

New Jersey

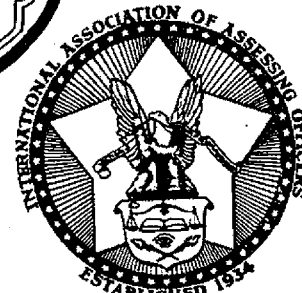


Assessors

Bulletin



AFFILIATES



VOL. 6 No. 3

Association of Municipal Assessors of New Jersey

OCTOBER, 1967

The Increasing Importance of the Property Tax Assessor*

Mabel Walker

Executive Director, Tax Institute of America

Perhaps before starting the prepared portion of this talk I should set forth a credo, by way of preamble.

1. I believe in state and local government. I believe the states and local governments are capable of solving many—actually most—of their own problems when they really desire to do so.

2. I believe in the future of the real property tax. It has been, is and will continue to be, a productive and important tax.

3. I believe that administration is the most important aspect of any tax. The great poet Alexander Pope knew what he was talking about when he said:

"Whate'er is best administered is best."

4. I believe that the property tax is more difficult to administer than any of our other taxes. This is primarily because the administrator has to do the assessing. Income and sales taxes are based upon the figures of the taxpayer, but in the case of the property tax, the assessor must produce the basic figures.

So it is within the framework of these four basic views that I am discussing this problem.

Back in the thirties I used to see and pal around with some beautiful Southern widows who were attending meetings of what was then the National Association of Assessing Officers. Their husbands had been in civil service and their appointments as assessors had been made as a token of esteem for the late husbands, and as a form of annuity. I asked them once if they didn't find assessing a difficult job. "Oh, no," they said. "We just copy the roll."

Notwithstanding the manner in which they acquired office, and their admitted resort to the

*Address before the Society of Professional Assessors, New York City, November 11, 1966.

technique of copying the rolls, I suspect that their level of performance was quite up to the standards exhibited by their male contemporaries in their regions and also in many other parts of the country, who were probably also just copying the rolls.

Thirty years have brought striking changes in the field of property tax assessment as well as in other areas of human affairs. Moreover, the tempo of change in this field seems to be accelerating so rapidly that there are some of us who feel that we are witnessing a revolutionary upheaval in this ancient tax.

MAJOR DEVELOPMENTS

Listed chronologically I see four major developments in this revolution.

Professionalization of the Assessor

The professionalization of the assessor is the most significant development leading to the increasing importance of the assessor. The first manifestation of this is seen in the rise of professional associations. A few assessors belonged to nation-wide tax groups prior to the thirties, but if there were any professional groups of assessors as such, I do not recall having heard of them.

The National Association of Assessing Officers was set up in 1934 by eleven assessing officers. You are all familiar with its development since that time. There are now, moreover, associations of assessing officers in every state except Hawaii, which does not need one as the tax is

(Continued On Page Two)

The Increasing Importance of The Property Tax Assessor

(Continued From Page One)

administered by the state; and there are also associations in some local units.

The most recent development in this professionalization of the assessors is, I believe, the formation of your own group, The Society of Professional Assessors, which was organized in Boston last December to promote professionalization on the part of assessors.

A corollary of the rise of professional associations is the appearance of institutes or training schools for assessors. A number of these institutes are conducted every year at the state level and there are also some at the city level. Approximately a third of the state universities conduct such institutes or collaborate with governmental agencies in conducting them. Moreover, some training courses are conducted by the state associations and the state tax departments.

A third step in the professionalization of the assessor is found in legislation setting certain basic requirements. Assembly Bill 444 in New Jersey, providing for the qualification, certification, and examination of assessors, is an illustration of such legislation.

Increasing Property Tax Burden

The increasing property tax burden constitutes the second major development in the current property tax revolution.

The momentum for the increasing professionalization of the assessor might be considered a largely internal force. To a considerable extent, it has been generated and promulgated by the assessors themselves.

But there is also an exceedingly strong external force that is operating in this field. That is the impact of the increasing property tax burden upon the taxpayer.

Education is the biggest state and local function. What do you read and see in any part of the country?

More children

More teachers

More schools

Increasing demands for school money

Shriller yelps from the local taxpayer

More clamor for state aid and federal aid

But lift your eyes to the state and federal field. Where is the tax leeway that will enable either to pick up the tab? This is the season of the year when most of us are already feeling lacerated by the federal income tax, and in many states, taxes on the state level are also rather painful.

Transportation is the next big state and local headache. By transportation I mean highways, railroads, buses, ferries, airlines, airfields, other terminals, and all that tremendous complex of enterprises involved in transporting people and goods. All over the country the story is the same in its basic essentials:

More automobiles

More highways

More traffic accidents

More airports and airlines

More noise

More air pollution

Declining mass transportation

Requests for discontinuance of mass commuter facilities

Ruinous taxation of railroads on the one hand, coupled with demands for governmental subsidy on the other

What is the story on water and sewerage facilities?

