

New Jersey



Assessors

Bulletin



MEMBER
International Association
of Assessing Officers

Vol. 14 No. 3

AUGUST, 1975

Assessors To Meet At Atlantic City

The Association of Municipal Assessors of New Jersey will be hosted by the Middlesex County Assessors Association at the 60th Annual Conference of the N. J. State League of Municipalities.

The meeting will be at Atlantic City November 18, 19, 20, 21.

The Assessors' Agenda will be:

Wednesday, November 19

11:45 A.M.—S.M.A. Luncheon, Penna. Room #3
Dining Floor—Haddon Hall

2:00 P.M.—Penna Room #3—Dining Floor
Haddon Hall—General Meeting

Thursday, November 20

2:00 P.M.—Teakwood Hall—Lafayette Hotel
General Meeting & Installation of Officers.

Claire Young will be in charge of the S.M.A. Luncheon, assisted by Walter Salmon.

John Murray, State President, will preside over both the general meetings. Guest speakers are to be announced at a later date.

New officers will be installed by Mrs. Ethel M. S. Yahnel, Tax Analyst for the Middlesex County Board of Taxation.

The Assessors Hospitality Room will be at the Burgundy Motel.

Was It Only Yesterday????

In 1963 the President of the State Assessor's Association was Mariott Haines, present assessor for Vineland.

A copy of the Assessors Bulletin for that year shows the chairman of various committees to be: Publicity, Dan Kiely-Membership, Clarence Delgado-Legislature, John Connolly-In Service Training, Ed Markowich-Program, George Linger-S. M. A., Russell Wilson - Civil Service, Lloyd Koppe.

Of all those mentioned the only ones remaining who are still assessing are Mariott Haines and Ed Markowich.



"I keep getting this feeling that I'm under-assessed!"

Vacation is time off to remind people that the business can get along without them.

P.L. 1975, CHAPTER 104

The main purpose of this bill is to exempt from taxation for a limited time certain home improvements. By doing so, the legislators hope to prevent the deterioration of neighborhoods that are in blighted areas.

When first made public the law was met with dismay by a great many assessors for various reasons.

However, it is important to note several deciding factors that must prevail in order to make the exemption effective.

(a) "Home improvement" means the improvement of a dwelling which neither changes its size nor its permitted use. An added bedroom or bathroom making the building larger would be excluded.

(b) The area in which the buildings are located must be declared "blighted" by the county planning board or the Commissioner of the Department of Community Affairs.

(c) The property must be more than 20 years old.

(d) A written application requesting the exemption must be filed with the assessor within 30 days of the completion of the improvement.

The procedures, guidelines and forms for implementing this Act are in the process of being finalized by the Division of Taxation.

NOMINATING COMMITTEE

A special Executive Board meeting of the Association was held June 24, 1975 at Hickman Hall, Douglass College.

The purpose of the meeting was to appoint a nominating committee for the elections to be held at Atlantic City this coming November.

Those appointed are: Ken Beck, Chairman; Patricia Webster, Francis Zupko, Samuel Katz, Charles Greyson, James Reeves, Carl Miller, Olaf Fostvedt and Robert Merritt.

Officers to be elected at the meeting which will be held on Wednesday, November 19, are: Four Vice-Presidents, Treasurer and Sergeant-at-Arms.

Presently holding these offices are: Ken Beck, Dick Dann, Harry Schuman, Jay Longfield, Chuck Taylor and Otto Mutzberg.

Any prospective candidate desiring to be considered by the Nominating committee must file a resume of his background and experience to the Chairman of the Nominating Committee on or before **August 1**. On or before **September 10** of each year and following consideration of all prospective candidates, the Nominating Committee in writing, shall inform the State Association Officers, the County Association Presidents, and the candidates of the committee's recommendations. The information shall include the office for which the nominee is nominated, the taxing district (s) represented, the county represented, and the position held.

Any prospective candidate, other than the Nominating Committees' nominees, seeking an elective office must do so by petition. The petition must be signed by at least (20) regular members in good standing, include the personal data specified in the above paragraph, and be submitted to the Secretary by **September 20**. A candidate may be nominated for only one office or petition for only one office.

