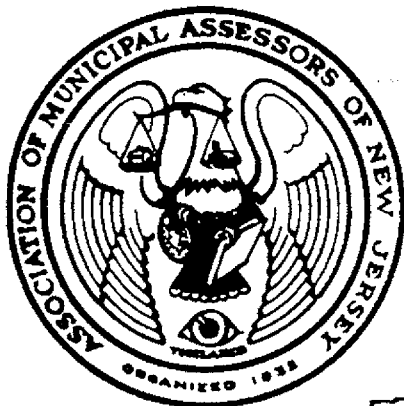


New Jersey



Assessors



MEMBER
International Association
of Assessing Officers

Bulletin

Vol. 23, No. 2

May 1984

PRESIDENT'S MESSAGE



I have visited many county and tri-county meetings the last six months and found assessors face the same problems state wide.

The biggest issue facing the association is the legal fund. The Legal Fund Committee has been attending county and tri-county meetings giving them the recommendations of the committee. We must make a decision at the Rutgers Conference in June.

One of the major problems with any large organization is a lack of communication. This is especially true of an association like ours that is state wide. We must make sure rumors are not taken as fact. If you hear something that does not sound correct, contact your county president for verification. We must not let rumors ruin our association and the good work done by so many members.

The Governor's Pension Study Commission has released their report drawing criticism from many. We must keep a close watch and see what the Governor will recommend to the legislature.

The Property Tax Study Commission has met. I have appointed a committee to monitor the commission and possibly give input.

The long awaited Real Property Appraisal III course has been offered state wide this spring with a great interest taken by many assessors.

All committee appointments have been made and many committees have been meeting. If you have an interest in a special committee, please con-

tact me or your county president.

In closing, I would like to say everyone has a right to express their opinion. They should be given the courtesy to show their disagreement, but in turn they should not disrupt the organization.

Stephen J. Kessler, President

ASSEMBLY, NO. 1029

An act temporarily making permissive the implementation of a revaluation of real property in certain municipalities.

1. Notwithstanding any provisions of law or any judicial order to the contrary, no municipality having a population in excess of 40,000, but less than 45,000, according to the 1980 federal decennial census, which is located in a county of the first class, shall be required to implement a revaluation of real property for the tax years 1984 to 1985, inclusive. The determination of a municipality not to implement a revaluation pursuant to the provisions of this act shall not prevent the municipality from conducting and implementing any partial or complete reassessment of real property in the municipality during the period covered by this act.

The purpose of this bill is to permit certain municipalities to temporarily postpone the implementation of a revaluation of real property within their borders for the tax years 1984 through 1985 inclusive. This bill further specifies, however, that a decision on the part of the municipality to postpone a revaluation shall not preclude the municipality from conducting and implementing any partial or complete reassessment on real property during those years.

Senate Concurrent Resolution No. 93

A Concurrent Resolution proposing to amend Article VIII, Section I, paragraph 3, of the Constitution of the State of New Jersey.

PROPOSED AMENDMENT

Amend Article VIII, Section I, paragraph 3, to read as follows:

3. Any citizen and resident of this State now or hereafter honorably discharged or released under honorable circumstances from active service, in time of war or other emergency as, from time to time, defined by the Legislature, in any branch of the Armed Forces of the United States shall be entitled, annually to a deduction from the amount of any tax bill for taxes on real and personal property, or both, in the sum of \$125.00 or if the amount of any such tax bill shall be less than \$125.00, to a cancellation thereof, which deduction or cancellation shall not be altered or repealed. Any person hereinabove described who has been or shall be declared by the United States Veterans Administration, or its successor, to have a service-connected disability, shall be entitled to such further deduction from taxation as from time to time may be provided by law. The surviving spouse of any citizen and resident of this State who has met or shall meet his or her death on active duty in time of war or of other emergency as so defined in any such service shall be entitled, during her widowhood or his widowerhood, as the case may be, and while a resident of this State, to the deduction or cancellation in this paragraph provided for honorably discharged veterans and to such further deduction as from time to time may be provided by law. The surviving spouse of any citizen and resident of this State who has had or shall hereafter have active service in time of war or of other emergency as so defined in any branch of the Armed Forces of the United States and who died or shall die while on active duty in any branch of the Armed Forces of the United States, or who has been or may hereafter be honorably discharged or released under honorable circumstances from active service in time of war or of other emergency as so defined in any branch of the Armed Forces of the United States shall be entitled, during her widowhood or his widowerhood, as the case may be, and while a resident of this State, to the deduction or cancellation in this paragraph provided for honorably discharged veterans and to such further deductions as from time to time may be provided by law. The State shall annually reimburse each taxing district in an amount equal to the tax loss to the district resulting from the allowance of tax deductions pursuant to this paragraph.

ASSESSOR WANTED

A vacancy exists in Bernards Township for a full time assessor. The position is available immediately.

The Township has approximately 4600 line items, mostly residential but some large commercial.

Salary range: \$24,000—\$34,000.

CTA mandatory.