Heavy demands for new facilities due to burgeoning population in fringe areas

Units of government too small and too poor to construct such facilities

Heavy indebtedness

Burdensome taxes

Frequently, unnecessarily costly and inefficient construction and operation because facilities are planned for too limited an area

Meanwhile, what do we read in the local papers about taxes?

Higher tax rates

Glaring inequities in a real assessments

Endless dispute over ratios of assessment and equalization

Rule-of-thumb, methods of assessing household property with no pretense at equity

Under-the-table juggling of assessments on business enterprises, or the so-called negotiated assessment

Sharp competition among small units of government for revenue-paying enterprises, such as industrial plants, shopping centers, offices, etc.

Snob zoning designed to keep out low-income families with school age children

Unplanned and destructive use of land

As the burden upon the taxpayer increases, he becomes more aware of property taxes and more concerned that they be administered equitably and efficiently. In this instance I think those two words are probably redundant. Equitable administration is impossible unless we have efficient administration. An assessor may be conscientious and hardworking, but if he lacks technical know-how, he will not be able to assess property holders equitably.

As property taxes continue to increase—and there seems little ground for being optimistic enough to think that they will do otherwise—the property owner is going to take a greater interest in the administration of the property tax. This concern may be expressed in several different ways: through rejection of bond issues; through defeat of elected officials; through organized protests and newspaper publicity; through demands for more efficient administration; and through taxpayer suits in the courts. As the tax burden increases the reactions of the taxpayer will become intensified.

The Role of the States in Property Tax Administration and the ACIR Report

The third major development relates to the role of the states in property tax administration. The assessor and the taxpayer may be considered

the principal in the property tax field. But there are two other important forces at work and I suspect that we shall hear considerably more from them within the next few years. These forces are the states and the courts.

First, let us consider the role of the states. To what extent are the state legislature and the state administration responsible for efficient assessment? I feel strongly that they have the basic responsibility.

The state legislatures are responsible for the pattern of local governmental units. If they permit a situation where assessing is carried on by untrained part-time assessors, who are paid only a few hundred dollars a year, we cannot hope for efficient assessment.

Whatever the pattern of governmental units that a state desires to maintain, it can at least require that the assessing unit be large enough to employ fulltime trained assessors. In Recommendation No. 13 of the ACIR report on The Role of the States in Strengthening the Property Tax the following statement was made:

No assessment district should be less than countywide and when, as in very many instances, counties are too small to comprise efficient districts, multicounty districts should be created.

All overlapping assessment districts should be abolished to eliminate wasteful duplication of work.

The states have been definitely moving in this direction. Approximately two-thirds of them now use the county as the basic assessment unit. This does not, however, prevent overlapping assessment districts in some of these states.

Although in a number of states, particularly in the south, the county has always been the basic unit of local government, other states have shown a significant trend in recent years in shifting to the county as the primary assessing district. There has also been a trend in the direction of eliminating overlapping assessing districts. Approximately a third of the states, however, still follow a pattern of assessing by small, and sometimes overlapping, assessment districts.

The legislature of the state has a second responsibility. That is to set standards for the appointment of assessors. Some of you present have worked hard for Assembly Bill 444 in New Jersey to which I have already referred.

The state administration also has a vital role in strengthening the property tax. This relates to training of assessors, supervision of assessments, assessment review, conducting comprehensive assessment ratio studies, and other services.

The report of the Advisory Commission on Intergovernmental Relations, published in 1963, represents a landmark development in striving for more efficient property tax administration. I do not know of any more valuable single study in the assessment field. I shall not take time to discuss it further, however, as I am sure that you are all familiar with it.

The states appear to be taking an increasing interest in property tax assessment and I think the

ACIR report may have had much to do with that interest. It should be pointed out, however, that substantial improvements were being made by some of the states some years before the publication of this report. Its effect on the states was mainly, therefore, in the direction of stimulating and accelerating an already reawakened interest in the property tax. As far back as June, 1950, the Tax Institute published an issue of Tax Policy on "Recent Improvements in Assessing Procedure" which contained statements by ten state officials concerning developments within their states.

Revolutionary Assessment Decisions

The fourth major development contributing to the increasing importance of the assessor has already been suggested. That is the number of revolutionary assessment decisions that have been handed down recently by state and federal courts.

We may perhaps be on the threshold of a new era with respect to property tax administration. Some significant things are happening in this field. One of the most significant and revolutionary is the new character of taxpayer suits respecting assessments and the subsequent decisions.

