

New Jersey



Assessors



MEMBER
International Association
of Assessing Officers

Bulletin

VOL. 24, No. 4

NOVEMBER 1985

PRESIDENT'S MESSAGE



I have mixed emotions about this November's League of Municipalities Conference. The conference marks the end of my term as President and Bill Birchall's will begin. There were times when I could not wait for this moment, but now, in a way, I wish it were a new two years.

When I became President, I expressed a desire for cooperation, not only within our association, but with the State Legislature, Division of Taxation, League of Municipalities and other professional associations. I believe we did accomplish this, although at times it may have been difficult for all involved.

The association appointed a special committee to monitor and give input to the Local Property Tax Study Commission. The importance of the assessor was recognized when the commission held a meeting at the Rutgers Conference in June. The testimony given by the assessors was excellent and given careful consideration by members of the commission.

The Farmland Committee has been working on a woodland bill for a long time. Assembly bill #1041 is currently waiting a vote by the Senate. This bill would require owners of woodland tracts to meet certain requirements before being eligible for farmland assessment.

I want to thank all members of the association for their cooperation during my time as President. I have learned a lot being your President and it was probably one of my better educational experiences.

I found the assessor is recognized as a knowledgeable person who's advice is sought by many different public officials.

I ask you to give Bill Birchall all the support you can during his term. The assessor will be facing many problems in the next couple of years and working together we will be able to work for the good of the assessor and the taxpayer.

Stephen Kessler, CTA, SPA

ASSEMBLY, NO. 3769

An act extending the veterans' property tax deduction to certain veterans with active service, granting an additional property tax deduction to veterans with certain combat service, amending P.L. 1963, c. 171 and P.L. 1971, c. 398.

This bill extends the \$50.00 veteran's property tax deduction to all honorably discharged or released veterans who have served at least 181 consecutive full-time active duty days, excluding an initial period of active duty for training under the "six-month" Reserve or National Guard programs. The bill also provides a separate and in some cases additional \$50.00 deduction for active service in a combat theatre or combat zone of operation. The bill eliminates the present condition upon the veteran's deduction that the military service be in active duty during a time of war during specified periods. A constitutional amendment to authorize these changes is pending before the Legislature as a companion measure to this bill, as Assembly Concurrent Resolution No. 187 of 1985. The bill also makes clear that the veteran's deduction and the new combat service deduction can be claimed by all surviving spouses and not just widows.

**Association of Municipal Assessors of
New Jersey
League of Municipalities Program**

TUESDAY, NOVEMBER 19

**2:00 p.m.—Park Rooms—6th Floor—
Bally's Park Place**

**Presiding: William E. Birchall, Jr., President Elect-
Assessor, Lumberton & Hainesport Twps.
Speaker: Edward H. Rosenblum, Esq.
Topic: RECENT DEVELOPMENTS IN
PROPERTY TAXATION**

WEDNESDAY, NOVEMBER 20

**10:00 a.m.—Dennis A & B—6th Floor—
Bally's Park Place**

**AMANJ ANNUAL MEETING & ELECTION
OF OFFICERS**

**Presiding: Stephen J. Kessler, President-
Assessor, Winslow Twp.**

WEDNESDAY, NOVEMBER 20

**12:00 Noon—Blenheim Room—6th Floor—
Bally's Park Place**

**S.M.A. LUNCHEON: AMANJ INSTALLATION OF
OFFICERS & AWARDS PROGRAM
Luncheon**

**Presiding: Claire M. Young, Assessor, Tenefly Boro
Speaker: Franklin Hannech, Jr., MAI
Topic: THE ROLE OF THE PROFESSIONAL
APPRAISER IN TAX APPEALS**

Installation of Officers & Awards Program

**Presiding: Stephen J. Kessler, President-
Assessor, Winslow Twp.**

**3:00 p.m. to 5:00 p.m.—Dennis A & B—6th Floor—
Bally's Park Place**

**President's Reception—Sponsored by Burlington,
Monmouth, & Ocean Tri-County**

THURSDAY, NOVEMBER 21

**2:00 p.m.—Room #105, Boardwalk Level—
Convention Hall**

**Presiding: Charles Shutt, Assessor,
Ridgewood Village & Midland Park Boro
Speaker: Saul A. Wolf, Esq.**

**Topic: TAX APPEALS—THE ROLE OF THE
MUNICIPAL ATTORNEY**

CONGRATULATIONS

**Sam Temkin, Assistant Director, N.J. Division
of Taxation has been a member of IAAO for 30 years.**

**Alvin Bills, CAE, Assistant Supervisor, N.J.
Division of Taxation, has been a member for 25
years.**

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ASSEMBLY, NO. 3399

An act concerning the filing of income state-
ments or certain property tax deductions and
amending P.L. 1964, c. 255 and P.L. 1963, c. 172.

