

New Jersey



Assessors

Bulletin



MEMBER
International Association
of Assessing Officers

Vol. 17, No. 4

November, 1978

President's Annual Report



One year ago when I assumed the Office of President of our Association, I promised to raise the esteem of New Jersey Assessors to another level, but only with the total support of the Executive Board, the various committees, the County Associations and every assessor in the State of New Jersey.

To each one of you I would like to thank you for a job well done.

The continued support of the legislators has been a tremendous help in our seven point program that we adopted at the beginning of the year.

The Director of Taxation and his able staff have continued to go out of their way to assist with our many problems in administration.

The year 1978 has been an active and productive one for our profession and 1979 promises to be more active than before.

There are many highlights of 1978 that you have contributed to in one way or another. Some of those highlights are as follows:

1. The revision of the New Jersey Assessors legal fund.
2. The William Bailey case concluded, to the benefit of every assessor in the State of New Jersey.
3. The First Annual Presidential Ball, when every past State President and many of the County Presidents were honored.
4. The change of the Assessors Conference in June at Rutgers where we met jointly with the County Tax Board Commissioners and Secretaries.

5. New syllabus for R.P.A. I & II was put into effect for the fall session.

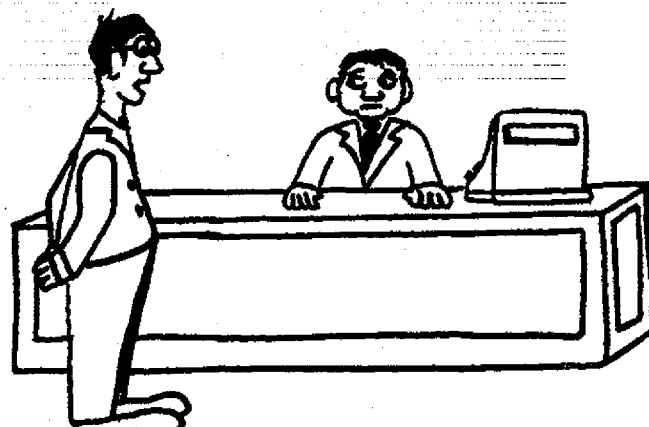
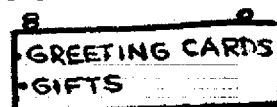
6. The new third edition of the New Jersey's Assessors manual is ready for distribution.

7. Some of the legislative highlights are: The full time Tax Court, the three quarters of current taxes to be paid on tax appeals, the enactment of Chapter 123, hopefully to be revised with A1492 to a two year weighted ratio, and the most recent one, A539, now Chapter 128, abolishes the position of elected assessors, effective July 1, 1979.

There have been many other programs your association has been working on and will continue to work for in 1979. A few are:

1. A new Woodland Assessment program.
2. A revision of the Administration of the Homestead.

(continued on page 2)



"Do you have a 'get well' card for an assessor who is doing his own re-assessment?"

President Contd.

(continued from page 1)

3. Full support of A1630 which creates a permanent commission to provide a liason between Legislature and Local Government. Our association will have a member on the commission.

4. Improve our current Code of Ethics and Conflict of Interest status.

5. State subsidized Rutgers conference and assessors courses.

There will be a meeting with our Legislative Committee in December to adopt our full program for 1979. You are requested to give input to Chairman George C. Harraka for any additional programs for consideration.

There will be some changes in our committees for 1979 which will be announced later. I am again requesting the committees to meet between the regular scheduled Executive Meetings.

The scheduled Executive Board Meetings for 1979 are as follows:

Thursday, February 8th

Thursday, April 12th

Semi-Annual Thursday, June 21st 7:30 PM Rutgers

Thursday, August 9th

Thursday, October 4th

Annual Wednesday, November 14th 2 PM Atlantic City

In closing, I trust we will continue to have the support of everyone, as in the past year, so we may continue with a united effort of the New Jersey Assessors.

Joe Crane

Dues Change??

At a recent meeting of the Budget and Audit and the Constitution and By-Laws Committees, the financial status of the Municipal Assessors of New Jersey was discussed in depth.