Write: Steven Wood, Administrator, P.O. Box 437, Basking Ridge, N.J. 07920 or call (201) 766-2510.

ASSEMBLY, NO. 1087

A supplement to "An act concerning rebates from taxation, providing for homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved August 30, 1976 (P.L. 1976, c. 72; C. 54:4-3.80 et seq.), as said title was amended by P.L. 1977, c. 17.

1. The provisions of section 4 of P.L. 1976, c. 72 (C. 54:4-3.83) notwithstanding, the Director of the Division of Taxation shall, on or before September 1 of each year, send to each municipal assessor a list of persons in that assessor's municipality who received a homestead rebate for the current tax year.

Upon receiving the director's list, each assessor shall allow a homestead rebate for the next tax year to each person receiving a rebate in the current tax year, except for those persons he has determined are no longer eligible. It shall be the assessor's duty to determine if the persons on the director's list have maintained their eligibility.

2. Any person who has filed an application for a homestead rebate and received the rebate, shall not be required to file another application during the period of his eligibility in order to receive his rebate payment. He may be required by the assessor to verify his original application in order to assist the assessor in determining his eligibility status.

3. This act shall take effect on June 1 next following its enactment.

STATEMENT

This bill would do away with the requirement that persons eligible for homestead rebates must file new applications every year with the municipal tax assessor. Under this bill the Director of the Division of Taxation would send the assessor a list of persons currently receiving rebates in the municipality. The assessor would then approve a rebate for the coming tax year unless he determines such person is no longer eligible. The filing requirement for persons newly eligible and the time periods for filing remain unchanged.

LEGISLATIVE NEWS



The third hearing of the PR 3 Commission was held on Friday, April 6th in the Newark Council Chambers. Four members of both the governments of Newark and Orange testified on what revaluation will do to their communities. However, after pointing out the ramifications of a revaluation, they touched upon other inequities in property tax procedures. The emphasis on the horrors of revaluation is the resulting shift in the burden of taxation to residential-type properties. Various suggestions were offered on how to equalize this burden from a State-wide Property Tax System to assessing by property classification.

I don't know when the commission will be able to completely analyze all the suggestions made so far and those that are yet to be made, since there are many more hearings scheduled throughout the State. The hearings are producing more information about widespread inequities and abuses in property tax procedures. But I can say, however, that what we will be hearing will not be strange to those in the Assessor's office. For so many years we have seen these inequities compound themselves with each emotional enactment of further exemption by the legislature and with each liberal interpretation of the current tax laws by the Courts. Also, each promulgation of district ratios that was influenced by antiquated non-useable guidelines and the inability of the assessor to prevent tax appeals because revaluations take place approximately every ten years in a taxing district show us that a reinterpretation of the property tax laws is needed.

I've heard testimony that revaluations create havoc in a taxing district, yet, they do no more than what they were designed to do and that is to guarantee that every property owner pays his fair share of the tax burden. It is exactly true that, in today's economy the demand is placed on residential property causes a faster rate of appreciation for that property than for other classes of property. Because of this accelerated rate of increase and because of the greater number of sales of residential property, the promulgation of the district ratio is greatly influenced by these sales and the first step in an imbalance is allowed to occur. From then on, inequities begin to compound themselves. This district ratio which was first promulgated for school aid purposes has now become a false barometer of value by which tax appeals are adjudicated. As already brought to the commission's attention, the continued adjustments in values of certain properties which

From CLT/RPA — Appraisal Software for Microcomputers

A municipality too small to justify a computer?

No such thing anymore. Today's state-of-the-art microcomputers offer an unbeatable combination: efficiency, versatility, and cost-effectiveness. A micro will not only streamline appraisal functions, but many administrative tasks as well.

We'll show you why "microcomputer" is the buzzword of the eighties. Write or call us today.

Real Property Appraisers

a division of Cole-Layer-Trumble Company



2800 Route 130
Cinnaminson, NJ 08077
609/829-3131



allows for large refunds has created havoc on the finances of some municipalities. I can go on and on and I will go on and on as soon as the commission completes the task that they were assigned to do. Assessors should be well prepared to provide the Association with whatever information that they have which can remedy the situation. The State Association has a committee that is now collecting this information for presentation to the commission. Your help is needed. The time is now.

A new bill A-1050 has passed the Assembly and is designed to aid the assessors in gathering information on income producing property. Your County member of the legislative committee has the bill and should provide all of you with the provisions at your next county association meeting.

George C. Harraka, Chairman

John C. Raney Appointed Branch Supt.

John C. Raney has been appointed as Superintendent of the Local Property Tax Branch, effective February 8, 1984. He succeeds Samuel Temkin, who has been appointed Assistant Director, Processing/Administration, also effective February 8.

Alvin E. Bills, former Chief of the Assessor Assistance and Certification Section, has been appointed Assistant Superintendent of the Branch, effective February 8.