STATEMENT

This bill changes the annual post-tax year in-
come statement filing requirement for senior
citizens and totally disabled persons who claim the
\$250.00 property tax deduction granted to qualified
property owners with under \$10,000.00 annual in-
come. The bill eliminates the annual filing, chang-
ing it to a statement to be filed every three years,
on or before February 1 of the post-tax year, which
statement will report actual income of the preceding
tax year and anticipated income for the next two en-
suing tax years.

The annual income statement required is bur-
densome to many senior citizens and disabled
citizens. It applies only to those with under \$10,000.00
annual income, many with fixed incomes, whose in-
come is less likely to exceed that limit during any
ensuing two year period. The applicants, of course,
remain under an obligation to report changes in their
status effecting eligibility for the deduction.

The change to an income statement to be pro-
cessed every three years, instead of annually, will
result in a saving to municipalities required to mail
the current annual post-year statements to each tax-
payer receiving the deduction.

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Plainsboro Township, New Jersey (Middlesex County) seeks an individual with a New Jersey Assessors Certificate. Excellent communications skills and experience in appraisal, real estate, and construction are a must for one of New Jersey's fastest growing communities. Applications for either part time or full time position will be considered. Apply to: Peter I. Hechenbleikner, Township Administrator, 641 Plainsboro Road, Post Office Box 278, Plainsboro, NJ 08536-0278 or call 609-799-0909. Plainsboro Township is an Equal Opportunity Employer.

The Township of Little Falls, Passaic County is looking for a new Assessor. Population: 12,000, 2.8 square miles; 3500 line items. CTA required. Salary negotiable, commensurate with background and experience. Send resumes to Merrill Montgomery, Township Clerk, 35 Stevens Ave., Little Falls, N.J. 07424.

CHAPTER 222, LAWS OF 1985

Senate Bill No. 2046/2334 was signed into law by Governor Thomas H. Kean on July 2, 1985 and becomes Chapter 222, P.L. 1985.

The new law enacts low and moderate income housing legislation known as the "Fair Housing Act," and implements the New Jersey Supreme Court rulings in *South Burlington County NAACP vs. Mount Laurel* (67 N.J. 151, 1975) and *South Burlington County NAACP vs. Mount Laurel* (92 N.J. 158, 1983).

The law seeks to take the zoning requirements for low and moderate income housing out of the courts and to establish them in the Department of Community Affairs. Municipalities will be able to seek a certification of their low and moderate income housing plans from the newly-created Council on Affordable Housing. Municipalities not participating continue to risk court-ordered rezoning.

The Law is effective immediately and became operative on enactment of its companion bill, Chapter 225, on July 2, 1985 (see article this issue).

The father in praising the son extols himself.

ASSEMBLY, NO. 3965

An act concerning the taxation of property in certain municipalities.

STATEMENT

This bill would provide for a system of property taxation in our State capital under which the municipal purposes rates are applied only against land. County and school rates would not be affected by the bill.

The bill is intended to address the fact that Trenton occupies a unique position among the municipalities of this State, as the seat of New Jersey government which urgently needs to rehabilitate and replenish the aging, outmoded, inadequate and deteriorating elements of its infrastructure, and to construct new and expanded infrastructure projects in order to meet the heavy burdens imposed by its role as the State capital and in order to provide adequate services to its own population. By reducing the tax pressure on improvements, the bill would:

a. Encourage improvements, since homeowners and other property owners are currently reluctant to undertake improvements to their properties for fear of the negative tax impact resulting from the increased value of their property;

b. Stimulate new construction, since the incentive for keeping parcels undeveloped would be reversed;

c. Create more affordable housing units, as the development of apartments and other higher density housing becomes more attractive; and

d. Shift the property tax burden from homeowners to owners of large parcels of land.

In addition, the bill provides that the amount of revenues raised from the taxation of certain communications personal property will, in any year, equal the amount raised by such taxation in 1984.