As most of you know, we have been operating on a deficit budget for the past few years. Several proposals were forwarded as to how to overcome this type of budgeting, and after much discussion it was agreed to submit the following recommendation to the Executive Committee and if approved, to the General Membership at our November meeting.

Recommendation: All taxing districts with one Assessor \$30.00 (from \$20.00).

All taxing districts with Boards of Assessors or Equivalent \$75.00 per district. (Now \$20.00 per person)

If your municipality is preparing budgets for 1979, please use these amounts in the event this change is approved at our general meeting.

Charles H. Taylor
Treasurer

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DATA
PROCESSING

Rutgers I - Piscataway 0

The Middlesex County Tax Board ruled that Rutgers University's new athletic center is primarily used for educational purposes and, therefore, is tax exempt.

Piscataway officials think the University should pay taxes because it is used for professional basketball games, mainly, the temporary home of the New Jersey Nets.

The assessment of \$4.4 million would have produced \$149,000 in annual taxes.

The officials also maintained that the property is also used for benefits and concerts but the Tax Board said that was not a major use of the facility.

Rutgers had stopped the utilization of the place for non-sports events after Piscataway let it be known they were going to tax the gym.

Rutgers had planned to appeal the assessments on the football stadium and golf course, but withdrew the appeals admitting the two sites were not educational facilities.

Liability Suits Could Peril Tax Rates

The removal of immunity from law suits which counties and municipalities once held could increase local tax rates.

This was the opinion of Francis P. McQuade, former Essex County counsel.

The problem exists, he said, because although municipalities are trying to reduce taxes, liability lawsuits are beginning to hit the counties and cities with severity.

Under the old sovereign immunity concept, governmental jurisdictions were exempt from suit but the New Jersey Supreme Court overthrew this principal, said McQuade who is a professor of local government at Seton Hall Law School.

The U.S. Supreme Court has also said that a county or municipality can be sued.

Because of the increased number of suits, insurance companies are beginning to deny coverage, forcing the localities to self-insure.

New Incentive For Firms

A new tax abatement bill was voted out of the Assembly Taxation Committee that would give tax incentives to companies expanding their improvements.

Sponsored by Assemblyman David Schwartz (D-Middlesex) it will allow firms to pay taxes on their improvement over a five-year period rather than all at once.

The firm would pay its regular property tax plus 20 per cent of the assessment of the new expansion during the first year.

The second year, the firm would pay the base tax plus 40 per cent of the improvement and each following year the percentage would increase by 20 per cent until, after five years, the total new improvement assessment would be combined with the old value.

Action cannot come on this bill until after Labor Day.

A-1375

This bill is designed to provide relief from the State's excessively high unemployment by providing property tax exemptions for periods up to 2 years for businesses and industries providing substantial additional employment opportunities.

Property Relief Rejected

The United States Senate rejected (69-21) a plan to allow a federal income tax credit of \$150 to help offset property taxes that support public schools.

The plan was an amendment to a bill which would provide tax credits for part of tuition for college or private elementary and secondary schools.

It was sponsored by Senator Barry Goldwater (R-Ariz.).

Legislative Committee



The events which have taken place in the Legislature involving the assessor and Property Tax administration have been many.

To begin with, Bill A-539 which allows for the appointment of an assessor rather than the election of an assessor, has cleared the Legislature and is now law.

Another bill, S-309 has also moved through the legislature and is now awaiting the Governor's signature. This bill calls for the dismissal of any appeal if the owner of income producing property fails to provide the assessor upon written request within 45 days, information covering the property in appeal.

Two bills which negatively effect the administration of property tax are now in the Senate awaiting final action.

The first bill is A-470 which allows for the extension of six weeks for school budgets to be submitted. The intent of this bill is to allow the Commissioner of Education more time to review school budgets in order that a waiver of "Caps" can be granted. Lost in this intent, however, is the resulting disruption of the municipal calendar.

Tax rates, which by law, are usually computed by April 10th will now be delayed until possibly June 1st. This will also cause the printing and mailing of tax bills, which normally are completed by July 1st of each year, to be possibly completed by August 15th, the final date for a tax appeal.