Chapter 123—Supreme Court Review



The long awaited decision in *Murnick v. Asbury Park* was finally handed down by the New Jersey Supreme Court on February 27, 1984. The case directly raised the issue of the constitutionality of N.J.S.A. 54:1-35(a) and N.J.S.A. 54:2-40.4 ("Chapter 123") and, in

particular, whether Chapter 123 represents the exclusive form of discrimination relief in a property tax appeal. The Tax Court found the taxpayer's assessment to lie within the common level range, thus disqualifying it for relief under Chapter 123. Nonetheless, the court went outside of Chapter 123 and instead awarded relief to the current year's Director's Ratio under the authority of *In Re Appeals of Kents vs. 2124 Atlantic Avenue Inc.*, 34 N.J. 21 (1961). 2 N.J. Tax 168 (1981).

The Appellate Division reversed, declaring Chapter 123 to be the exclusive remedy for discrimination in a real property tax appeal. 187 N.J. Super 455. Since the taxpayer was not eligible for relief under Chapter 123, the court held that relief was altogether unavailable.

Reversing in part the determination of the Appellate Division, our Supreme Court held that a taxpayer's right to discrimination relief should be governed by Chapter 123 "in all but the most extreme circumstances". To that limited extent, Chapter 123 was found to be nonexclusive. However, before a taxpayer can overcome the presumption that the Chapter 123 ratio reflects the common level of assessments, that taxpayer must establish that application of Chapter 123 would be "virtually confiscatory".

Also addressed was the issue of whether a taxpayer may attack the sales data base which underlies the Director's Ratio. In this respect the court observed: "If the Director has included incorrect information that substantially skews the ratio, a taxpayer has a right to bring a timely application to correct the deviation". It left open the issue of whether such a right would be preserved in the event the ratio had previously been subjected to judicial scrutiny in a proceeding such as a challenge to an equalization table.

In summary, while the Supreme Court has held Chapter 123 to be nonexclusive, creating a rebuttable presumption of a common level of assessment, the task of overcoming this presumption appears to be so overwhelming so as to warrant little concern on the part of assessors that the court will disregard the Chapter 123 ratio and substitute one more favorable to the taxpayer.

Edward G. Rosenblum

I.A.A.O. DUES

Charles J. Shutt, Assessor in Ridgewood and Midland Park and the I.A.A.O. Representative in New Jersey, announces that the IAAO has extended the \$45 per year dues for new members until October 31, 1984.

New Jersey will host the 1985 IAAO conference in Atlantic City (October 6 to 9). New Jersey would like to build up its membership now to prepare for the anticipated 2,000 members we expect to attend. Harrahs on the Boardwalk has been reserved.

Special Introductory Dues Offer

Applicable for new membership applications received between July 1, 1983 and October 31, 1984. Please make checks payable to IAAO in U.S. funds. Dues are payable in advance.

Membership Classifications	Annual Dues
<input type="checkbox"/> Regular Membership (\$45)	_____
<input type="checkbox"/> Associate Membership (\$45)	_____
<input type="checkbox"/> Student Membership (\$15)	_____
<input type="checkbox"/> Subscribing Membership—Primary (\$45)	_____
<input type="checkbox"/> Subscribing Membership—Secondary (\$45)	_____
<input type="checkbox"/> Personal Property Section (\$25) (You must be an IAAO member to be eligible for Personal Property Section membership.)	_____
<input type="checkbox"/> Computer-Assisted Appraisal Section (\$20) (You must be an IAAO member to be eligible for Computer-Assisted Appraisal Section membership.)	_____

TOTAL AMOUNT ENCLOSED _____

Please complete this application and return with payment of dues to: IAAO, P.O. Box 94573, Chicago IL 60690-4573.

PAPER MILL PLAYHOUSE WINS

Since 1978 the Paper Mill Playhouse of Millburn has been filing for a property tax exemption.

Finally, the State Supreme Court ruled, in March that the theatre is exempt from local property taxes.

In a 5-2 decision, the court said the Playhouse qualified for exemption but the dissenting judges agreed with the township that the theater is a professional commercial endeavor.

The lawyer for the Paper Mill said that they have been paying taxes for the past seven years and now expect a refund.

ASSEMBLY, NO. 1329

An act concerning county boards of taxation and amending R.S. 54:3-2.

STATEMENT

This bill will extend from 18 months to 24 months the time period in which county tax board members must complete course work designated in section 4 of P.L. 1967, c. 44 (C. 54:1-35.28). In certain instances, it has proven difficult for the county tax board members to complete the required three courses in 18 months. For example, a person appointed in the spring will not be able to take the first course until the fall semester, the second course until the spring semester and the third course until the next semester. During the third semester the 18 months will elapse before the third course can be completed, despite the appointee's best efforts. Currently the only solution to this problem is to double up on courses in one semester. However, this would require four nights of classes and then places an undue burden on the appointee. Since the revision of the law on county boards of taxation by P.L. 1979, c. 499 which was effective early in 1980, legislation has been enacted twice to extend the 18 month deadline in limited circumstances to rescue several board members unable to meet the statutory deadline. Those two laws are P.L. 1982, c. 136 and P.L. 1983, c. 310. By providing county tax board members with an additional six months in which to complete the courses, this problem will be alleviated.