On March 11, 1957, the New Jersey Supreme Court handed down a far-reaching decision¹ relating to property tax assessment. This important decision has set off a chain reaction which has already resulted in similar decisions in other states—and the end is not yet in sight.

The court held that the local assessor must assess all taxable real property within his district at 100 per cent of value and not at a ratio of such value. The distinctive nature of this case and its landmark decision arises from the fact that the plaintiff did not follow the customary practice of seeking individual private relief through a reduction of the plaintiff's assessment, but instead sought public action in the reassessment of all real property at full value.

In a later decision² in New Jersey the requirement for full value assessment was extended to personal property. In this case action was brought by the Village of Ridgefield Park against the Bergen County Board of Taxation and every assessor of the other 69 taxing districts within the county.

As a result of these two decisions legislation was enacted in 1960 which became effective in 1965. The provisions of this law are rather complex, but in general it provides for uniformity of assessments throughout a county.³

¹Switz v. Township of Middletown, 23 N.J. 580, 130 A.2d 15 (1957).

²Village of Ridgefield Park v. Bergen County Board of Taxation, 31 N.J. 420, 157 A.2d 829 (1960).

³Summarizing briefly, Ch. 51, Laws 1960, effective in 1965, provides for assessment of real property at a percentage not lower than 20 per cent nor higher than 100 per cent and that the percentage must be uniform throughout a county; and that business machinery and equipment should be assessed at 65 per cent of the local real property ratio.

Closely following on the heels of the momentous New Jersey decision was a somewhat similar verdict in Massachusetts.⁴ In 1961 the Supreme Judicial Court of Massachusetts struck down the entire property tax assessment roll of the city of Springfield, because of the city's practice of assessing different properties at different percentages of true value.

The chain reaction continues. On May 21, 1965, the Florida Supreme Court ordered that property in Duval County be reappraised and a new assessment roll reflecting these values be prepared.⁵

On June 8, 1965, the Kentucky Court of Appeals directed that local tax rolls be put on a full value basis, effective for assessments on and after January 1, 1966.⁶

These significant cases represent local tax history in the making. Moreover, the momentum is accelerating. The New Jersey decision was in 1957, the Massachusetts decision in 1961, and again four years later in 1965 we had further judicial action, but this time in two states rather than one.

Two significant decisions have been handed down in Tennessee in 1966. The Louisville and Nashville Railroad brought suit in the Federal District Court of Middle Tennessee. The railroad alleged that its property was assessed at not less than 95 per cent of value, whereas non-utility property was assessed at an average of 30 per cent of value. The federal district court ruled in favor of the railroad stating that to assess railroad property at a higher level than other property was a violation of the Fourteenth Amendment.⁷

The Southern Railway Company went to the Chancery Court of Davidson County. It appealed the assessments of all locally assessed properties in two counties. It contended that Southern Railway's property was assessed at 100 per cent of values whereas locally assessed properties were assessed at an average of 10 per cent value. The court ruled in favor of the railroad holding that to assess other properties at a lower level was in violation of the Tennessee constitution and statutory requirements that all property be assessed uniformly and at actual cash value.⁸

Decisions ordering the reassessment of all property within a governmental unit, as contrasted with a number of other decisions affecting the assessment of only one particular property, can be expected to have considerable impact on the assessment of real estate.

⁴Bettigole v. Assessors of Springfield, 178 N.E.2d 10 (Mass. 1961).

⁵Walter v. Schuler.

⁶Russman v. Luckett, CCH Ky. Tax Rep. ¶200-766.

⁷Louisville and Nashville Railway Co. v. State Board of Equalization, 249 F. Supp. 894 (1966).

⁸Southern Railway Co. v. State Board of Equalization, Davidson County Chancery Court, II, Book 77, (1966), p. 191.

OTHER IMPACTS ON ASSESSMENT

The four developments that I have briefly outlined appear to be the most direct impacts on assessments, but they are by no means all of the important and visible factors in the current assessment picture.

The great difficulty in discussing any aspect of public finance is that there are no neatly circumscribed areas. Instead we have a veritable maze of overlapping problems, acting and reacting upon each other.

For example, we could consider at length the current competition for industrial plants. I am told by corporation tax executives that the property tax is one of the most significant taxes affecting industrial location. From speeches that I have heard, off-the-record conversations, and articles that I have read, it appears that the corporation executive is more concerned with the quality of administration of a tax than he is with the tax rate. I do not mean to imply for a second that he is not seriously concerned with the amount of taxes that he pays, but he appears to be even more concerned with the fact that his competitor be taxed on an equivalent basis. He is further concerned with the cost of compliance.