Joseph Crane, CTA, Secretary



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LEGISLATIVE REPORT



The bills in the State Legislature pertaining to taxation have been moving at a snails' pace, especially those that may improve assessing administration.

I'm sure that everyone is aware of those bills that have already become law prior to our last meeting in Atlantic City.

For the benefit of those who are yet not aware of the current events, let me update the happenings. Since January 1st, 1975 only two bills which pertain to assessing administration have become law and one is awaiting the Governor's signature. The two passed were S-711 (ch. 2 L 1975) condominiums bills and S-618 (ch. 104 L 1975) known as the Home improvements abatement bill. This law gives every indication that the assessor will soon be faced with a king size "Excedrin" headache. It has already posed an administration problem for the local property tax bureau. The Association of Municipal Assessors has presented strong sentiment against this bill along with the League of Municipalities from the time this bill was filed until this bill was placed on the Governor's desk. But to no avail. The speed of the passage of this bill has indicated that the priorities were high since it only took 10 months to become law. The bill S-603, which required a tax list description of each item with a notification of a lien to be excluded in the tax list and duplicates was vetoed by the Governor. However, the one awaiting his signature, A-1276, has started out to be a good bill but the amendment added has now caused a bit of consternation for the municipality. This bill states that an appellant must pay at least 90% of his taxes regardless if his appeal seeks a reduction in excess of 10%—the amendment included, was that in the event the appellant was successful in his appeal, the refund by the municipality had to include an 8% interest. This amendment I feel, would only increase the amount of appeals since the appellant now has access to an 8% interest clause if successful. This would cause many communities to adjust the budget to absorb any loss in anticipated revenue with additional penalties.

Another bill recently passed into law was Ch. 167 L 1974 or S-1297. The priorities on this bill were far greater than the above mentioned bill since it took only six months to become law. The Chairman of the Exemption Committee, Chas. Fouquet can update you on the soon to appear problems of this law.

Another bill that has already passed the Assembly is A-3192 known as the Transfer Development Rights bills. This bill has received strong negative reaction from both the Association of Municipal Assessors and the League of Municipalities. The provisions of this bill has the assessor involved since he is responsible for setting the value of those rights being transferred. The bill contained many problems and President John Murray has had a hold placed on this bill in the Senate Agriculture and Environmental Committee pending the answers to the questions presented by Association of Municipal Assessors. At the League meeting on June 10th concerning the bill many objections were raised and presented to Assemblywoman Totaro and to Bud Chavossian of Rutgers. There is nothing further to report concerning the status of this bill.

I have recently received information from our legislative aide, Sal Pollina, that two bills were filed pertaining to Ch.

123 by Assemblyman Allen Karcher, One bill was A-3491—calling for an extension of the postponement until 1978. The other bill was A-3490 which calls for repeal of Ch. 123. What the status or contents of these bills are I do not know since they haven't been presented yet.

George Harraka

Burlington County Assessors Elect Scimeca

The Association of Municipal Assessors of Burlington County has elected George Scimeca of Delran as President for the 1975 term. Mr. Scimeca succeeds Matthew Chudoba of Easthampton who served two terms.

Other Officers elected were: First Vice-President: Joseph Montalto, Burlington Township; Second Vice-President: Grace Wolf, Willingboro; Treasurer: William Skelly, Willingboro; Corresponding Secretary: Jeanette Bowers, North Hanover and Recording Secretary: Dorothy Yates, Woodland.

The newly elected eight member Executive Committee includes Rowen Bright, Delanco; Matthew Chudoba, Easthampton; William Birchall, Hainesport-Lumberton; Walter Salmon and Gloria Shadel, Mount Laurel; George Thomulka, Mount Holly; Edward Enow, Riverside and James Reeves, Riverton.