Finally, the bill would increase the minimum level of payments in lieu of local property taxes on State property located within the capital.

Become An S.M.A.

Statement Before the Property Tax Study Commission, June 6, 1985

by Mary Mastro, CTA, SPA

In behalf of The Association of Municipal Assessors of New Jersey

Mr. Chairman, Commissioners and Guests of this commission, it is with honor and sincere concern for the people of New Jersey that the Assessor of New Jersey present their thoughts to you.

As a member appointed by our President, Mr. Stephen Kessler, I will summarize the collective views of our members.

NECESSITY OF AND RESULTING EFFECTS OF REVALUATIONS—CITIES & ELSEWHERE

When is a revaluation or reassessment necessary? Under the current law, property is to be updated annually. This, due to many reasons which will be discussed later in this report, has not been a reality. The most common concept presented by municipal officials and automatically accepted by property owners is that it should be done every ten years. This magic number has no known origin in the law but it is an observation of what historically has occurred in this state. As assessors, we have the data available to tell us that a set time span is not the answer.

Revaluation is needed when a lack of uniformity begins. Since we are to treat all property under the same standard of value, we need to constantly monitor that value standard. This historically has been done in the analysis of sales which occur in every district. Time must be allotted for the analysis of every transaction to determine what was included in the sale price depicted on the deed. In the analysis, assessors are given a certain latitude to include or have removed from the Director's Study (Sales Ratio Program) transactions not considered arms length, or property which has changed since the assessment was made.

When similar properties begin to exhibit a ratio disparity, there is a need to identify the reason. The market within the last decade has undergone radical changes. No longer can an investor predict with the same ease he had during the 1950's and 1960's what potential a property may contain. The effects of inflation, mortgage rate fluctuations and mortgage terms alone have provided both buyer and seller with some choices not available in the past. Needless to say, the decision whether to buy or sell and what terms are involved are paramount in even the first time investor. There has been an awakening in the public to the potential which property may contain. The investor no longer is just looking for the four bedroom home in a quiet neighborhood, or the storefront large enough to contain the growing family business. As a result, there has been and continues to be economic changes which define smaller economic neighborhoods within what used to be classified as original geographic sections. Architectural style has taken on increased importance. The scarcity of residential rental units has caused a dramatic rise in the bottom end of the real estate market. Buyers calculate the monthly carrying cost and benefits of ownership against what available rental units they find and increasingly opt for home ownership. Buyers who want that first home find competing against the number of other buyers in the same situation difficult. The seller will invariably accept the highest offer which can be found. The \$100,000 and under property sells very quickly. The base prices available for starter or handyman specials has shown dramatic rates of appreciation in relation to middle market sales. In the last two years, the other end of the spectrum, the exclusive residential units also began appreciating considerably faster and to a greater degree than the average residential unit. These type of occurrences create an imbalance very quickly in the assessment roles of most communities.

With the above causes in mind, let's examine the effects of revaluation. With every passing year, the market which we monitor changes. A part of this change actually is a byproduct of our response or lack of response to the preceding market con-

dition's. What I am trying to describe is the prudent investor's attempt to get as much as he can in value with the least cost to carry that value over the period of time he plans to hold it. This is evidenced in the vast differences a property of similar use and construction will sell for at a given time in different neighborhoods and different towns. Whether the purchaser understands effective tax rates or not he does know enough to question what his property tax liability will be. Quite often the response to this question becomes a major factor in which property he chooses to purchase. A person looking for a property he plans to own for a long time will most often choose to pay more initially on a purchase price which will cost him less on a monthly basis than a person looking for a property to have for only a few years. The purchaser unwittingly determines when the cost to keep a lower price home with a high tax liability will reach the point of decreasing return. This type of analysis has been shown in the buying habits of both residential and commercial property in low effective rate communities. As more interest is shown in locating in the community, the entire community increases in desirability raising the market and becoming a good investment choice for commercial and industrial properties as well. As continued economic growth occurs, the tax burden generally eases on the older properties within the community. On the other hand, the reverse is also true in high tax areas. The turnover of property becomes more frequent, due to the owner's plans to increase his holdings while attempting to decrease his costs. With little economic growth, the existing properties continue to pick up the increased costs of the budgets they fund. This starts a trend toward a declining economy. Properties stay on the market longer, have fewer offers and the owners eventually accept less than they would hope for. The repercussions are evidenced in the abandoned properties left for tax sales and foreclosure. As these decline in value, there is a shift to the other properties of the municipality.