ASSEMBLY, NO. 1289

An act temporarily making permissive the implementation of a revaluation of real property in certain cities.

1. Notwithstanding the provisions to the contrary of any law, rule, regulation or judicial order, no city of the fourth class having a population in excess of 40,000, according to the latest federal decennial census, shall be required to implement a revaluation of real property for the 1984 and 1985 tax years. The determination of a city not to implement a revaluation pursuant to this act shall not prevent the city from conducting and implementing any partial or complete reassessment of real property in the city during the time covered by this act.

2. This act shall take effect immediately and shall be retroactive to January 1, 1984.

STATEMENT

This bill would make permissive the implementation of a revaluation of real property during the 1984 and 1985 tax years for certain municipalities. The bill would apply to any city of the fourth class with a population in excess of 40,000.

Appraisal Surveys, Inc.

**Real Estate Appraisers
and
Consultants**

- Providing Revaluations, Reassessments, Added Assessment and Tax Appeal Services for New Jersey Municipalities Since 1958.
- Over 70 Municipal Wide Revaluations Conducted by Full Time Professional Staff.
- Client List, References, and Qualifications Available Upon Request.

1500 KINGS HIGHWAY N.

609-428-3272

CHERRY HILL, NJ 08034

609-428-3273

**PROPERTY TAX LEGISLATION IN
THE UNITED STATES: 1983**

The International Association of Assessing Officers (IAAO) announces the new 1983 issue of Property Tax Legislation in the United States.

Including only enacted laws and constitutional amendments currently awaiting voter approval, the new summary identifies and describes 421 enactments from the 1983 state legislative sessions. The laws are arranged alphabetically by state under one of the the following subjects: Assessment Administration; Assessment and Taxation of Special Types of Property; Assessment Reviews and Appeals; Classification; Exemptions; Farm, Forest, and Open Space Land; Incentives; Property Tax Relief; and Tax Limitations and Public Spending. When necessary, cross references have been provided. Only legislation dealing specifically with property taxation has been included. Laws concerning collection, delinquency, etc. have been excluded.

The 1983 summary is the eighth such compilation issued in the IAAO Research and Technical Services Department's Research and Information Series. Summaries of property tax legislation from the 1976-1982 state legislative sessions are also available; for prices, write to the IAAO Research and Technical Services dept., 1313 E. 60th St., Chicago, IL 60637 or call (312) 947-2050.

Association of Municipal Assessors of New Jersey

NEW JERSEY ASSESSORS BULLETIN

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

Quarterly Publication

OFFICERS

President—Stephen Kessler

Vice Presidents—Robert Ebert, Carolyn Landi,
James Terhune, Robert Pastor,
James Andrea, Joyce Jones,
Thomas Lawrence

Secretary—Ken Beck

Treasurer—Joseph Crane

Sergeant-at-Arms—Walter Kosul

EDITORIAL BOARD

Editor—Louis Schick

William Birchall, Jr.

Barbara Clark

ASSEMBLY, NO. 1224

An act to amend "An act concerning interests in real property and providing for the creation and regulation of condominiums," approved January 7, 1970 (P.L. 1969, c. 257).

1. Section 19 of P.L. 1969, c. 257 (C. 46:8B-19) is amended to read as follows:

19. Taxes, assessments and charges; valuation of units; exemptions or deductions. All property taxes, special assessments and other charges imposed by any taxing authority shall be separately assessed against and collected on each unit as a single parcel, and not on the condominium property as a whole. Such taxes, assessments and charges shall constitute a lien only upon the unit and upon no other portion of the condominium property. All laws authorizing exemptions from taxation or deductions from tax bills shall be applicable to each individual unit to the same extent they are applicable to other separate property. The total of the assessments for tax purposes against the aggregate of all units constituting the condominium property shall not exceed the assessment which would otherwise have been made against such condominium property as a single parcel had it not been submitted to P.L. 1969, c. 257 (C. 46:8B-1 et seq.).

2. This act shall take effect immediately.

STATEMENT

This bill restores the language deleted from the law by P.L. 1975, c.2. It prevents the discriminatory practice of assessing condominiums at a significantly higher value than identical rental or co-op structures.

There are only two ways to be unprejudiced and impartial. One is to be completely ignorant and the other is to be completely indifferent.

ASSEMBLY, NO. 1561

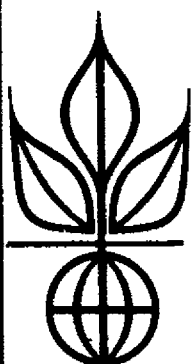
An act extending homestead rebates to residents of life care retirement communities, amending and supplementing P.L. 1976, c. 72, and amending P.L. 1976, c. 63, P.L. 1977, c. 242 and N.S. 54A:4-3.

The purpose of this bill is to extend homestead rebates to residents of life care retirement communities commencing with the 1984 tax year.