F.H.A. SALES

F.H.A. financed sales should not be excluded as a class from a sales-ratio study in establishing a county equalization table for the apportionment of county taxes among the taxing districts, but, once the sales price in such a sale is shown to have been substantially distorted by extraordinary charges attributable to F.H.A. financing, so that it does not reflect the true consideration for the property as between the buyer and the seller, it should be discarded and not used in the sales-ratio study.

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NEW BILLS

A-3372 Gallagher and 14 other Sponsors.

To provide for a constitutional convention to consider proposals to revise and amend the State constitution relating to the taxation of people and to appropriate \$300,000.

A-1282 2nd OCR Chapter 73 May 1

Requires that municipalities selling real property which is less than the minimum size required for development under the zoning ordinance to allow the owners of the real property contiguous to the real property for sale the opportunity to purchase such land before it is sold to anyone else. (Signed into law)

S-3027 Chapter 88 May 8

Grants elected assessors who have gained tenure and have thereby been exempted from the electoral process the same residency exemption as appointed assessors. (Signed into law).

S-618 OCR Chapter 104 May

Provides for an assessment delay of 5 years on home improvements up to the first \$4,000 on dwellings more than 20 years old in an area subject to blight. (Signed into law).

A-3456 Hamilton, Foran, Weidel, McManimon, Woodson, Paterno.

To provide for a State contribution in lieu of taxes to each municipality in which the total State-owned real property is greater than \$40,000,000 and in which the aggregate area of all parcels is greater than 5% of the total area of the municipality.

A-3491 Karcher, Otlowski, Perkins, Bornheimer

To postpone the applicability of Chapter 123, P. L. 1973, concerning tax appeals, from the 1976 to the 1978 tax year.

A-3517 Hamilton, Barbour, Wilson, Perskie, Worthington, Sweeney, Burstein, Salkind, Gewertz.

To provide for the apportionment of State school aid revenues to be derived from the imposition of a tax on income commencing July 1, 1975 to each individual real property owner as a proportionate reduction in real property taxes.

S-3306 Ammond.

To direct the Commission on State Tax Policy to review previous studies and report on local property taxes, to study present property tax and make recommendations for the reform of the local property tax structure.

A-106 OCR Chapter 150 July 9

Increases fees for filing tax appeals with the Division of Tax Appeals in several categories. (Signed into law).

A-3571 Baer.

To impose a State tax on the aggregate equalized valuation of developable property in each taxing district at the rate of \$1 per \$100 of such valuation.

A-3552 Barbour, Woodson

To impose a State tax on the aggregate true value of business property in each taxing district at a rate determined by subtracting the effective rate of the taxing district from \$2.50 per \$100 of the true value thereof.

Those wishing to receive copies of these bills may call toll free 800-792-8630.

TAX RELIEF

Assemblymen Walter Foran (R-Hunterdon) and Paul Contillo (D-Bergen) will request the Assembly Taxation Committee to place a homestead exemption on the November ballot.

It will provide property tax relief for senior citizens and handicapped persons over and above the present \$160 a year exemption now given the elderly.

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What good are ideas unless you can make use of them?

Assembly Bill No. 3192

The "Municipal Development Rights Act," A-3192, was introduced by Assemblywoman Totaro and Assemblyman Woodson and has already passed the Assembly.

This Act authorizes creation of commissions to study the feasibility of the municipality adopting development rights ordinances.

At one point it was amended to give the commission power to review the adequacy of assessment of property for tax purposes and direct them to prepare a report to the governing body on the adequacy of assessing practices within the municipality.

According to many County Tax Boards this amendment bears no relationship to the overall intent of the bill and conflicts with the statutory scheme of property tax law and administration.

The power of review over assessment policies is presently vested in the County Boards of Taxation and the State Division of Taxation.

Adoption of A-3192 as presently proposed would destroy the progress that has been made in isolating the responsibilities and duties of the tax assessor from local political pressures.

It would also duplicate and interfere with the responsibilities of the County Boards and the State Division of Taxation and would place the assessor in a position of being responsible to two separate supervisors.