We could also discourse at length on the impact of population growth followed by heavy increases in educational expenditures.

We could talk about the increasing clamor for property tax exemptions.

THE INCREASING IMPORTANCE OF THE PROPERTY TAX ASSESSOR

This review of current developments, cursory as it is, does point to an increasingly important role for the property tax assessor. Copying the roll is no longer adequate. Considerably more will be demanded by the courts, the taxpayers, the states, and the assessors themselves.

Moreover, we may be approaching the stage where it is no longer sufficient to have winning ways in an election. Campaign oratory is no indication of technical assessing ability.

The assessor of the future will have to be a full-time, competent, well-trained, professional government official, equipped with all the technical tools that the modern age has available for his work.

Important as the role of the assessor is—and I firmly believe that it will become increasingly important—he does not have the role of social reformer. He should not juggle assessments to attract industry or to promote urban renewal. His responsibility rather is to assess all taxpayers fairly and equitably according to the laws.

Probably many of you remember with affection, as I do, the late Thomas A. Byrne, the exceedingly able tax administrator of Milwaukee, and you may also remember the wit with which he could turn a phrase. At a conference of the International Association of Assessing Officers I had expressed some similar views about the role of the assessor. After my talk Mr. Byrne said: "Miss Walker would have us all go to Heaven—but poor!"



Ed Markowich of Wayne is shown holding the Fishing Trophy. This year Ed was high man on the fishing pole and will have the pleasure of admiring his trophy until next year's fishing trip.

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President Delgado's Message

In 1951, the Mayor of Ridgewood called and said I had been recommended to him for the position of Assessor in Ridgewood. J. M. Clemenshaw Appraisal Company had been my Alma Mater in this field in the 1930's. I was interviewed and accepted Ridgewood's offer.

At that time, for records Ridgewood had only 3 x 5 index cards, one book and not much else to work with. This was typical of most Assessor's offices in the State and we were all pretty vague on the Statutes and procedures.

I joined the Bergen County Assessor's association, the State Association and, finally, the National Association. From these beginnings, we had clinics in the County Association, the Stevens courses, and then the Rutgers courses came into the picture with the Bureau of Government Research. We learned much and from time to time Tenure Bills were introduced but never got very far.

Finally, the Assessors began to involve themselves with the formation and introduction of Legislation and we began to progress. Through the efforts of our hard working former Presidents, we were recognized as a body which was trying to do a job. We were called in on many assessment problems in the State and we had many meetings with Civil Service, the Director's Advisory Committee and the League of Municipalities. A further pull on our boot straps but the S.M.A. into being and it is progressing slowly but surely, and will eventually be recognized as a bona fide professional society.

When I came into the President's office, we had a Bill in the Legislature for certification and tenure and, though it was a good bill, we could only get it half way through the Legislature. This is when we found out, **WE MUST ALL PULL TOGETHER AND WORK IN UNISON TO ACHIEVE OUR GOAL.** It worked this year with two bills which, I am happy to say, gave us prestige and recognition locally, Statewide and on an International level.

It is my belief that our next goal should be to work for an increment in our salary scale for achieving further professionalization by acquiring the C.A.E. and the S.M.A. designations.

I wish to thank you, one and all, for your hearty cooperation and hard work during my tenure as your President.

CLARENCE N. DELGADO,
President

State Dues Payments

Again we must stress this vital point. When state dues payments are made either by county associations, municipalities or individuals, please include the NAME, ADDRESS (including zip code), COUNTY and TAXING DISTRICT for whom the payment is being made.

Our secretary needs this information to make out membership cards, keep an accurate roster and record years of membership.

Association of Municipal Assessors of New Jersey

NEW JERSEY ASSESSORS BULLETIN

P. O. Box 909, Plainfield, N. J. 07061 — PL 6-3497

Quarterly Publication

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EDITORIAL COMMENT

THE STATISTIC SHTICK

In these days of "protest" it is often difficult to keep track of who is protesting against what. Some of the impact of protest, even on the most fundamental issues, must be lost in the sheer volume and diversity of the thrust. It is therefore with some reluctance that one more small voice is added to the cacophony. Especially when one suspects that in bucking a trend, absolutely nothing will come of it.

Anyway, this is the beef.

There was a time, way back before the Switz case, when the law was taken to mean what it says, at least in one respect. The Assessor's Law Manual, in 54:4-23, says, "The Assessor shall — determine the full and fair value of each parcel — at such price as, in his judgment it would sell for at a fair and bona fide sale by private contract on October 1st —." Almost no one pays any attention to that part of the law any more.