While these economic changes are occurring, some property owners find it advantageous to appeal the assessed value of their property. The measure found in the court most often is whether there is discrimination evidenced by use of Chapter 123 guidelines. With every assessment change made as a result of an appeal, the burden increases for the remaining property owners.

If the properties described in the various settings presented above are left for a period of years without any major changes in assessment, the market begins to adapt and a compensatory market evolves. If the buyer knows that in one section of the city he could have a business or residence with low tax for a few more years, he pays a little more for the property than he would if he knew that it would very soon be raised. The presence of this market compensation will also adversely affect the first year or two following a revaluation as the market adjusts back in terms of carrying cost, tax liability and market competition.

The answer to when to reevaluate by now should be apparent. In general, delays in the time period between assessment updates increasingly provides economic shock to those who have become accustomed to paying a lesser share than they would if their value was kept closer to the market.

In addition to shifting the burden among properties, other causes of negative response to revaluation were identified by assessors who have recently completed revaluations. Problems ensued when there was a lack of understanding by the taxpayer as to what he should expect and what remedy is available to him if he disagrees with his new value. This misunderstanding could be avoided if the public relations setup was started in advance and followed through with every phase to the completion of the project. Of equal concern to causes of negative impact in revaluation, assessors voiced the fact that there is a limited number of revaluation firms available to the municipalities in New Jersey.

(continued on next page)

Mastro continued

With the increasing number of municipalities in need of revaluation, the companies are taking on extra towns and in effect having less time to concentrate on each phase of the project in the municipalities they contract with. There are only a limited number of people who are doing the final value analysis for the different firms and this has caused several projects to become rushed too quickly in the effort to meet the contracted time for completion.

One final consideration on revaluation is the reason why they don't occur more frequently. The length of time between revaluations is a byproduct of the feelings of those controlling the budgets which fund the cost of revaluation. The number of municipalities who have chosen not to revalue because the time is not "a good time" and/or the cost is "prohibitive" has been evidenced in the statewide average of a thirteen year span between revaluations. Although a revaluation is a considerable work load from an assessor's standpoint, most assessors alert their district of the need for a revaluation long before they finally convince them to seek a contract for one. In the interim years, the cost to the municipality increases in litigation fees for the number of properties which opt to challenge their assessments when they see no relief in sight.

(Editor's Note: The second part of this article will appear in the next issue.)

KENNETH H. BECK SCHOLARSHIP FOUNDATION

The Foundation members have been appointed and the first meeting of the membership was held. It was decided that the first scholarship award will be made in the spring of 1986.

The Association of Municipal Assessors has made a substantial donation to start the Foundation. We have also received donations from other individuals. At this time we are asking you to make a donation in any amount that you can.

Please make your check payable to the Kenneth H. Beck Scholarship Foundation and forward them to Joseph Crane, Treasurer, 28 Silver Lk., Clayton, N.J. 08312.

CHAPTER 265, LAWS OF 1985

Assembly Bill No. 3856 was signed into law by Governor Thomas H. Kean on July 31, 1985 and becomes Chapter 265, P.L. 1985.

The new law extended the deadline for filing post-tax year income statements for the \$250.00 senior citizen's and permanently and totally disabled citizen's property tax deduction for the 1984 tax year from February 1, 1985 to September 1, 1985.

Section 2 of the law provides that the amount of reimbursement due taxing districts from the State, to be paid on November 1, 1985 for 1985 deductions, which amount is reduced by the amount of 1984 disallowed deductions, shall not be reduced by the amount of 1984 disallowed deductions that were disallowed only because the post-tax year income statement deadline of February 1, 1985 was missed.

The new law takes effect immediately and is retroactive to February 1, 1985.



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County Tax Boards Must Forward Judgments to the Division of Taxation

County boards of taxation are reminded that N.J.A.C. 18:12A-1.12 states that "Upon entry of any judgment involving the appeal of a homestead tax rebate, veteran's deduction, or a property tax deduction for persons of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled and certain surviving spouses, the county board shall, within 10 days from the date of such entry, forward a copy of said judgment to the Division of Taxation, Local Property Branch."

The Branch is aware of several instances where judgments have not been sent promptly to the Division. Attention to this particular procedure will be greatly appreciated.