This would result in a postponement or an extension of this date and appeal hearings could very well run into the next calendar year. This would compound other relative situations all along the way such as appeals to a higher court, tax adjustments, reserves for uncollected taxes, etc. The Assessor's Association is petitioning every senator to deny passage of this proposal. Every assessor is also urged to contact his senator and alert him to the ramifications of this bill.

The other proposal is the bill which I'm sure many of you are familiar with and that is the "Transfer Development Rights" bill. This bill is also awaiting Senate action and every assessor is urged to speak to his senator on this unless of course the assessors can accept the practice of assessing and valuating a "piece of paper." Sal Pollina, Marriott Haynes and I along with others from other associated groups have constantly provided the legislature with input showing the resulting effect passage of this bill will have on the community. There already has been an indication of an administration failure of this bill when the governor recently refused to sign an additional 5 million Green Acres allocation to extend a similar pilot program in Burlington

County. Assessors are urged to press for a denial by the Senate of Bill A-373.

Other proposals which will have a very negative effect on the assessor's office are S-1275, S-1268 and A-1556. The intent set forth in these proposals request that the assessor value each and every apartment unit in an apartment complex and identify each unit. The purpose is to allow each tenant to pay the taxes due in order that he may be allowed to deduct this amount from his income tax.

The Assessor's Association has already been in contact with the Revenue & Finance Committee Chairman, Senator Dwyer, and the reasons for this almost impossible task were given to the committee.

Sal Pollina and I have attended the hearing before the Assembly Commerce Industry and Professions Committee on bill A-1556. This hearing was chaired by Assemblyman Byron Baer, the sponsor of A-1556. I testified and emphasized to the committee the possible unconstitutionality of this proposal. Assemblyman Baer did not release the bill and he told me later that the Assessor's Association would be notified for further discussion on this bill.

Two proposals were introduced that would be beneficial to the assessor, the first being A-1492. This bill calls for an amendment to Chapter 123 whereby the director's ratio with two year study is to be used instead of the average one year study. This would raise the percentage level some degree. This bill has been released from the Taxation Committee and the Assessor's Association is doing everything to hurry its forward progress. It passed the Assembly 72-0.

The other beneficial legislation is A-1630. It is a proposal the Assessor's Association is hopeful in increasing the lines of communication between state, county and municipal governments. The intent of this bill is to form a commission on state-local relations. The commission will consist of 16 members, four each from the Senate and Assembly, four from the county government and four from the municipal government. One of the members from the municipal governments will be the President of the N. J. Assessors Association. It is the concerned intent of the sponsors, who are all of the members of the Taxation Committee, to increase and improve the proper communication between officials at the three levels of government. Membership on this committee will permit everyone to become cognizant of the problems existing at these levels of government. The Assessor's Association will also attempt to move this bill to a successful conclusion.

Respectfully submitted
George C. Harraka, Chairman

Wisdom is a comb that nature gives to man when he is bald.

Senate 1268

The purpose of this bill is to provide for the voluntary payment of real property taxes by residential tenants, which will in turn entitle such tenants to an itemized deduction for the payment of such real property taxes on their Federal Income Tax returns. This bill does not, however, increase a tenant's total monthly liability for his rented accommodation. Tenants may elect to assume liability for real property taxes on their rental unit.

The amount of property tax due on an individual rental unit shall be determined by the municipal assessor of the municipality in which the rental unit is located. The owner of real property rented to residential tenants shall supply the municipal assessor with a rent schedule enumerating all the units of said property, whether rented or not, and whether residential or not. The municipal assessor shall assign an assessed valuation to each rental unit by establishing the relationship of the yearly rent for the individual unit to the total yearly rent role and applying this ratio to the assessment established for the real property as a whole, less the assessment on that portion of the real property which the assessor may determine is not held for rental purposes.

Under the provisions of this bill, each tenant liable for property taxes will pay such taxes in twelve monthly installments, to be submitted with his monthly rent. For the purposes of this act, the owner of rented real property shall be deemed an agent of the municipal assessor for the purposes of collecting taxes due from each liable renter. Under the provisions of this bill, a tenant will make two monthly payments, one being the amount of his monthly property tax liability, the other consisting of the rent agreed upon between the tenant and the landlord reduced by the amount of his property tax payment. This bill thus permits tenants to claim a significant deduction from their annual gross income for Federal Income Tax purposes.