There is little question that unbridled advantage had been taken of this provision of the law, until Mrs. Switz brought down the wrath of the Court. It was a dishonest and unscrupulous advantage if an Assessor deliberately failed to exercise any judgment, or claimed his judgment led him to a totally indefensible conclusion. Even 'Switz' did not eliminate that evil. Indeed, many municipal officials, with the assent of municipal attorneys, correctly but expediently denied the judgment and opinion had any but mere local significance. The recognition in Kent's of the Director's ratio as a just criterion, however, gave taxpayers an additional weapon with which to seek redress against flagrant discrimination. The consequent threat to the local tax base jogged many a recalcitrant down the revaluation trail. In those days, mass appraisal contractors were fairly safe in describing their process as "equalization" because almost anything would be demonstrably better than the status quo.

BUT!

Although the law has not been changed, and taxable value is still the Assessor's opinion of what a property will sell for on the assessing date,

the emphasis has subtly changed to purchase price, as tangible evidence of market value, which in turn is now the primary measure of validity in assessment of taxes. Many a reader will raise an eyebrow and think, "Of course, what else?". That is really what this protest is all about. The legal measure of validity is the diligence with which the Assessor arrived at his opinion, and the accuracy with which he made a list of his opinions, not the accuracy with which he prophesied the price at which some of the parcels in his jurisdiction eventually sold. We believe that purely statistical surveys need competent analysis by trained officials, and should be recognized as showing the deviation between current prices and last years market, rather than the deviation between the Assessor's last year opinion and the current market.

As freshman Assessors some of us were awed by the realization that the law said one's own opinion was the taxable value for all the properties in the municipality. We might well still be impressed, since what is left of Chapter 51 merely permits taxable value to be some percentage of one's opinion - but still based on one's opinion. Inexperienced appointees were frequently overwhelmed by the magnitude of the responsibility. Those who persevered must have rationalized something like this: 'the Constitution says property should be assessed at the same standard of value, the statute says the Assessor's opinion of value. One's opinion may not be very good, but when uniformly applied, it may be said that it represents the "same standard of value." In any event the requirements are not mutually exclusive.' Rationalization it may have been, but it sustained one while learning to form an opinion based on accepted techniques and criteria.

On the other hand, the courts have sometimes, - indeed frequently - ignored the Assessor's opinion, which the law defined as the "same standard" specified in the Constitution. Certainly Assessors have contributed to this state of affairs by letting themselves be relegated to a category of third class clerks by a legal profession unable or unwilling to qualify them to testify effectively

as experts concerning even their own opinions. Meanwhile, "expert" fee appraisers are being paid up to half the Assessor's annual salary for testimony as to their opinion of market value in a single case. An expert is deemed qualified by the length of his experience, among other things. He may not have made a single accurate estimate in his entire career, but since no statistical compilation is available, as it is on the judgments of the Assessor, he is presumed to have superior skill and no prejudice. No one has dared suggest that property valuations, as determined - and frozen - by County Boards, the State Division of Tax Appeals and the Courts be tabulated until a sale takes place and that ratio used to show how wrong they were! Nevertheless, the ready availability of the assessment sale price ratios used as an index of market value further erodes the importance of the Assessor's opinion. Is it any wonder, more and more, in the courts, before State and County Boards and probably in the minds of many Assessors, to say nothing of taxpayers, the "same standard" is full and fair value as determined by the market? — note - not the Assessor's opinion of the market, but the market itself?

Market value is defined as the amount a willing buyer will pay a willing seller, with varying qualifications, such as, that they be equally well informed about the potential use of the property, that neither is subject to compunction to buy or sell, and others. Interestingly enough, no one defines market value as the price any buyer has paid any seller, it is always "would pay" or "will pay". In spite of, rather than because of the awkward attempts at defining anything as nebulous and elusive as market value, we think we know what is meant. We think market value is another way of saying the same thing the statute says, to wit, "full and fair value in a bona fide sale at private contract," with the reservation only that the sale may be reasonably correlated with other sales of similar property taking place in or about the same period of time. But whatever the definition of market value, the statute tells us that the assessment is to be the judgment of the Assessor - his opinion of the price a bona fide contract of sale would specify. If an assessment were anyone else's judgment or opinion, it would not be at "the same standard of value".

Which brings us to a discussion of market value vs purchase price. Suffice it to say here flatly that they are never identical or synonymous. Among the erudite papers on the subject was one by Past President Al Greene reprinted here last year. The legal mind is slow to grasp this fact of economic life, because it wants value to be some precise amount, such as the price at which property is sold, which amount may then be irrefutably stipulated as market value. It is, of course, not that simple. The more one attempts to qualify a willing buyer - willing seller, or "arm's length" transaction, in order to make market value a substantive quantity, the further one gets from reality and the closer to defining the impossibly perfect transaction between two impossibly perfect persons. The latter is, to be

sure, market value — and the reason why it is never purchase price or vice versa.

