exempt from taxation under the following special classifications:

a. Public school property;

b. Other school property;

c. Public property;

d. Church and charitable property;

e. Cemeteries and graveyards;

f. Other exemptions not included in foregoing classifications subdivided showing exemptions of real property and exemptions of personal property;

g. The total amount of exempt property.

(16) State road tax;

(17) State school tax;

(18) County taxes apportioned, exclusive of bank stock taxes;

(19) Local taxes to be raised, exclusive of bank stock taxes, subdivided as follows:

a. District school tax;

b. Other local taxes.

(20) Total amount of miscellaneous revenues, including surplus revenue appropriated, for the support of the taxing district budget, which, for a municipality operating under the State fiscal year, shall be the amounts for the fiscal year ending June 30 of the year in which the table is prepared;

(21) District court taxes;

(22) Library tax;

(23) Bank stock taxes due taxing district;

(24) Tax rate for local taxing purposes to be known as general tax rate to apply per $100.00 of valuation, which general tax rate shall be rounded up to the nearest one-half penny after receipt in any year of a municipal resolution submitted to the county tax board on or before April 1 of that tax year requesting that the general tax rate be rounded up to the nearest one-half penny.

For municipalities operating under the State fiscal year, the amount for local municipal purposes shall be the amount as certified pursuant to section 16 of P.L.1994, c.72 (C.40A:4-12.1). The table shall also include a footnote showing the amount raised by taxation for municipal purposes as shown in the State fiscal year budget ending June 30 of the year the table is prepared.

In addition to the above such other matters may be added, or such changes in the foregoing items may be made, as may from time to time be directed by the Director of the Division of Taxation. The forms for filling out tables of aggregates shall be prescribed by the director and sent by him to the county treasurers of the several counties to be by them transmitted to the county board of taxation. Such table of aggregates shall be correctly added by columns and shall be signed by the members of the county board of taxation and shall within three days thereafter be transmitted to the county treasurer who shall file the same and forthwith cause it to be printed in its entirety and shall transmit certified copy of same to the Director of the Division of Taxation, the State Auditor, the Director of the Division of Local Government Services in the Department of Community Affairs, the clerk of the board of freeholders, and the clerk of each municipality in the county.
(cf: P.L.2013, c.15, s.16)

21. (New section) The Director of the Division of Taxation in the Department of Treasury, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations to effectuate the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill).

22. This act shall take effect immediately.

STATEMENT

This bill would extend the provisions of the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.) which created county-based real property assessment as a pilot program in Gloucester County, to Atlantic County. The bill amends that law to require the Atlantic County Executive to appoint a county assessor who would effectuate the transfer of the assessment function to the county assessor over a three-year period, in accordance with a schedule developed by the county assessor.

The transfer of the assessment function from Atlantic County's municipalities to the county itself will require the revaluation of all municipalities within the county to create uniformity of assessment throughout the county. The county assessor would have the authority to assist in the orderly revaluation of all of the municipalities within the county, including the authority to grant a municipality a waiver from the revaluation requirement if the municipality has implemented a revaluation within the preceding 60 months and the county assessor believes that the revaluation produced accurate valuations that are still relevant.

The county assessor would be aided by deputy county assessors, who would be recommended for appointment by the county assessor

and appointed by the county board of chosen freeholders at any time after the appointment of the first county assessor.

The bill preserves the requirement that the county must pay the costs associated with the municipal revaluations. The bill also preserves the requirement that the State must reimburse the county for the cost of the revaluations at the end of the three-year period during which the municipalities must be revalued.

It is anticipated that a shift from municipal-based real property assessment to county-based real property assessment will provide significant savings for Atlantic County's property taxpayers. In its "Report to the New Jersey Division of Taxation Regarding the Performance of the Gloucester County Assessor's Pilot Program" from 2015, Gloucester County reported savings of over $2 million per year resulting from the efficiencies realized from county-based real property assessment. In 2014 dollars, the Gloucester County Assessor's Office maintained assessments at a per tax line item cost per year of $20.79, 46% lower than the municipal cost of $38.56 per line item. Atlantic County's property taxpayers could see similar cost savings resulting from a change to county-based real property assessment.

The bill would also require Atlantic County and Gloucester County to operate, on a permanent basis, under the alternative real property assessment dates established for municipalities participating in the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-101 et al.). As part of its report in 2015, one of Gloucester County's "Recommended Changes to Regulations and Laws Regarding County-based Real Property Assessment," was to incorporate the assessment calendar revisions in the "Real Property Assessment Demonstration Program."

The alternative real property assessment calendar implemented as part of the "Real Property Assessment Demonstration Program" is designed to specifically address the systemic costs which result from losses due to successful assessment appeals by property owners, which reduce the property tax base, and which require municipalities to refund large amounts of property taxes previously collected from those property owners.

Under current law, every municipal tax assessor files the municipality's tax list with the county board of taxation, which subsequently sets the local tax rates. Assessment appeals are filed by property owners on April 1 of each year, or on May 1 in the case of a municipality that has undergone a municipal-wide revaluation or reassessment of real property. Appeals are heard by the county tax board and generally decided in most, if not all, cases by the end of July. Successful appeals that late in the tax year result in reduced assessments, which reduces the municipal tax base. Because the county tax board has already apportioned the tax levy, a decrease in the tax base will result in the under-collection of property taxes to fund current year operations. The real property assessment calendar enacted as part of the "Real Property

Assessment Demonstration Program" re-schedules the property assessment appeal process to dates *prior* to the calculation of the local property tax rate, which allows for a more accurate local property tax rate to reflect local budgetary needs and the true value of the tax base that provides the property tax revenue to fund the local budget.

The chart below sets forth the current statutory dates relative to the individual functions that comprise the real property assessment process, and the dates for those functions under the "Real Property Assessment Demonstration Program."

| ***DATES RELATIVE TO CERTIFICATION OF THE TAX LIST, ASSESSMENT APPEALS, AND THE CALCULATION OF LOCAL TAX RATES IN MUNICIPALITIES THAT ADOPT THE REAL PROPERTY ASSESSMENT CALENDAR UNDER THE "REAL PROPERTY ASSESSMENT DEMONSTRATION PROGRAM"*** | | |
|---|---|---|
| ***Description of Function*** | ***Current Date*** | ***Proposed Date*** |
| Assessing Date | October 1 of pre-tax year | October 1 of pre-tax year |
| Certification of Preliminary Assessment | N/A | November 1 of pre-tax year |
| Notification of Assessment Postcards | February 1 | November 15 of pre-tax year |
| Assessment Appeal Filing Deadline | April 1; May 1 in municipalities wherein revaluation of real property has occurred | January 15 |
| Assessment Appeals Heard | May, June and July | February, March and April |
| Tax List Filed | January 10 | May 5 |
| County Preliminary Equalization | March 10 | May 15 |
| County Final Equalization | March 10 | May 25 |
| Municipal Budget to Tax Board | March 31 | May 15 |
| County Budget to Tax Board | April 1 | May 15 |
| School Budget to Tax Board | May 19 | May 15 |
| Certified Tax Rates | May 20 | May 31 |
| Tax Duplicates | June 3 | June 3 |
| Tax Bills | June 14 | June 14 |

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Extends county-based real property assessment pilot program to Atlantic County; revises assessment calendar for counties operating under that pilot program.