NEW LAWS

S-897 OCR—Corrects a technical inequity in the State Revenue Sharing Act of 1976 which reimburses municipalities for veterans deductions, senior citizens deductions, deductions for citizens less than 65 years of age who are permanently and totally disabled and surviving spouses in certain cases.

A-332 OCR—Requires notice of tax appeals to be served upon the municipal clerk who shall notify the assessor, collector, attorney and certain other officials.

S-320CR—Amends sections of the "Horizontal Property Act" (P.L.1963, Chapter 168)

A-539 OCR—Provides for appointment of all municipal tax assessors.

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P. O. Box 187, New Brunswick, N. J. 08903 — (201) 745-5011

Quarterly Publication

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ONE MAN'S OPINION



At the last Rutgers Seminar held at Douglass College I ran into a group of people who were attending their annual Bankers Conference.

After a recent tax hearing before the Division of Tax Appeals I think we should also attend that class.

Are Assessors to be guided in our work by the Prime Rate?

The expert for the taxpayer at the appeal was contesting the assessment on an income producing property. He testified that the prime rate for the year in question was over 9%.

I countered that I could not adjust my assessments according to the rate but the judge figuratively patted me on the head and said he would give me a break by only using nine per cent as a rate of return.

The prime rate goes up and down like a yo-yo. How can assessors review their assessments everytime it changes?

Further, I believe the rate of return should be motivated by the percentage of return on an investment, not the cost of borrowing money.

Lou Schick

A man who can untie knots is better than a man who can only discover them.

ODE

We the unwilling, led by the unqualified, have been doing the unbelievable for so long with so little that we now attempt the impossible with nothing.

New Bedford, Mass. had its first reassessment in 50 years. It resulted in some tax increases ranging from \$400. to \$4,000.

About 4,000 angry residents marched on City Hall to protest. Most of them blamed the assessor. Who else?

Crane Bill Amended

A matter presently before the State Supreme Court that involves more than \$1.6 million to the City of Bayonne was conditionally vetoed by Gov. Brendan Byrne.

The bill would exempt the Global Terminal Container Services from paying property taxes on cranes, which the city maintains are permanent structures.

If passed it would be retroactive but Byrne's recommendation would eliminate that part of the bill.

The City contends that the cranes, mainly three large ones used to load and unload containerized cargo, are part of the waterfront property and since 1972 have been assessed at about \$3 million.

Taxes have not been paid up to date, according to the City's Finance director, and over \$1.25 million is due, plus \$360,000. interest.

Instead, Global has paid to the state an annual personal business tax of \$23,000.

The Hudson County Board of Taxation and the State Division of Tax Appeals have both stated the cranes are business property.

The Company is owned by investors from five different countries with headquarters in Hamburg, West Germany.

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Executive Board Meetings



The Executive Board of the Association of Municipal Assessors of New Jersey held a meeting on Wednesday, August 16, 1978 at the Towne and Country Inn, Lakewood.

The Membership Committee report was filed. Please note the following counties in which dues are not paid:

Essex County, Hudson County, Hunterdon County, Middlesex County, Salem County, Somerset County, Sussex County, and Passaic County (only two towns paid).

Correspondence:

A request was received from the IAAO for the annual donation of \$200 to the education fund and there was some discussion in reference to the new designation of RES (Residential Evaluation Specialist). The NJ Assessors are disappointed that their CTA and SMA designations are not recognized by the IAAO towards their international designations. A letter is being written by the Secretary and will be hand delivered to the IAAO in Toronto by William Hogan, representative. He will convey the NJ Assessors' thoughts along with a check. If we do not receive consideration there will be no further donations.

President Crane mentioned that the state budget for extension and public service education was vetoed by Governor Byrne; therefore, our June Conference may be in jeopardy. At this point we do not know where our Education Program will be. Our continuing Education Program at Rutgers this past June had one of the largest registrations and 70% of the assessors attending answered the questionnaire and gave the conference a very high rating. It was also mentioned that the planning of the June Conference is difficult since this must satisfy everyone from small and large municipalities to new assessors and assessors with many years of tenure. We are therefore requesting that the County Presidents convey this information to their assessors and forward their comments to the Education Committee, Chairman Ken Beck, of their desires for the Continuing Education Program.