ASSEMBLY, NO. 3844

An act concerning county boards of taxation and amending R.S. 54:3-6, R.S. 54:3-16 and P.L. 1979, c. 499.

STATEMENT

The purpose of this bill is to increase the annual salaries of the members of county boards of taxation and the various county tax administrators.

The bill also clarifies the administrative and supervisory responsibilities of the county tax administrators.



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RUTGERS 1985



Association of Municipal Assessors of New Jersey

NEW JERSEY ASSESSORS BULLETIN

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REVALUATION MORATORIUMS FACIALLY CONSTITUTIONAL



In a decision which has disturbing implications, the New Jersey Supreme Court has upheld the validity of L. 1984 c. 67 ("Chapter 67") which granted to Atlantic City the authority to postpone implementation of its newly adopted revaluation for up to two years. The facts are compelling. Atlantic

City has not undergone revaluation since 1962 and its coefficient of deviation for the year 1984 was approximately 40%. The revaluation had been prepared under court order by an outside firm and was supervised by a court appointed appraiser. At the time Chapter 67 was enacted in July of 1984, the revaluation had been submitted by the assessor, certified by the county board and incorporated into the 1984 Atlantic County Equalization Table. The revaluation produced a coefficient of deviation of approximately 20%, representing a 100% improvement in uniformity over the existing tax list.

Notwithstanding these facts our Supreme Court upheld Chapter 67 as facially constitutional and remanded the case back to the Tax Court in order to develop a full record on the issue of whether Chapter 67 violates the Uniformity Clause, N.J. Const. Art. VIII, sec. 1, par. 1(a), which mandates the assessment of all real property under uniform rules according to the same standard of value. *Atlantic City Cation Association v. Kimmelman, et als.*

This decision foreshadows an increasing vulnerability of the assessment process to political abuse since the Legislature may now enact moratorium legislation unhampered by its previously expressed concerns over its constitutionality. Practically speaking, in the event an incumbent politician seeking reelection feels threatened by the adoption of a revaluation, the enactment of a moratorium will virtually ensure the deferral of the revaluation for at least one year. This is so because legal proceedings challenging the validity of the moratorium, given its facial constitutionality, will almost guarantee the defer-

ral of a final decision until the following year.

Although the court may have been mindful of the perilous situation confronting the City of Newark and other distressed urban areas which are the subject of revaluation moratoriums and may have acted out of a desire to permit the Legislature to formulate its own solution to the problem (the report of the assessment study commission is due in March 1986), the damage done to the principle of equality in taxation may well be irreparable since the decision of the court, objectively viewed, amounts in practical terms to a suspension of the Constitution.

Edward G. Rosenblum, Esq.

ASSEMBLY, NO. 3873

This bill would effectively cap annual property tax increases for senior and disabled citizens at 5% or the percentage increase in the cost of living, as measured by increases in the average consumer price index. Under the bill, a qualified individual would be required to pay his property taxes, but would be allowed a property tax rebate, or a gross income tax credit or credit payment, in the amount by which his property taxes increased over the cap limit. A renter would be eligible for the gross income tax credit, since 18% of his rent is considered a property tax payment under the bill.

The rebate or credit would be granted in place of the additional homestead rebate and homestead credit for tenants currently fixed by law at \$50.00 and \$35.00, respectively, regardless of any increase or lack thereof—or any decrease—in a qualified individual's tax bill. In addition, each qualified individual would continue to receive the regular homestead rebate or credit provided by law.

The bill would protect senior and disabled citizens from economic hardship during times of rapidly increasing property taxes, and would ease the burden which local revaluations place on these individuals. At the same time, the bill would hold these citizens harmless at current tax relief levels when property taxes are increasing only gradually.

LEGISLATIVE REPORT

On Tuesday, October 8, 1985, the Senate Natural Resource and Agricultural Committee, which was chaired by Senator Zane, conducted a hearing on the abuse of the Farmland Assessment Act by corporate industrial interests. To assessors of taxing districts which contain many large tracts of farmland and enjoying an exemption under the Farmland Assessment Act, this situation has been and continues to be somewhat unpalatable. At the above hearing, testimony was presented by various witnesses who were either upset by this practice or who condoned it as long as the land was being farmed. To the assessor who must administer the provisions of this act and is aware what the intent of ownership is, he finds that ethically an abuse of Farmland Assessment Act is taking place. I can recall when Senator Dumont, Marriott Haines and many other interested people who were the framers of this Act had a law enacted for a purpose far more intent than what it is being interpreted today. Somewhere along the line since the enactment the intent of the Act has changed. When the farmer complained that the taxes that he had to pay made it somewhat impossible for him to continue to farm it, the State of New Jersey agreed and special consideration in the value of farmland "actively devoted to agricultural and horticultural use" was made.