Association of Municipal Assessors of New Jersey

NEW JERSEY ASSESSORS BULLETIN

P. O. Box 187, New Brunswick, N. J. 08903 — (201) 545-4700

Quarterly Publication

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ONE MAN'S OPINION



The New Jersey Tax Policy Commission made nine recommendations that would directly affect assessing procedures or its relative fields.

Of extreme significance, and one that needs clarification, is 5 (b). This states: "The Director of the State Taxation should be required to promulgate rules and regulations to mandate use of the state appraisal manual."

much of the manual is devoted to the cost less depreciation approach, but it does state that cost less depreciation and obsolescence, the capitalization of net income and comparative sales, are recognized approaches. This means that we are right back where we started from when faced with appeals.

The investor who has purchased a commercial type property for a low price usually gets favorable treatment from the courts in view of the selling price. Likewise, the investor who produces an income and expense statement to his advantage usually gets a reduction when an appeal is filed. Needless to say, the reduction is picked up by other taxpayers.

The frustrating consequence of this is that the Handbook for New Jersey Assessors, citing N. J. S. A. 54:4-1, 54:4-23, says, "While the courts accept the three approaches as indicators of value, they invariably point out that the result of a single approach, in itself, can never be accepted absolutely as the true value of a property."

If this is the case, why do many decisions rendered against taxing districts totally disregard the cost less depreciation approach? It would appear that the decisions do result from a single approach.

Would it not be reasonable to compromise a decision by finding a medium? If the Income Approach produces a value of \$100,000, and the Cost Approach shows a value of \$90,000, why not settle for \$95,000?

Many appellants refuse to negotiate when the Income Approach is favorable toward them. They've walzed this around too often to give an inch.

Getting back to the Commission's recommendations, why mandate the use of the state manual if it is going to be picked apart?

The assessors try to follow its direction but if the courts don't do likewise who can blame the assessors if a lack of confidence exists?

If there are three approaches to value they must all be used and not have the one selected that best suits one's fancy.

Remember, this is One Man's Opinion.

Lou Schick, Editor

WEDDING BELLS



John Connolly, the village clerk and former tax assessor of South Orange and Marie Burkhardt, Maplewood assessor, watched happily as Governor Brendan T. Byrne, signed S-3027.

When John and Marie decided to marry they were confronted with one big problem—the state statute which provided residency requirements for municipal officials. How could they live together and keep their jobs?

Connolly asked Essex County Senator Donald Fox for advice. The result was S-3027 which gives assessors who have gained tenure the same residency exemption as appointed assessors.

In signing the bill the Governor said, "This is one measure that went through the Legislature faster than any other."

NEW BOARD MEMBERS

Atlantic County Board of Taxation: C. Herbert Hyman, of Margate City, to succeed himself.

Camden County Board of Taxation: Louis C. Joyce III, of Blackwood, to succeed himself.

Cape May County Board of Taxation: Ellery M. Bowman, of Cold Spring, to succeed himself. Alan I. Gould, of Wildwood, to succeed Carlton E. Mason, deceased.

Essex County Board of Taxation: Fred W. Frederici, Jr., of Newark, to succeed himself.

Hudson County Board of Taxation: Marita Borzaga, of West New York.

Hunterdon County Board of Taxation: Hiram B. Ely, Jr., of Flemington, to succeed himself.

Salem County Board of Taxation:

Norman C. Stout, of Carneys Point, to succeed himself.

Sussex County Board of Taxation:

Russell C. Ortman, of Newton, to succeed Donald Richard.

Union County Board of Taxation:

Richard P. Hatfield, of Scotch Plains, to succeed John K. Meeker, Jr.

Warren County Board of Taxation:

James A. Williams, of Oxford, to succeed himself.

OCEAN COUNTY NEWS

A regular meeting of the Ocean County Association of Municipal Assessors was held at the King's Grant Inn. President Lorraine Effenberger presided. Guests of the evening were: John Murray, State Association President; George Lorbeck, Local Property Tax Bureau; Rita Bach, Ocean County Tax Board; Ruth Jonash, Seaside Park; and Douglas Spettel, Union Township.