Those rather academic distinctions were really not too important as long as everyone directly involved understood that purchase price, market value, and the Assessor's opinion of market value, might be and probably were, three different amounts. Because a limited number of persons were aware of the Director's sales ratio tables when they were first compiled, no one had to be too concerned that they would do anything more than provide a basis for a more equitable distribution of State school aid. Later, as a practical solution to the problem of equalizing district aggregates the Director's table served admirably. The so-called "equalized true value" thus derived bore no resemblance to purchase price, or any individual's opinion of full and fair value, or market value, but it didn't have to, to serve its purpose. For one thing, any systematic method of equalization had to be better than the deliberately competitive fractional assessments that were designed to produce low aggregates for County tax levies. Although Chapter 51, or what is left of it, provides for a uniform County level of assessment, the sales ratio program is still desirable as a deterrent to petty evasion. For although it may be argued that not one amount in the list is "market value", it doesn't really matter. As long as purchase prices are the uniform and universal criteria according to which aid is apportioned, a rule is employed which is philosophically as good as any when objectively administered, and inequities tend to balance out.

Difficulty arises when someone looks at a list of prices, forgets they are prices, and confuses them with market value. The next step in the non-sequitur is to draw some conclusion concerning an individual assessment, all the assessments in the table of ratios, or even all the assessments in the district roll. Some reports, in which judgments are based on sales ratio tables, really go all out and conclude that whole states or the whole country is inequitably taxed. Certainly, if one begins with the premise that purchase price and market value are the same, no jurisdiction can be said to be equitably assessed. For equality is not like the soap that can be 99-44/100ths percent pure. As a matter of fact equality is very much like purity, they are both absolute terms - either you have it or you do not. When the object is to prove inequity in taxation, any hindsight use of a list of prices paid will discredit the foresight in a list of market values. Near equality will not satisfy many because everyone has a different idea of what near means.

If a statistical survey of purchase prices is to be the scale, perfect equality, if you will excuse the use of a redundant phrase, would require the Assessor to have the ability to guess precisely what each party to each transaction would agree to pay or to receive as the full and fair value. In addition the guess would have to be made in time to adjust the assessment to be in effect at the time of the sale. Also to comply strictly with the law as it stands, the Assessor

would have to be genuinely in agreement that the property was about to sell exactly at the price he thinks it should, from further evidence other than purchase price, and no matter who the buyer and seller might be. And finally, to carry the absurdity to its logical (?) conclusion, he should, or could, assess all property not about to be sold at zero, since, in the absence of a sale there will be no "market value".

No reasonable person conceives that a tax list could ever be, in which there would be no deviation between the values estimated by some third party and the prices agreed upon the buyers and sellers of property which is transferred within a certain sampling period. There are many otherwise reasonable persons, however, who will ignore the limited nature of the prescribed use of the table, and quote from it as though it were some sort of batting average or efficiency index. Even in Kent's, the suggestion of reluctance on the part of the Court could be detected in the opinion. Only in the absence of a clear common level of assessment was the Director's table admitted and adopted as a guide for the equitable taxation of the property under appeal. The reluctance was proper, for the Court discerned that the appraisal of real estate is not an exact science, and even less is the mass appraisal of property for tax purposes. The Director's table however, is a science - and exact to the second decimal place!!

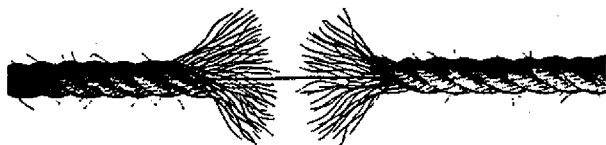


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League Conference Program For Assessors

The Program Committee of the Association of Municipal Assessors of New Jersey announces their program for the annual League of Municipalities Conference to be held in Atlantic City from November 14th through November 17th.

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Business Meeting:
Committee Reports - Special Reports
Awards - Election of Officers