Also, President Crane met with Jack Raney and John Baldwin of the Local Property Tax Bureau. The Homestead Rebate has become a 12 month project for the assessors and is becoming quite a problem to administer in municipalities that do not have adequate help. It was also mentioned that this year we will not receive the white or yellow copies of the Homestead. We will receive monthly printouts.

President Crane stated that assessors that are testifying against assessors and are working for revaluation companies are in conflict with the Code of Ethics of the NJ Assessors Association.

Also, it has been noted that assessors are undercutting salaries to secure positions where the municipality is advertising for an assessor. We have been striving to assure assessors being adequately paid for their services and these undercutting practices are not in the best interest of the assessing profession.

President Crane commented on Bill S 1275, which was introduced in July 1978, requiring tenants to pay the real property tax bill. It was requested that the assessors get a copy of this and send any comments to Senator Dwyer of the Revenue and Finance Committee. This bill, if it becomes law, would be almost impossible to administer.

William Birchall stated that Burlington County is sponsoring a Land Valuation course starting September 19, 1978 at the Burlington County College. Anyone wishing to attend should contact Bill Birchall, assessor in Mt. Holly.

Committee Reports: Sam Katz, Vice President

Legislative Committee: George Harraka, Chairman.

The legislative committee report has been filed. Also, President Crane requested that any assessor with questions in regard to Chapter 123, should cite the case and send it to George Harraka.

Awards Committee: Vicky Mickiewicz, Chairwoman.

Don't forget to forward any nominations for the following awards to Vicky Mickiewicz, assessor in Dover Township before October 15, 1978:

A. E. Wieler Award

Norman Harvey Award

Russell T. Wilson Award

Humanitarian Award

Atlantic City Conference: Vicky Mickiewicz, Chairwoman.

President Crane is requesting a volunteer county to be host for the year 1979 for the League Conference in Atlantic City.

Committee Reports: Stephen Nothnick, Vice President

Constitution & By-Laws Committee: Dick Dann, Chairman.

County Presidents should note that Vice Presidents are not chosen by a tri-county district at this time and this question is being referred to the Constitution & By-Laws Committee for their review.

Committee Reports: Courtney Powell, Vice President

Pipelines Committee: Olaf Fostvedt, Chairman.

The Pipelines Committee met prior to the Executive Board and came up with two possible formulas in order to value pipelines. There will be another meeting September 15, 1978 at 11:00 AM in Henry Ditmars Office. Due to the off-shore drilling, more assessors may become more involved with the pipelines. Any comments should be sent to Olaf Fostvedt, chairman. It was moved by William Bailey and seconded by Carol Landi to support the Pipelines Committee's recommendations of their established formula for the assessment of pipelines.

Kenneth Beck, Sec.

NEW BILLS

S-1264 J. Russo. To extend homestead tax deduction to any dwelling house acquired by a spouse of a senior citizen or disabled person.

S-1268 Skevin. To provide a procedure for voluntary payment of real property taxes by residential tenants to entitle tenants to itemized deductions.

SCR-101 J. Russo. To amend the New Jersey Constitution to extend homestead tax deduction to any dwelling house of a spouse of a senior citizen or disabled person.

S-1275 Feldman, Herbert. "Tenants' Property Tax Deduction Act"; to provide for payment of real property taxes by residential tenants.

A-1579 Bassano and 17 other Sponsors. To make it mandatory for the Port Authority to pay in lieu of tax payments to counties and municipalities on set percentage of assessed value.

A-1586 Brown and 3 other Sponsors. To confirm that each New Jersey HFA low and moderate income project "facilitates clearance or redevelopment of blighted areas within the State and assist in prevention of blight" and is therefore eligible for tax exemption.

S-1324 Kennedy. To provide for the exemption of property taxes on the home of a widow of a veteran killed in action.

S-1329 Friedland, Merlino, Dwyer. To provide for the exemption of certain housing projects from real property taxation.

A-1635 Matthews. To require taxpayers to give their agents written authorization to act in their behalf when dealing with the Division of Taxation.

A-1642 Kavanaugh and 2 other Sponsors. To permit certain fraternal organizations to file for exemption on real and personal property under certain conditions.