Jim Anderson reported on the passage of elected assessors' tenure bill. Bob Cantrell reported RPAI and II will be offered in Ocean County this fall. Ken Beck requested that anyone with personal assessing problems contact him so he could present it to the State Advisory Committee for consideration.

Discussions were held on computer equipment and programming extensions of revaluation deadlines and by-law revisions of the county constitution.

The association adopted a resolution nominating Jim Anderson for State Vice-President to succeed Ken Beck.

The next Tri-County meeting will be hosted by Cape May County in the fall.

Joyce A. Jones, Sec'y.

DIGEST OF OPINIONS

For purposes of real property taxation under N. J. S. A-54:4-1 et seq., machinery and equipment, used in a manufacturing process, attached to land or buildings are to be assessed and taxed as realty if they have been placed in or annexed to a structure to carry out the purposes for which the structure was erected or designed or to which it has been adapted, with the intention to remain there permanently, and the removal thereof will result in material injury, as defined in the "institutional doctrine of fixtures"; the test is the essentiality of the chattels to the use which the building was designed or used.

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Announcing Two New Publications On Property Taxation

The Application of Multiple Regression Analysis in Assessment Administration is the most recent title in the IAAO Research and Technical Services Department's Studies in Property Taxation series. Papers included in this volume are: James E. Reinmuth, "The Use of Multivariate Statistical Methods in Assessment Analysis, with Special Emphasis on the Problem of Multicollinearity;" Michael S. Skaff, "Implications of Multicollinearity and Interactive Effects on the Predictive Ability of a Mass Appraisal Model;" Erik J. Stenehjelm, "Statistical Stratification of Residential Properties: Theory and Practice;" Robert H. Gustafson, "The Role of Stratification in the Use of Multiple Regression Analysis as Applied to Single-Family Residences;" William M. Shenkel, "The Valuation of Income Property by Multiple Regression Techniques;" and Paul B. Downing, "Computerized Urban Land Valuation;" and Paul B. Downing, "Computerized Jack Lessinger, Gregory H. Wassall, Albert M. Church, Richard A. Borst, George W. Gipe, Dennis W. Miller, H. Robert Knitter, Conrad I. D'Souza, Charles C. Cook, Arlo Woolery, Dean Misczynski, and Robert J. Gloudemans.

The IAAO Research and Technical Services Department's study, Use-Value Farmland Assessments: Theory, Practice, and Impact represents a comprehensive effort to analyze use-value farmland assessment legislation, discuss the problems such laws create for assessment officials, and examine the impact upon the tax base and upon land use. This report (1) sets the background for the rise in popularity of legislation providing for the assessment of farm and open space lands on a current use-value basis, and presents the arguments for and against this type of legislation; (2) summarizes eligibility requirements, rollback tax provisions, and other features of existing legislation in the United States and Canada, and discusses the problems involved in implementing such assessment programs; (3) focuses on the impact which use-value farmland assessments might have upon the tax base, investigating the experience of states and provinces with the most widely implemented programs; and (4) contains a discussion of the impact of use-value assessments upon land use, both from a theoretical viewpoint and in terms of the experiences of various states and provinces.

Copies of these reports may be ordered at \$7.50 each for IAAO members and \$10.00 for nonmembers from the IAAO Publications Office, 1313 East 60th Street, Chicago, Illinois 60637.

The best work in the world is not done for money or necessity but for fun.

A Connecticut bill to allow the State's cities to assess different types of property at different levels has been killed by the General Assembly Finance Committee.

There have been applications galore for the job of street sweeper in San Francisco since the city announced the post would pay \$17,000 per year. The rumor is the two assessors were among the applicants.

Housing Exemption Denied

In the Supreme Court of Iowa, the Dow City Senior Housing, Inc. filed an appeal from a denial of a property tax exemption.

An appeal was previously tried in a district court where the court held the plaintiff did not prove its property should be exempt.

The Senior Citizen Housing, Inc. claimed it is a charitable and benevolent institution using its property solely for its appropriate objects without a view to pecuniary profit.

The plaintiff is a non-profit corporation organized under Iowa law to construct and operate a low-rent housing facility for elderly persons in Dow City.