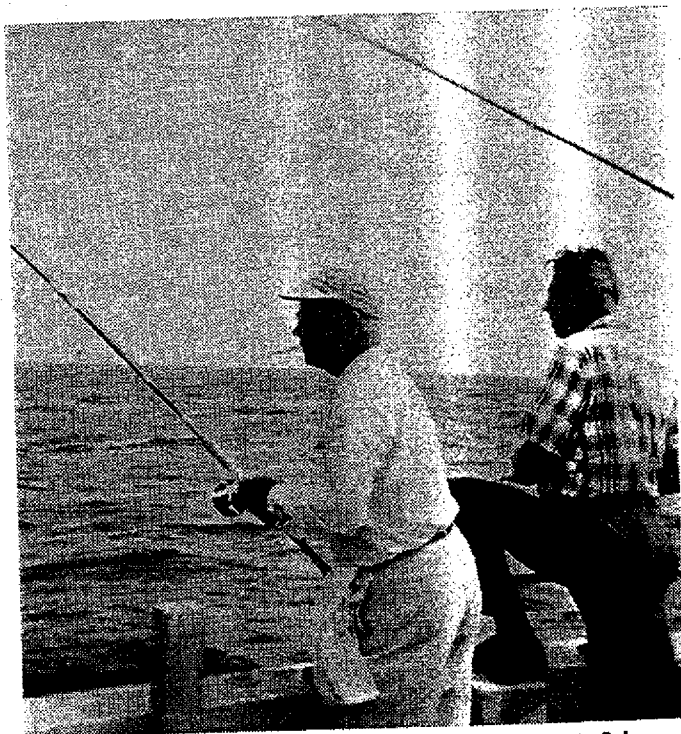
THURSDAY, November 16, 1967 - 10:00 A.M.
Music Room - Chalfonte
Chairman: CLARENCE N. DELGADO
Introduction of Guest -
JAMES GOUMAS
Guest Speaker: LEO ROSENBLUM
Tax Counsel, City of Jersey City
Topic:
"RECENT DEVELOPMENTS IN TAX
LEGISLATION AND DECISIONAL LAW"
Guest Speaker: JOHN A. KERVICK
Treasurer, State of New Jersey

THURSDAY, November 16, 1967 - 2:00 P.M.
Rutland Room - Floor A - Haddon Hall
Chairman: CLARENCE N. DELGADO
Installation of Officers:
MARRIOTT C. HAINES
Introduction of Guests and Moderator:
SAMUEL BEFARAH
Topic: "EDUCATIONAL OPPORTUNITIES
FOR ASSESSORS"
Speakers:
DR. ERNEST C. REOCK, Jr., Director,
Bureau of Government Research,
Rutgers University
ROBERT B. WHITE, Supervising Field
Representative, L.P.T.B.
PAUL V. CORUSY, Executive Director,
International Association Of Assessing
Officers
RUSSEL T. WILSON, Tax Assessor, City
of Hackensack, New Jersey

Al Weiler Award

If your county has not already done so, don't forget the nominations for the "Al Weiler Award". Some deserving assessor from your county may be worthy of receiving this award. Don't deny him this honor.

The official nomination for this award must come from the County Association of which the nominee is a member. Any County Association wishing to nominate one of its members for this award should send the assessor's name and reasons for nomination to William C. Hogan, 137 South Main Street, Neptune, N.J. 07753 Prior to November 1, 1967.



Jim Pierson and Ed Markowich are intent fishermen. Are they looking for Bluefish or that elusive mermaid that lurks off the Jersey coast?

Duplication of Veterans' Exemptions

A project to eliminate some duplication of veterans' deductions is being initiated by the State Association. A committee has been appointed to implement this undertaking. Each assessor who wishes to participate (on a purely voluntary basis) will send the following information to the committee prior to February 15, 1968.

A. The name of his taxing district, the name and address of the Assessor, the County and Municipality's numbers assigned by the State.

B. A legible list (hand written or typed) of the serial number of each Veteran who has been granted a deduction for 1968. Serial numbers can be taken from the veteran's application for deduction and need not be in any particular order. No other information is required.

C. The cost to each taxing district will be approximately \$12. per 1000 Veteran's serial number submitted plus whatever costs we accrue for mimeograph, postage, etc. (possibly 50c per 1000).

D. It will be necessary to set up a clearing house to which Assessors can send their lists and money. This would probably be during next February. The clearing house will submit the lists to the E.D.P. firm and will be advised by E.D.P. of the duplicates. The clearing house will advise the Assessors involved of the duplications and let them take it from there.

Each County President has been supplied with information on this project and every assessor should receive it at their next county meeting. This very worthwhile and long overdue undertaking should bring to light many violations of the Law. We urge all municipalities, no matter how small, to participate in this project.

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SUGGESTION FOR FINALIZING TENURE

Tax assessors who have received certification and have the necessary service to qualify for tenure should bring this information to the attention of the Municipal Clerk. The clerk, in turn, should advise the Municipal Attorney who, after investigation and verifying the facts, should present these facts to the governing body. This procedure will inform the governing body and place the fact on record that the assessor has achieved tenure.