A-1699 Matthews. To provide for annual adjustment in property tax deduction for senior citizens and permanently and totally disabled based upon Consumer Price Index.

S-1396 Friedland, Perskie, Gregorio, Sheil, Rodgers. To provide for the use of casino gambling revenues for additional payment to senior and disabled citizens for homestead exceptions.

S-1411 McDonough. To require the New York and New Jersey Port Authority to pay local real property taxes on industrial development projects heretofore exempt, such taxes to equal the full property tax due.

"Blight" Rule Eliminated

Gov. Brendan Byrne signed into law A-1586 which eliminates municipalities from designating "blighted areas" as a prerequisite to tax abatements or exemptions for State sponsored housing projects.

The sponsors were Assemblyman Willie Brown (D-Essex) and Senator David Friedland (D-Hudson).

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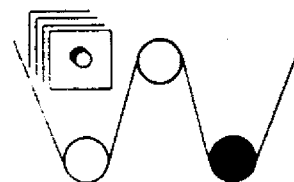
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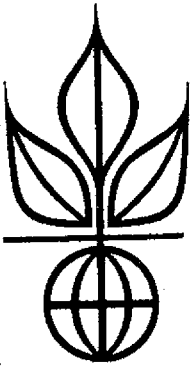
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63rd Annual Conference **November 14, 15, 16, 1978** **N.J. State League of Municipalities** (Tentative Schedule)

***TUESDAY, NOVEMBER 14**

2:00 PM—BALLROOM B & C, BALLROOM FLOOR
 HOLIDAY INN

Chairman: JOSEPH A. CRANE, CTA, President, State
 Assessors Association, Assessor, Deptford Township,
 Clayton

SALUTE TO THE FLAG

Invocation: WALTER W. SALMON, CTA, Past Presi-
 dent, Moorestown

Moderator: JOYCE A. JONES, CTA, President,
 Ocean County Assessors Association, Assessor, Manchester
 Township

Guest Speaker: THE HONORABLE STEVEN P.
 PERSKIE, State Senator, District 2, Chairman of County &
 Municipal Government

***WEDNESDAY, NOVEMBER 15**

11:45 PM—ALHAMBRA ROOM, GROUND LEVEL,
 HOWARD JOHNSON'S REGENCY

SMA LUNCHEON

Chairwoman: CLAIRE MAXWELL YOUNG, SMA,
 CTA, Assessor, Tenafly

SALUTE TO THE FLAG

Invocation: WALTER W. SALMON, CTA, Past Presi-
 dent, Moorestown

Moderator: SIDNEY GLASER, Director, State Divi-
 sion of Taxation

Guest Speaker: THE HONORABLE RICHARD VAN
 WAGNER, State Assemblyman, District 12; Chairman,
 Assembly Committee on Taxation; "Proposition 13—Its Af-
 fects on Local & State Governments"

2:00 PM—ALHAMBRA ROOM, GROUND LEVEL
 HOWARD JOHNSON'S REGENCY

Chairman: JOSEPH A. CRANE, CTA, President,
 Assessor, Deptford Township, Clayton

BUSINESS MEETING

- Committee Reports
- Special Reports
- Report of Nominating Committee
- Election of Officers

***THURSDAY, NOVEMBER 16**

10:00 AM—ROOM 20, THIRD FLOOR
 CONVENTION HALL

Chairman: JOSEPH A. CRANE, CTA, President,
 Assessor Deptford Township, Clayton

SALUTE TO THE FLAG

Invocation: WALTER W. SALMON, CTA, Past Presi-
 dent, Moorestown

BUSINESS MEETING

Presentation of Awards: Victoria Mickiewicz, Chair-
 man, CTA, Assessor, Dover Township

Installation of Officers for 1979

Vicky Mickiewicz, CTA
 Chwm, Planning Comm.

Senate Concurrent Resolution 101

Shall the amendment of Article VIII, Section I,
 paragraph 4 of the Constitution of the State of New Jersey,
 agreed to by the Legislature, extending the senior citizen or
 the disability deduction to which a surviving spouse is en-
 titled with respect to the dwelling house of the deceased
 spouse, to any other dwelling house thereafter acquired by
 the surviving spouse be approved?