Local businessmen organized the corporation in accordance with FHA regulations which provided for a loan but precluded rental of units to persons with more than \$9,000 annual income.

In this case the court said that the government, through the FHA loan, has already assumed a large share of the burden of meeting the need for low-rent housing for the elderly and the plaintiff did not show it should be exempt and place an additional burden on property taxpayers in the community.

It also said that although the corporation was non-profit that did not make it a charitable or benevolent institution.

The court said the plaintiff provides housing but not housing to those unable to pay. No concessions on rent are made to residents based on need.

The exemption was denied.

A poor habit can rub out a lot of good habits which proves that finer things are at the mercy of lesser things.

Property Tax Referendum

The Senate approved a referendum providing a constitutional amendment for property tax deductions for the disabled, property tax rebates for tenants and homeowners and tax exemptions for buildings in deteriorated areas.

The proposed amendment to the State constitution would give a permanently and totally disabled resident a maximum deduction of \$160 if his income does not exceed \$5,000.

It would also adopt a homestead statute giving homeowners and tenants a rebate or credit of a sum of money related to property taxes paid by or allocable to them at such rates, and subject to such limits as may be provided by law. This was changed from "not less than 5 per cent nor more than 10 per cent of household income."

The amendment would also give the Legislature power to let municipalities adopt ordinances granting exemptions or abatements from taxation on buildings and structures in areas declared in need of rehabilitation.

Sen. Joseph Merlino (D-Mercer) brought the bill on the floor and Sen. James Wollwork (R-Essex) said he could support it if the various changes which the ballot proposes were broken into separate items.

Sen. Eugene Bedell (D-Monmouth) said the people who would be affected by the referendum have been waiting for redress for a long time.

Become An S.M.A.

Find Property Taxes Vary

Property taxes vary greatly in dollar totals from state to state, according to recent figures released by the Tax Foundation. This research organization found that property taxes also can be significantly different within areas of a state.

The U. S. average of \$216 per capita in property taxes in 1973 compares to \$118 in 1965. Its study points out that localities must consider more than just the revenue effects of this largely influential tax. Generally regarded as "the mainstay of local government finance," it has also been labeled the "most disliked tax" in polls.

New Jersey is tied with California for third highest, \$348, with Massachusetts first with \$358 and Connecticut second with \$353.

The International Assessor

ASSEMBLY, NO. 3517

This bill provides for a reduction of local property taxes by means of payments in lieu of additional State school aid for the fiscal year 1975-76. Funds will be apportioned to each municipality in an amount equal to the amount of State school aid which would be payable in the event Senate Bill No. 1516 were to be effective July 1, 1975.

Such funds are to be passed through and be used as a credit against each property owner's tax liability. This credit is proportional to individual payments to the total amount of local taxes. This bill is intended to ease the burden of local property taxpayers which is possible with the enactment of Assembly Bill No. 1875, but which will not be received in the form of additional State aid to education in the fiscal year 1975-76 because Senate Bill No. 1516, the "Thorough and Efficient" bill which provides additional State aid to education, can only be enacted after the legal deadline for local municipal and school budgets.

IAAO SEMINAR

The International Association of Assessing Officers is having an **Industrial Property Valuation Seminar** in Haverock Heights, New Jersey on October 20 and 21, 1975.

The objective of this seminar is to aid the assessor and the industrial tax manager in dealing with the complexities of industrial property valuation.

Two speakers will be presented who are active, knowledgeable professionals in industrial property valuation.

Mr. Robert Flanagan, CAE, MAI; Director of Real Estate, New London, Connecticut will be the main speaker. Mr. Flanagan is active in fee appraisal, appraisal for assessment purposes, and IAAO instructor and has taught at the University of Connecticut.

Mr. Frank Schlesinger, President, Louis Schlesinger Company, an active Industrial Realtor in the New Jersey area has been selected to give the participants added insight into today's industrial property market and its effect on industrial property valuation.

There will be a registration fee of \$75.00 per person. This includes the two day seminar session, coffee breaks and a luncheon on Monday, October 20.