During some testimony that was given at this hearing, I heard the intent of the Farmland Act changed somewhat whereby it didn't matter who owned the land as long as it was being farmed. The difference in these schools of thought, as I see it, is that one strives for permanence and the other is temporary. The initial intent of the Farmland Act and additional Acts such as the Transfer Development Act for Farmlands was to guarantee that the farmer would be farming his land in perpetuity. A leased farm owned by corporate industrial interest holds no such guarantee and only allows farming for the period of time until another use is found to be more profitable to the corporate owners. At the hearing it was pointed out that the three-year roll-back is really not a great deterrent for the discontinuance of farming. Suggestions were made to increase the roll-back to a ten-year period as a deterrent. Mention was made of the continued development of certain portions of this type of farmland at the will of the owner with a complete disregard to the need for the continuance of farming.

Another inequity in the Farmland Assessment Act surfaced at the hearing conducted by the Senate Revenue & Finance Committee meeting to review certain legislative proposals. One of those on the agenda was A-1041 which provided for a different method of assessing Woodland under the provisions

set forth in the Farmland Act. This proposal, sponsored by Jack Hendrickson, was framed through the recommendations of Walt Kosul and the Assessor's Farmland Committee. The proposal was rewritten as it moved through the Assembly (72-0) on June 27, 1985 after it was first sponsored January 23, 1984.

Today, this bill which sets the value of woodland correctly and is so important to assessors who are constantly plagued by the exemption request of the owners of this special type of land when there was no evidence of any other type of farming, the Revenue & Finance Committee reported the bill out for a vote by the Senate.

Our work continues. It behooves every assessor to contact their Senator and urge their support of the bill. It is also incumbent upon us, after the Senate passes the bill to petition the Governor to sign it into law. We have only until the first week of January 1986 to get this completed before this legislature adjourns sine die and every proposal not finalized becomes just printed matter. Therefore, I urge you to help and support your farmland committee who have worked long and hard to get this bill to where it is.

George Harraka, C.T.A.

Chmn.: Legislative Committee

EDITOR'S NOTE: All assessors involved in Farmland are requested to petition Senator Orechio or Governor Kean to move this bill into successful enactment.

ASSEMBLY, NO. 3726

An act concerning an exemption from taxation of the increase in valuation of property as a result of improvements facilitating the use of the property by disabled persons and supplementing chapter 4 of Title 54 of the Revised Statutes.

STATEMENT

This bill would provide for a property tax exemption equal in amount to the increase in valuation resulting from improvements made to facilitate the use of any property by disabled persons.

ASSEMBLY CONCURRENT RESOLUTION NO. 195

A concurrent resolution proposing to amend Article VIII, Section I, paragraph 4 of the Constitution of the State of New Jersey.

INTERPRETIVE STATEMENT

This proposed constitutional amendment would provide that local school taxes shall be deducted from the income of a senior or disabled citizen, or the surviving spouse of that citizen, in determining eligibility for the senior and disabled citizens' property tax deduction.

EXECUTIVE MEETING 10/1/85

President Stephen Kessler called the meeting to order at 10:25 A.M. followed by the Pledge of Allegiance.

President Kessler thanked the Executive Board for the past two years and pledged his continued support.

J. Henry Ditmars was extended a hearty welcome and was invited to come to the meetings at any time.

Joyce Jones was wished a Happy Birthday.

Roll call was taken by the secretary with 27 members and 3 guests present.

Minutes of the August 22nd meeting were corrected to reflect "There was a discussion on the salary of the Tax Administrators and Commissioners." Bill Bailey made a motion that the minutes be accepted as corrected. Motion passed.

Treasurer's Report, as of 9/30/85, was read by Joseph A. Crane, Treas. Bob Ebert made a motion that the Treasurer's Report be accepted. Motion passed. Joe also read the Dues Paid Report, as of 9/30/85.

Ed Rosenblum reported on the Atlantic City case. The new revaluation was on the books as of May 1984. After which the Legislature intervened and enacted Chapter 67, Laws of 1984 which authorized the City to delete the reval from the books and go back to the old 1962 list. The Casinos challenged the law on the basis that it violated the uniformity clause and various other issues.