Statement

Presently, the surviving spouse, 55 or more years of age,
 of a deceased citizen and resident of this State who prior to
 his decease had received a real property tax deduction pur-
 suant to Article VIII, Section I, paragraph 4 of the Constitu-
 tion, is entitled to the same deduction so long as the surviv-
 ing spouse remains unmarried and a resident in the same
 dwelling house with respect to which said deduction was
 granted. The purpose of this amendment is to extend that
 deduction to any other dwelling house thereafter acquired
 by the surviving spouse.

Real Vs. Personal Property

Utility Propane Company vs. Borough of Chester, Division of Tax Appeals, June 1, 1978, Docket No. L5640 74.

The Division of Tax Appeals affirmed the Morris County Board of Taxation and held that six storage tanks which are placed on concrete piers and are connected to each other by metal pipes are real property and should be taxed as such under N.J.S.A. 54:4-1 et seq. The Court followed the case of *Fahmie v. Nyman*, 70 N.J. Super. 313 (App. Div., 1961) which states the determinants when a movable chattel loses its character as personalty and becomes part of the realty:

"They are when it is: 1) acutally affixed to the realty or something appurtenant thereto, 2) appropriated to the use or purpose of that part of the realty with which it is annexed and, 3) intended to be a permanent accession to the freehold."

The Court in the present case applied the institutional doctrine of fixtures to the storage tanks, and concluded from the proof that it was intended that the tanks were to be permanent. It was pointed out that the tanks are permanently essential to the use which the structure is put; that being, the storage and distribution of propane.

The Court further noted that in the instant case, the tanks rest on concrete piers and are connected to each other by metal pipes; this being sufficient attachment to the realty to constitute the tanks as fixtures.

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\$15 Million Reduction Sought

The Prudential Insurance Company filed a petition with the Essex County Tax Board asking for a \$15 million reduction in their assessment of the company's buildings based in Newark.

A Prudential spokesman said they are filing, not because of their inability to pay, but because independent appraisers have reported that the properties are over-assessed.

Because the State Director's ratio for Newark is 71%, Prudential contends that the \$38 million assessment on three downtown buildings should be reduced to \$23 million.

The move for the appeal has not met with favor by all the councilmen. Anthony Carrino, of the North Ward, admonished the move, claiming it showed a lack of commitment to Newark's future and would invite other businesses to follow suit.

The board is expected to reach a decision in a few weeks.

Assessors on the Move

Since 1964, Camden County's 37 municipalities have seen 164 assessors leave their offices for varied reasons.

The Camden County Tax Board was amazed at the figure so they turned to the Camden County Municipal Assessors Association for some answers.

One reason given is that assessors leave their jobs because there is too much work for too little pay.

Louis C. Joyce, Chairman of the County Board, stated that many municipalities treat assessors as the proverbial "stepchild". The towns don't realize, he said, that an assessor can pick up enough added assessments each year to produce enough tax dollars for the entire department for a year.

Joyce said assessors, during a revaluation year, probably work 25 to 50 percent overtime, mainly without extra money.

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Payment of Taxes on Petitions of Appeal

Chapter 357, Laws of 1977, provides for payment of the first three quarters of the taxes assessed for the current year where an appeal from an assessment is made to the county board of taxation, even though the petition might request a reduction in excess of one quarter of the taxes assessed for the full year.

On September 15, 1978, an emergency amendment was adopted to New Jersey Administrative Code 18:12A-1.6, which incorporates the provisions of Chapter 357.

The amendment provides as follows:

"No county board of taxation shall hear the appeal unless the first three quarters of the current year taxes shall have been paid."

Serving Notice of Tax Appeals (P.L. 1978, C. 102)

Assembly Bill No. 332 was signed into law by Governor Brendan T. Byrne on August 16, 1978, and became Chapter 102, Laws of 1978.

Chapter 102 changes N.J.S.A. 54:2-40 and 54:3-21 to the extent that an aggrieved taxpayer must now file a copy of his petition of appeal with the clerk of the taxing district, rather than with the assessor or attorney of the taxing district within which his property is situated. The clerk shall forthwith notify the assessor, collector and such other municipal officials as the governing body shall direct of the content thereof.