For further information write to the IAAO Industrial Property Valuation Seminar, 1313 E. 60th St., Chicago, Illinois 60637 (312) 947-2066.

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STATE MEETING

The semi-annual meeting of the Association of Municipal Assessors of New Jersey was held on June 26 at Hickman Hall, New Brunswick.

The meeting was opened by President John Murray who introduced past presidents Al Greene, Marriott Haines and Walter Salmon.

Secretary Joe Crane then introduced the County Presidents in attendance and Dick Dann read the proposed changes to the constitution and by-laws which were unanimously adopted.

Chuck Taylor gave his treasurer's report and Budget Chairman Joe Crane presented the budget for the fiscal year 7-1-75 to 6-30-76. It was adopted unanimously.

The following committee reports were made:

Assessor Advisor Committee: Ken Beck, Chairman, announced that it was agreed to pay the following amounts on the following cases:

Charles Fimminella Case \$350.00

Harry Schuman Case \$350.00.

Robert Houseday Case \$300.00.

Pipe Line: Olaf Fostvedt reported Bill A 1007 is still in committee and state association is still in favor of the bill.

E. D. P.: Courtney Powell asked that your comments on the list of variables that was received by the Assessors be reviewed and your comments returned to him as soon as possible.

Farmland: Report was given by Vice President Gloria Cross for Charles Grayson. A rough draft of a rebuttal to the Kolesar Reports on Farmland Assessment, namely a 1972 report entitled "Misplaced Hopes, Misspent Millions" and a 1975 report entitled "Saving Farmland" was turned over to the State Association for their review.

Civil Service: Joseph Crane reported that a C. T. A. is now a number one requirement for all assessor titles for Civil Service before anyone can take an examination.

Codification Committee: Several requests for court case decisions have been fulfilled. Chairman Louis Pisacane is now on the Divisions mailing list. If you have a problem contact Lou.

Assessors-Collectors Liaison: Gloria Cross has been to two meetings to date, and more to be held, and believes there will be many problems between the Assessors & Collectors straightened out from these joint meetings.

S. M. A.: Walter Salmon again urged more Assessors to become involved with the S. M. A. Six Assessors this year have taken the step.

Exemption Committee: Approximately 50% of the questionnaires Re: veteran exemptions have been returned. The committee will make one more attempt to get more reports in.

Education Committee: Is working on setting up courses to be held in the fall, also in revising some of the case study courses and possibility of running some courses in connection with the I.A.A.O.

Legislative Committee: Chairman George Harraka reported on the following: S-711 Condominiums and S-618 Home Improvements Abatement.

The State Association is opposed to A-3192 Transfer Development Rights.

Awards: The committee agreed that there will not be an Al Weiler award for 1974.

March & Chowder: Annual outing will be held Thursday, July 31st, 1975 at the Wood Lake Country Club, Lakewood, N. J. with golf, swimming, tennis, track, cocktails and din-

ner.

Plans for the general meeting in Atlantic City in November are being worked on.

Public Relations & Speaker Bureau: Have been unable to hold any meetings.

Membership: Chuck Taylor reported we have to date:

328 Regular Members

62 Associates Members

4 Affiliate Members

Margaret Jeffers reported on recent meeting on Chapter 123, and the revisions pending to the original bill.

President John Murray introduced John Nichoal, Director of Education for I. A. A. O.

He spoke briefly on the possibility of putting on one of their programs in New Jersey.

Meeting was adjourned at 9:30 p.m.

IN LIEU OF TAXES

Assemblyman William J. Hamilton, Jr. (D-Middlesex) introduced legislation to provide municipalities with payments in lieu of taxes for state owned property.

A number of New Jersey municipalities formerly received special financial payment to off-set some of the cost incurred to service state owned property but the ordinance was recently voided by court order.

Hamilton said a municipality would be eligible if the aggregate value of state owned property exceeds \$40,000,000. Also, the aggregate area must exceed five per cent of the total land of the municipality.

The money received would be based on how much of the municipal budget goes for servicing the state owned property.