Although residents of these communities, by nature of their contract, have no proprietary interest in the property or assets of the community, each resident pays a substantial capital entrance fee and monthly charge and each unit bears its proportionate share of the community's property taxes. Residents of life care retirement communities have a substantial investment in their residential unit and should be afforded the same rebate rights as other homeowners.

In an effort to keep property taxes on apartment buildings paid up to date, Jersey City has announced it will begin a foreclosure intervention program in which the city will take over the operation of apartment buildings which have fallen behind in tax payments. Instead of waiting until unpaid taxes or water liens result in the foreclosure of the building, city officials will step in whenever taxes have gone unpaid for four quarters and begin collecting rents from tenants through a network of real estate agents working on a commission basis. The real estate agents will manage the apartment buildings on a day-to-day basis. Their commission will be seven percent of the rents they collect. The real estate agents will notify the tenants when they are to begin paying their rent to the city. When the back taxes are paid, the apartment building will be returned to its owner. The city will continue to foreclose on properties it considers unmanageable.

New Jersey Municipalities, April 1984



REVALUATION AND APPRAISAL SERVICE INC.

388 Pompton Avenue, Suite 3, Cedar Grove, N. J.

(201) 239-3110

TOM SIMMONS

PAUL EBERT

APPRAISALS • MUNICIPAL REVALUATIONS • ASSESSORS ASSISTANCE • URBAN RENEWAL

SENATE, No. 1198

An act concerning county boards of taxation and supplementing Title 54 of the Revised Statutes.

1. a. An individual may be appointed to and serve as a member of a county board of taxation notwithstanding that he is also employed by the office of the tax assessor of a municipality located within that county, provided that such individual is employed in a position other than tax assessor or deputy tax assessor.

b. An individual serving as a member of a county board of taxation pursuant to subsection a. of this section shall not:

(1) Represent, appear for or negotiate on behalf of, or agree to represent, appear for or negotiate on behalf of the assessor's office concerning a determination of, or a complaint or appeal to, the board; or

(2) Participate in any manner in the efforts of the assessor's office to prepare for or pursue an appeal of or complaint concerning a determination of the board.

2. a. An individual may be appointed to and serve as a member of a county board of taxation notwithstanding that he is also a member of the governing body of a municipality within the county.

b. An individual serving as a member of a county board of taxation pursuant to subsection a. of this section shall not:

(1) Represent, appear for or negotiate on behalf of, or agree to represent, appear for or negotiate on behalf of the municipality concerning a determination of, or a complaint or appeal to, the board; or

(2) Participate in any deliberations of the municipal governing body, or vote on any motion before the governing body, concerning a complaint or appeal to the board by the governing body or any other party, which relates to any determination of the board.

3. Any person who willfully violates the provisions of subsection b. of section 1 of this act or

subsection b. of section 2 of this act is a disorderly person, and is subject to a fine not exceeding \$500.00 or imprisonment not exceeding six months, or both. In addition, the person is subject to removal from the county board of taxation.

4. This act shall take effect immediately.

STATEMENT

This bill establishes limited statutory exceptions, where certain members of county boards of taxation are concerned, to the current common law doctrine of incompatible offices. Specifically, the bill permits an individual employed by a municipal tax assessor to serve as a member of the board of taxation of the county in which the municipality is located, provided that the individual is not employed as the tax assessor or deputy tax assessor. The bill also permits a member of a municipal governing body to serve on a county board of taxation.

FIRST ANNUAL AWARD FOR EXCELLENCE IN GOVERNMENT

NORTHERN NEW JERSEY CHAPTER AMERICAN SOCIETY FOR PUBLIC ADMINISTRATION

On June 8, 1984, the Northern New Jersey Chapter of the American Society for Public Administration will present its first annual "Award for Excellence in Government" to an outstanding government project or program operating within New Jersey and serving the Chapter area. All entries will be screened by a committee of the Northern New Jersey Chapter of ASPA, and finalists will be forwarded to a panel of distinguished public and private sector executives who will select the awardee.

Questions regarding the competition should be directed to: Roy S. Bumenthal, Township Administrator, Township of River Vale, 406 Rivervale Road, River Vale, New Jersey 07675 (201) 664-2346.

If we are right, get in line and help us. If we are wrong, show us a better way.

APPLIED COMPUTER TECHNOLOGY

Division of L & J Technical Services, Inc.

1220 U.S. HIGHWAY 22, MOUNTAIN SIDE, NEW JERSEY 07092, U.S.A. • (201) 654-7500 •

SPECIALISTS IN:

- *COMPUTER ASSISTED TAX ASSESSING
- *ON-LINE MUNICIPAL DATA BASE SYSTEMS
- *COMPUTER HARDWARE

ASSEMBLY, NO. 883

An act concerning the taxation of exempt real estate in certain cases and supplementing chapter 4 of Title 54 of the Revised Statutes.