Prior provision that the petition of appeal must be filed with the county board of taxation on or before August 15 remains unchanged.

The Act takes effect immediately.

In Lieu For Port Authority

Senator Peter McDonough (R-Union) has sponsored a bill that would require the Port Authority of New York and New Jersey to make in-lieu-of-tax payments equal to the taxes that would have been paid had the land been in private ownership.

McDonough said that the Port Authority, under the existing law, could pay as little as \$1 a year in lieu of taxes.

His bill would prevent local governments and the Authority from entering into private agreements that would produce less than the full property tax had the property remained in private hands.

McDonough said his bill would have the effect of keeping the same flow of taxes coming into local government rather than adding the burden of increased exempt property to the taxpayers.

His bill would involve only the sale and not the lease of the land.

LETTER

Dear Fellow Assessors & IAAO Members:

I want to take this opportunity to thank you for your vote and support in the recent IAAO Elections in which I was elected Vice President.

I will work just as hard at being a good Vice President as I did at getting elected. However, I will need the help and support of each and every Member. I am only the Members' Representative—it is the Membership that makes a good Association. I believe we have a good Association, and with hard work and by working together, we can make it even a better Association.

Thanks again for your vote, support, and for electing me Vice President. I feel fortunate to have been selected over two (2) Candidates, either one of which would have been a good choice. I look forward to serving IAAO in the capacity of Vice President, and I look forward to working with each and every Member for the good of IAAO.

Tom Fleming, CAE
IAAO Vice President

Assessors Job Appointive

Assembly Bill A-539, sponsored by Barbara McConnell, (D-Hunterdon, Morris, Mercer, Middlesex) requiring the post of assessor be appointed rather than elected has been signed by Gov. Brendan Byrne.

The McConnell bill will permit all elected assessors to remain where they are but still require them to be re-appointed to their second four year term to gain tenure.

The bill is based on the premise that the assessor, like the municipal attorney, is a highly skilled professional and should be appointed.

The appointment will protect the assessor from political pressure.

Senator Wayne Dumont (R-Warren, Sussex, Passaic) opposed the bill although it had the sanction of the N.J. Assessors Association.

Property is the fruit of labor; property is desirable; it is a positive good in the world. That some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise.

Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built.

ABRAHAM LINCOLN

March 21, 1864.

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This bill provides for an annual adjustment in the property tax deduction for senior citizens and the permanently and totally disabled based upon the Consumer Price Index.

To the amount of tax deduction now allowed would be added an amount equivalent to 75% of the increase in the cost of living, a process commonly referred to as "indexing". Thus, if the cost of living increases by, for example, 8%, the tax deduction would increase by 6% preserving the value of the tax deduction.

The Casino Revenue Fund is used to provide this adjustment through reimbursement to municipalities for any cost. This preservation of the current value of the tax deduction is necessary to guard against erosion of the tax deduction caused by inflation. With projections of increases in the cost of living most frequently in the range of 6% to 8% this "indexing" is vitally important to our senior and disabled citizens.

HOLY COW!!!!

S-1290 Cafiero, Bedell, Perskie. Designates the shell of the knobbed whelk as the State shell.

Association of Municipal Assessors of New Jersey
NEW JERSEY ASSESSORS BULLETIN
City Hall, New Brunswick, N. J. 08903

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High Court Rules On Water Land

The Hackensack Water company was favored by a New Jersey Supreme Court decision that reduced the value of the land at the bottom of a reservoir in Old Tappan from over \$2,000 per acre to \$670 per acre.

The Bergen County Board of Taxation had reduced the total assessment by \$3.3 million to \$3.8 million, putting a value of \$2,500 per acre on submerged land.

The company appealed to the Division of Tax Appeals and the assessment was further reduced from \$3.8 million to \$2.8 million.

The borough appealed the decision and the Appellate Division of Superior Court upheld it.

The court said the land had to be viewed as potential sites for home and commercial construction but engineers testified that the cost of draining and dismantling the dam was more than the value of the land so the case was remanded to the Division of Tax Appeals for a new determination of the market value of the underwater acreage.

An interesting point brought out is that all assessments must "bear some relationship to reality."

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