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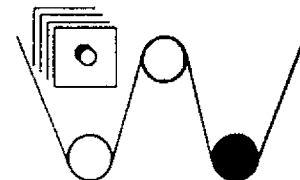
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THE CHANGING WORLD OF ASSESSMENT ADMINISTRATION

41ST INTERNATIONAL CONFERENCE ON ASSESSMENT ADMINISTRATION

WASHINGTON, D. C. — SEPTEMBER 14-17, 1975

Tax Abatement Referendum

By a 68-0 vote the assembly gave approval for a tax abatement referendum to be put on the November ballot.

It would give the Legislature, for the first time, power to grant wide ranging tax abatements.

One proposal would spur development of vacant land, particularly in cities, by giving tax abatement up to five years to those whom would build on the land.

The referendum would also authorize the Legislature to

extend the present \$160 annual senior citizen exemption to surviving spouses as well as to the totally disabled.

The Legislature would also enact measures to put a lid on property taxes through a so-called "circuit breaker." Here, your taxes would be based on your personal income.

The resolution was headed by Assemblyman Steven Perskie (D-Atlantic) who predicted quick passage in the Senate and certain passage by the voters in the fall.

Mr. Perskie doesn't say who will pay for these proposals. Will it be the already financially troubled cities or the state?

The Case of Harry Schuman



Harry Schuman is the assessor for the City of Long Branch. The City retained the J. M. Clemmshaw & Co. to conduct a revaluation.

Mayor Henry R. Cioffi, for some reason, decided the revaluation was inadequate and ordered Schuman not to submit it to the Monmouth

Board of Taxation and to submit, instead, last year's assessment list.

Schuman refused, defended the revaluation and was dismissed.

However, Schuman and his lawyer, Saul Wolfe, went to court and Mayor Cioffi and Business Administrator Vincent Mazza were ordered to reinstate him and were further cautioned not to interfere with the performance of his duties.

The constant harassment by Mazza & Cioffi, according to Schuman, caused him to suffer physically. He lost weight, had trouble sleeping and developed a stomach problem so he went to court.

Superior Court Judge Merritt Lane, Jr. issued a verdict in favor of Schuman. Mazza and Cioffi were fined \$1,500 each in

punitive damages and the judge also assessed the two officials and the city jointly \$1,000 as compensatory damages.

The court said the two city officials had demonstrated a "callous disregard" of legality in trying to cause Schuman to do something which was in violation of what he was required to do.

Neither Cioffi or Mazza testified in court so there was no testimony to explain their action in attempting to have Schuman use the 1974 figures.

Cioffi and Mazza then pressed for a new trial claiming they should be permitted to testify.

Robert Mauro, City Attorney, listed 13 reasons why a new trial should be granted but the judge eliminated them one by one as they were introduced.

At one point it appeared as if a settlement would be reached but Schuman and Wolfe implied they would settle only on their own terms.

In refusing to grant a new trial Judge Lane said that the absence of a witness does not generally warrant a new trial.

He also said that the fact that Mazza and Cioffi tried to discharge Schuman the same day as the judge's restraining order "is strongly indicative of bad faith on their part".

The judge also cited several actions of Mazza that "clearly portray a conscious, deliberate course of conduct _____ to harass Schuman".

Classes commence Monday and run until Friday afternoon. IAAO certificates of completion will be issued all those who successfully complete a course.

The tuition for each course is \$90.00, plus a charge for the required text (s). Sleeping room rates at the Shoreham Americana are \$24.00 single and \$34.00 double.

To enroll in a course at the Preconference school, and for further information, contact the IAAO Education Department, 1313 E. 60th St., Chicago, Ill. 60637.

IAAO Preconference School

There is still room in all classes to be held at the Preconference school, September 8-12, 1975, at the Shoreham Americana Hotel in Washington, D. C. Conducted by the International Association of Assessing Officers, the school offers assessment personnel from around the country the opportunity to enroll in an IAAO course. All those attending the IAAO Annual Conference will be able to take advantage of this educational opportunity.

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