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

2. The assessment, collection apportionment, and payment of the real property tax imposed by section 1, the attachment of the lien for such taxes, the right of appeal, the entitlement to a proportionate cancellation of the assessment, and the authority granted to municipalities to anticipate taxes to be collected shall be governed by the procedures provided for the administration of leasehold estates owned by tax-exempt entities under sections 2 through 8 of P.L. 1949, c. 177 (C. 54:4-2.4 through C. 54:4-2.10).

STATEMENT

This bill provides for the assessment and taxation of real property which is exempt if it is used by a private party in connection with an activity conducted for profit. The private party is subject to taxation to the same extent as though he owned the property or any portion of it. Currently, exempt property leased to another who is not exempt from real property taxation is subject to taxation, but where the real property is used under an agreement other than a lease, the property is not taxable. This bill changes this inconsistency. This bill conforms with the Governor's recommended amendments to Assembly Bill No. 3849 of 1983 as outlined in his conditional veto dated January, 1984.

SENATE, NO. 1285

An act temporarily making permissive the implementation of a revaluation of real property in certain cities.

1. Notwithstanding any provisions of law or any judicial order to the contrary, no city of the third class having a population of more than 4,000 but less than 4,250 according to the latest federal decennial census shall be required to implement a revaluation of real property for the tax year 1984. The determination of a city not to implement a revaluation pursuant to this act shall not prevent the city from conducting and implementing any partial or complete reassessment of real property in the city during the time covered by this act.

2. This act shall take effect immediately and shall be retroactive to January 1, 1984.

STATEMENT

The purpose of this bill is to temporarily prohibit the implementation of a revaluation of real property in a city of the third class having a population of more than 4,000 but less than 4,250 according to the latest federal decennial census during the tax year 1984.

A1050 PASSES ASSEMBLY

Sponsored by Assembly Speaker Alan Karcher (D-Middlesex), by a vote of 57-12 the Assembly passed a bill that would establish new guidelines when owners of multiple dwellings file tax appeals.

For the purpose of this bill, multiple dwellings mean any building, structure, complex or project in which ten or more units of dwelling space are occupied.

Karcher stated that existing laws do not require enough detailed accounting and, consequently, some landlords were not paying their fair share of taxes.

Some of the documents required under this bill are federal income tax returns of the past two years, itemized information showing income and expenses, and profit and loss statements for the past three fiscal years.

The bill now goes to the Senate for approval.

ASSEMBLY, NO. 1373

An act concerning tax appeals, and amending R.S. 54:3-21 and R.S. 54:51A-9.

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

54:3-21. a. A taxpayer feeling aggrieved by the assessed valuation of his property, or feeling that he is 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 August 15 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 August 15 file a complaint directly with the tax court, if the assessed valuation of the property subject to the appeal exceeds \$750,000, and any party to an appeal pending on July 1, 1979 before a county board of taxation in which the assessed valuation of the property involved exceeds \$750,000 shall be entitled, upon application to the county board, to have the appeal transferred to the tax court by the county board. All appeals to the tax court hereunder shall be in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1 et seq.

b. A petition or complaint filed by delivery through the mail or a commercial courier or messenger service shall be deemed timely if there is satisfactory evidence that it was committed for delivery to the United States Postal Service or to the courier or messenger service not later than the last date allowed for filing under this section or under this section or under an extension thereof pursuant to P.L. 1973, c. 69 (C.54:3-21.4 et seq.). In the case of a courier or messenger service, the complaint shall be received by the county board of taxation or the tax court within three days after the statutory filing date.

2. R.S. 54:51A9 is amended to read as follows:

54:51A-9. Time for taking real property tax cases to tax court.

a. Except as otherwise provided in this section, a complaint seeking review of adjudication or judgment of the county board of taxation shall be filed within 45 days of the service of the judgment.

b. Direct appeals to the tax court of assessed valuation of property in excess of \$750,000 as provided in R.S. 54:3-21 shall be filed on or before August 15 of the tax year.

c. All real property tax cases not provided for herein shall be taken in the manner and time prescribed for such appeals by the rules of the tax court.

d. If the complaint is filed by mail, or through

FROM TYPEWRITER TO MOD IV

We have worked for Assessors and Tax Collectors for 25 years.

The Municipalities who started with us are still our CUSTOMERS.

This may mean something to you.

MANLEY
DATA PROCESSING

Paramus, New Jersey

201-843-5005

a commercial courier or messenger service, compliance with the time limit for filing shall be established if there is satisfactory evidence that it was committed for delivery to the United States Postal Service or to the courier or messenger service within the time allowed for filing of the complaint under this section. In the case of a courier or messenger service, the complaint shall be received by the tax court within three days after the statutory filing date.

3. This act shall take effect immediately.

STATEMENT

This bill provides that, when appeals from an assessor's decision to the county board of taxation, or from the board's decision to the tax court, are filed by mail, they shall be considered as timely if they are committed to the mails on or before the statutory filing deadline.

A similar provision is made for delivery through a commercial courier or messenger, except that the filing date is extended three days.