Judge Rimm felt that the enactment of Chapter 67 by the Legislature had invaded the providence of the Courts since the Court had originally ordered Atlantic City to revalue in 1980. Judge Rimm felt that the Legislative enactment amounted to a Legislative overruling of his Court order, and he drew the lines as such: As a confrontation between the Legislature and the Court.

The Appellate Division reversed all of Judge Rimm's decisions except for a split decision on the uniformity issue.

The Case went to Supreme Court this past summer. The Supreme Court reviewed the record and agreed with Judge Rimm that the record was insufficient and that Chapter 67 violated the uniformity clause and by so ruling they have held that all moratorium statutes are facial constitutional. The Supreme Court summarily disposed of the Atlantic City case saying that, "We don't rule against you, we send the case back to Judge Rimm to develop a full record." They instructed Judge Rimm to make his determination on the Constitutionality of the law by not later than January 15, 1986. They did not retain jurisdiction, but if the Appellate review is necessary they ordered that it be accelerated. Each case would be tried on its own merits and could gain at least a year of grace. There was a lengthy discussion about what we could do.

Bob Ebert suggested that someone prepare a paper on the problems of a moratorium on Revals and present it to the Tax Study Commission. It was decided that the Property Tax Study Committee would research this problem and make a presentation before the Commission.

Ed Rosenblum reported on the decision of the Appellate Court reversing the lower Court decision on Chapter 220. The League of Municipalities has been footing the bill thus far, and we will have to wait and see if they are going to take it to the Supreme Court.

Steve read the minutes of Oct. 11, 1984 whereby a motion was passed that we set aside \$1,000 in case it was needed by the League. Bill Birchall made a motion that the \$1,000 be forwarded to the League of Municipalities at this time. Motion passed.

George Harraka and Margaret Jeffers problems were discussed by Ed Rosenblum.

Bob Ebert submitted his committee's report on the Harraka and Jeffers problems. Bob had planned to investigate both of these problems in depth. However, because the Executive Board meeting was moved up a couple of weeks, there was not enough time.

Bill Bailey made a motion that after a thorough investigation, Ed Rosenblum be empowered to proceed immediately with Margaret Jeffers' case in whatever way he deems necessary, and to also further George Harraka's case for possible legal action. Motion passed.

Victor Hartsfield is involved in a legal battle for which his governing body is paying.

One of Vic's taxpayers is suing Vic personally, saying that Vic acted maliciously in violation of his (the taxpayer's) civil rights in an attempt to "drive him out of town."

Ed will keep us informed of all these cases in the future.

Committee Reports

President-Elect in charge—William E. Birchall Jr.

Kenneth H. Beck Scholarship—John Dykson, Chairman.

Committee had a meeting on Sept. 20th and formulated the rules and regulations. Deadline for filing applications is April 1st. Applications will be evaluated from the Secretary after the first of the year. We are going to place a notice in the Assessors Bulletin asking for donations as well as sending out a letter to each member. The Committee plans to continue the "Nite at the Races" at Rutgers each June. Other possible fund raisers might be: a 50/50 at the SMA Luncheon and a golf outing possibly the last of September or the first of October.

Ray Taylor made a motion that the Association should cover the cost of the mailing. Motion passed.

Insurance—Jim Anderson, Chairman

Jim Anderson made a motion that the Committee's recommendation be mailed to each member so that we could take a vote on whether the AMANJ should adopt the self-insurance plan.

Vice-Pres. in charge—James Andrea

Audit & Budget—Robert Pastor, Chairman

Bob Pastor will audit the AMANJ Treasurer's Books in Atlantic City.

Vice-Pres. in charge—Bob Ebert

Sales Ratio & Chapter 123—Alfred Greene & John Murray, Chairmen

John Murray talked about the problems the assessors are having with the people in the Sales Ratio Study Office. Ed Rosenblum was asked to write a letter to John Baldwin notifying him of our dilemma. Steve's going to try to set up a meeting with Director Baldwin before the League Conference.

Vice-Pres. in charge—Joyce Jones

SMA—Claire Young

In the process of obtaining another speaker since Judge Lawrence Lasser cannot speak to us.

Atlantic City Conf.—Vicky Mickiewicz

Program okay—no rooms—need workers for hospitality, also donations. Bergen, Burlington, Gloucester, Hunterdon, Middlesex & Union Counties have donated.