The bill requires "satisfactory evidence" of committal for delivery within the time allowed; this could be afforded by a postmark, postal certification or registration, or an appropriate receipt from a commercial service.

GLASER TO CHAIR COMMISSION

Sidney Glaser, former Director of the Division of Taxation, will serve as chairman of the recently formed Property Tax Assessment Study Commission.

The Commission will evaluate and study the methods of conducting assessments of property and levying taxes for purposes of local government taxation, inquire into the feasibility and practicability of alternative methods of allocating the costs of such assessments, and pursuant to the results of its study, make recommendations to the Governor and Legislature.

ASSEMBLY, NO. 1378

An act concerning municipal tax assessors and deputy assessors and amending P.L. 1981, c. 393.

1. Section 3 of P.L. 1981, c. 393 (C. 40A:9-148.1) is amended to read as follows:

3. A municipal tax assessor shall, within one year of the date of original appointment by any municipality, acquire and hold a tax assessor certificate provided for in P.L. 1967, c. 44 (C.54:1-35.25 et seq.) and shall have the duty of assessing property for the purpose of general taxation. A deputy tax assessor shall, within one year of the date of original appointment by any municipality, acquire and hold a tax assessor certificate and shall act under the direct supervision of and assist the tax assessor.

2. This act shall take effect immediately.

STATEMENT

This bill amends section 3 of P.L. 1981, c. 393 to require a municipal tax assessor to acquire a tax assessor's certificate within one year of the date of original appointment by any municipality.

ASSEMBLY, NO. 1146

An act concerning the assessment and collection of real estate taxes on certain leasehold estates and supplementing Title 54 of the Revised Statutes.

1. Notwithstanding any provisions of P.L. 1949, c. 177 (C. 54:4-2.3 et seq.) to the contrary, whenever real estate subject to that act owned by the State is leased to another whose property is not exempt from taxation, but the leasing of which does not make the real estate taxable, the State shall collect from the tenants at the time it collects its rental an amount sufficient to satisfy the real estate taxes which may be imposed on the tenant under P.L. 1949, c. 177 and make payment to the municipality in the same manner as the tenant would have made as provided therein.

2. This act shall take effect immediately.

STATEMENT

This bill requires the State to collect real estate taxes on property it leases to individuals and make payment of those taxes to the municipalities in which the property is located.

Under present law a municipality is authorized to assess and collect the tax from the tenant of "tax exempt" property. This has created difficulties for municipalities when the taxpayer is delinquent in the payment of his taxes. Because the owner of the property is the State, the municipality cannot proceed against it in foreclosure, but must obtain a judgment against the tenant.

A boring person who leaves nothing to chance will do few things wrong but he will do very few things.

REAL ESTATE Appraisals

A full service, real estate appraisal company serving the mid-Atlantic states. Our twenty years experience in Commercial, Industrial, Investment and Special Purpose Properties assures you of a highly professional and accurate appraisal in a fully detailed report.

William Ard M.A.I.

George Champlin M.A.I.

James O'Connell M.A.I.

Edward Ard C.T.A.

and staff



250 E. Broad Street, Westfield, New Jersey 07090
(201) 654-4545

223 Drum Point Road, Brick Town, New Jersey 08723
(201) 920-1950

Tax Board Administrator Wanted

The Sussex County Board of Taxation is seeking an administrator, employment effective July 1, 1984.

Applicant must have administrative ability, CTA certificate, and be a resident of Sussex County.

Write: Sussex County Board of Taxation, 16 Church Street, Newton, NJ 07860 or call (201) 347-2656 or (201) 383-4049. Ask for Mr. Ruether.

ASSEMBLY, NO. 1171

An act concerning conditions of exemption from taxation of real property owned by governmental entities and supplementing chapter 4 of Title 54 of the Revised Statutes.

1. Notwithstanding the provisions of any other law, rule or regulation to the contrary, real property of the State and its political subdivisions exempt from taxation pursuant to the provisions of R.S. 54:4-3.3, but which is used for agricultural purposes, commercial or otherwise, or for passive recreational purposes by any person for part of the calendar year shall not thereby be assessed and taxed as real property.

2. This act shall take effect immediately.

STATEMENT

This bill would make clear that public land which is exempt from taxation as real property due to its dedication to public purposes but which, for part of the calendar year, is used as farmland, should remain tax exempt.

NOTES FROM MOSS VS. CROSS RIGHT TO KNOW LAW

The following report of the above stated case is hereby submitted to the membership of our association. This case, while truly noteworthy, has no precedential value, as it was a bench decision by the Hon. Judge Gascoyne, and was not issued in the form of a published decision. Nevertheless I feel it important that our members be aware of certain issues in the case that heretofore have been vague.

The real dispute of the case focused around whether or not four items or classes of items fall within the meaning of the Right to Know Law. The plaintiff Moss requested the following four items of the township assessor:

Income & Expense Statements

Ruling—Not directed at any rule, regulation or law that these items be kept within the tax assessor's office of Mt. Olive Township. Clearly not within Right to Know Law.

N.J.S.A. 18:122-4.19—Property Record Cards

Obviously, the assessor did not prepare the property record card, an outside appraisal firm did. Therefore, even if given the broadest definition, Property Record Cards are not required to be prepared by the assessor's office. The fact that an assessor may obtain them in office, does not make them public records. Therefore not available under Right to Know Law. This ruling is limited to municipal assessor, not any other public body.

Reference: DeLia Case—common law

Very carefully analyzed the purpose of the property record cards and pointed out that under certain specific circumstances, will be available—not because it is a public record, but because of common law right. Carefully scrutinized, those items when record cards would be made available . . . although not public records, may have a legitimate interest, e.g. right to pursue a specific remedy to determine whether being treated differently (as in a tax appeal). This is not what we are talking about within the Right to Know Law.

N.J.A.C. 18-12:A-1.0(q)—Capitalization of Income—comes under general heading of "Petition's . . . appeals". Sec. 1.9 Hearings.

This section does nothing more than lay out the procedure on the hearing of a tax appeal—nothing within subd. (q) requiring such documentation to be maintained; imposes duty on tax assessor at the hearing of . . . producing Property Record Cards: nothing more—nothing less.

No requirement that these be kept.

Arace—discusses case, although not bound by decision agrees fully with same. The Judge referred specifically from p. 269 of the Arace Case—Thus

1. Calculations—that are work product of assessor should not and cannot be made available for public scrutiny—it involves mental processes, and

2. No requirement they be maintained or kept except for a limited purpose—tax appeals. After that, there is a right to destroy same—fact maintained or kept does not equal public records because not required.

Even the court in approving a "friendly settlement" has no right to know what went into the negotiations—involves mental processes of the parties involved; involves many factors.

To rule otherwise would put a chilling effect on any settlement, because once a party knew that the basis of that settlement would be open to public scrutiny—it would say "I want no part of that—try the case."

Basis for settlement's not required to be kept by Right to Know Law—therefore not within that category.

COMMON LAW

Nero v. Hyland: balancing process is required.

Principles involved govern; reason to maintain the confidentiality—whether talking about income statements, settlement negotiations, etc.—because to make same generally available, absent appeal will frustrate the very purpose of the submission of the documentation by the landlords.

E.G.—Income tax returns are available as a matter of right during discovery—must show need, and that need deals with the specific object involved and there's no other available source of information. Therefore, as far as statement of income is concerned, would be equally applicable.

CONCLUSION


Items are neither compelled under Right to Know Law nor is Mr. Moss entitled under common law.

Also, appropriate that I put (on the record) one of the facts I had to take into consideration as far as we are concerned here.

Purpose for which Mr. Moss seeks to obtain records is not sufficient to illustrate or demonstrate such a need or interest as to require me to order that these records be made available. Fact that you may have a good cause does not convert an otherwise unobtainable record (into a public record).

NOTE: The plaintiff's purpose for access to the above stated items was to aid in his crusade to institute rent control in the municipality. While he is a resident of the municipality, he was not a property owner.

Gloria A. Cross



MUNICIPAL REVALUATION / ASSESSMENT EQUALIZATION

REALTY APPRAISAL COMPANY

SPECIALIZING IN NEW JERSEY PROPERTY VALUATION SINCE 1934

*A NEW JERSEY ORGANIZATION
DEDICATED TO SERVING NEW JERSEY ASSESSORS*

4912 Bergenline Avenue, West New York, New Jersey
UNION 7-3870 UNION 7-0015

Local Property Tax—Valuation—The Appellate Division of Superior Court reversed the Tax Court and let the county tax board judgment stand. The court held that the taxpayer's expert in assessment appeal made no attempt to determine economic rent or income of the property in question, but merely equated current actual rent with economic rent because of a rent stabilization ordinance. Therefore, there was no proper determination of the property value. *First Real Estate Investment Trust of New Jersey v. Hasbrouck Heights*—190 N.J. Super. 85 - (App. Div. 1983).

Local Property Tax—Correction of Errors—The Appellate Division of Superior Court held that N.J.S.A. 54:2-41, providing for the correction of errors by consent, is applicable to clerical errors in assessment records such as typographical or transposition errors and not to mistakes in making an assessment. Action for correction of assessment based on incorrect information was dismissed. Plaintiff must rely on normal appeal procedures and meet the appeal deadline. *Martin Bressler et al. v. Township of Maplewood*—190 N.J. Super. 99—(App. Div. 1983).

1984

NORTHEASTERN REGIONAL CONFERENCE OF ASSESSING OFFICERS EDUCATIONAL PROGRAM MAY 20-24, 1984 THE PARKVIEW HILTON, HARTFORD, CONN.

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

BULK RATE
U. S. Postage
PAID
New Brunswick, N.J.
08903
Permit No. 259

13

25-A

F01

MARK BERNARD J ASSESSOR
LITTLE SILVER BORO
480 PROSPECT AVE
LITTLE SILVER N J

07739