Vice-Pres. in charge—Tom Lawrence

Farmland—Walt Kosul & John Dykson

Farmland seminar—Wed. Oct. 16, Cherry Hill Inn.

Woodland Management Conference scheduled for Saturday, Oct. 19, Cook College.

State Review Committee is finished with Hunterdon County and will be going to another County shortly. Farmland forms have to be submitted to L.P.T. by January 10th.

Vice-Pres. in charge—Bob Pastor

Legislation—George Harraka

A3844—Karcher bill—Increases the salaries of members of county boards and tax administrators. After a discussion on the bill, Joe Crane made a motion that the AMANJ is opposed to section 54:3-16 which gives the Tax Administrators the power to oversee the assessment function. Unanimous.

A1050—Karcher bill—Establishes procedures to be followed by a county board of taxation in hearing appeals of tax

(continued on next page)



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Executive continued

assessments concerning multiple dwellings. The Governor is not supposed to sign this bill.

Vice-Pres. in charge—Chas. Shutt

Reassessment—revaluation—need a new chairman.

Vice-Pres. in charge—Horace Spoto

Awards—Joyce Jones

There have been some nominations submitted for the various awards. A meeting has been scheduled for Thursday, Oct. 17.

Pipelines—Lee Serlinga—Chairman

Bill Birchall reported that according to Harry Haushalter, Deputy Attorney General, there is a recent case decision that states that pipelines are personal property. Steve appointed Bill Birchall as a designate to the State Revenue & Finance Commission.

Unfinished Business

Randy Brokaw had some questions on Tuck Ross & Equity 21. New Business

Bill Bailey talked about all of the jobs that are listed in the Assessors Bulletin and the large number of assessors that are going to retire in the next year or two.

There was a discussion about the problems that some of the Assessors are creating by taking several jobs and not doing a satisfying job.

Arlene Oliver read a resolution that was approved by the Ocean County Executive Board.

Joe Crane made a motion that the AMANJ prepare a concurring resolution and send a copy to the Director, the Tax Board, the Property Tax Study Commission.

There was one vote against. Motion carried.

Since there was no further business to come before the Association, the meeting was adjourned at 2:45 P.M.

Respectfully submitted,
Vicky Mickiewicz

IAAO Will Present Mapping Seminar in 1986

The two-day seminar will be conducted March 13-14 in Houston, Texas, at the Inter-Continental Hotel, and again on October 30-31 in Orlando, Florida, at the Las Palmas Inn.

The entirely new seminar, sponsored by IAAO and its Mapping Task Force, is being prepared by IAAO's Research and Technical Services Department. Members of the Mapping Task Force have played a crucial role in selecting the topics for this practical seminar. The seminar's sponsors intend that each person will complete the seminar better equipped to deal with today and to plan for tomorrow.

ASSEMBLY, NO. 3757

An act providing for payments for local services in lieu of taxes on certain county property and supplementing chapter 4 of Title 54 of the Revised Statutes.

The purpose of this act, the "County Seat Tax Relief Act," is to provide some property tax relief for taxpayers who live in municipalities which serve as county seats. The taxpayers of municipalities which serve as county seats currently pay for all the additional local services which must be provided to fulfill the needs and to serve the demands of the county offices and facilities located within their municipality.

Under the provisions of this bill, the costs of providing local services would be shared by all the taxpayers of the county. The bill would establish a system of in lieu tax payments, patterned after the current State in lieu tax payment program (P.L. 1977, c. 272; C.54:4—2.2a et seq.).

The amount of in lieu tax payments due a county seat is to be determined by applying the county seat's effective local purposes tax rate for the preceding year to the assessed value of the county property located within the municipality. If the resulting in lieu tax liability totals less than \$1,000.00, no payments are required. The bill also provides that no county seat may receive an amount of the in lieu tax payments which exceeds 25% of the total amount it must raise for local purposes.

For the purposes of this bill, county property is limited to county owned offices, garages, warehouses and jails.

SENATE, NO. 3117

An act concerning certain property tax deductions and amending P.L. 1963, c. 171.

STATEMENT

This bill would increase the veteran's property tax deduction from \$50.00 to \$100.00. It is a companion measure to Senate Concurrent Resolution No. 41 of 1984 which proposes the necessary constitutional amendment.

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