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Membership Report

Ted Swarer, Secretary of the Association of Municipal Assessors of New Jersey, has passed on this latest report of state membership. In 1966 there were 750 members in the State Association out of approximately 900 assessors throughout the state. This is a record high for our organization, but one that can and should be surpassed. Much credit belongs to Ted for his relentless efforts in contacting individuals and County Associations to achieve this record membership, but credit also belongs to each assessor who is a member of the State Association. By joining their County and State Association the assessors show their interest in the assessing profession and can also present a united front for their views.

Following is the latest 1967 standing on State Membership. The total number of assessors was taken from the Annual Report of the Division of Taxation. In some instances, where membership from a county exceeds the number of assessors, this was caused by membership of assistant assessors and related personnel.

County	No. of Asses- sors	1967 Members	Per- centage
Atlantic	50	32	64%
Bergen	115	112	97%
Burlington	54	42	78%
Camden	73	60	82%
Cape May	17	23	100%
Cumberland	16	14	88%
Essex	33	18	55%
Gloucester	45	45	100%
Hudson	25	26	100%
Hunterdon	26	8	31%
Mercer	15	25	100%
Middlesex	38	32	84%
Monmouth	69	64	93%
Morris	81	69	85%
Ocean	68	9	13%
Passaic	35	37	100%
Salem	15	11	73%
Somerset	23	23	100%
Sussex	26	24	92%
Union	43	52	100%
Warren	24	16	67%

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This is a New Jersey business owned and operated by the former Tax Assessor of the Borough of Dunellen.

Bergen Assessors Reply

The following letter was written in reply to an article entitled "CAN LOCAL GOVERNMENTS BE SAVED" appearing in the May 1967 issue of the Readers Digest.

June 20, 1967

The Editor
Reader's Digest
Pleasantville, N. Y.
Dear Sir:

On behalf of my colleagues, members of the Bergen County Assessors Association, and as an expression of my own reaction, I wish vigorously to protest some of the statements of James Nathan Miller in his article "Can Local Government Be Saved," appearing in your May 1967 issue.

Aside from his naive characterization of small town administration as "horse and buggy governmental framework", he promises a really sharp automotive age solution to urban sprawl! Let the taxes be "levied by the County" he says, and "land use patterns" could be "rationally coordinated". Would it help Mr. Miller's civic myopia to point out that Bergen County's problems are as nothing compared with those of New York City - or any other large city for that matter - all of whom are blessed with the opportunity to "rationally coordinate" their land use. He speaks of separate little tax districts as though it is a sin to be either separate or small, and of the people who are involved in local affairs as amateur busy bodies who should leave government to self styled experts and technicians. We suspect that Mr. Miller would find it reasonable and practical to select the experts acceptable to the Federal establishment, in order to be eligible for Federal programs. Control of local policy would pass from those horse and buggy characters called voters to the Bureau chiefs dispensing Federal largesse.

The basis for this protest, however, stems not so much from disagreement with his conclusions as from resentment against being described as "without any necessary qualifications for office". Sure, - we know, he only said this about some of us, elected assessors "often" without qualifications. But he started his article about Bergen County and winds up talking about local assessors, "usually part time workers - farmer, butcher, postal clerk, moonlighting policeman", and not mentioning professional people - lawyers, accountants, realtors, executives.

In an example of the dire situation stemming from small local government control, Maywood and Paramus, taxing districts in Bergen County, were mentioned. They were cited as examples of incompatible border zoning. As a matter of fact, it is odd that Paramus should be mentioned, because the Assessor in that district was a farmer. He has long been a full time Assessor, however, and has the professional assistance of one of the foremost appraisal companies in the country. He has been the Assessor for his taxing district for over twenty years. His competence and integrity, up till now, have been unblemished. But now, it

seems he must somehow share the "blame" for Bergen Mall's parking lot and the esthetic destruction of Maywood.

But, speaking of Maywood, in spite of the condition that Mr. Miller deploras, this community has one of the best records for stability of value in the County. Unlike the Ohio city mentioned, whose assessments ranged from 12% to 108% of "true value" - (in itself a term of elusive definition) - Maywood's assessments deviate from purchase price an average of less than 10%. Apparently the damage to Maywood was not as serious as Mr. Miller thought, except of course, possibly in terms of his personal taste. Also, it would appear that the part time Assessor of Maywood, even if he is an amateur in the opinion of Mr. Miller, has effectively prevented inequities in his tax list, under admittedly adverse conditions. This record was attained in Maywood in spite of the fact the town has not been professionally revalued for ten years or more!

There is one more thing that may be said about the Assessors in Bergen County. If their taxing districts are too small, just wait, next year they will be larger, and more sooner than later, large enough. Incidentally, how large is large enough? How large was that Ohio city with the large deviation in ratio? In the "one local government report", said to be critical of part time Assessors in small districts, were the large districts invariably better administered? Not on your life!

There is a new breed of expert emerging in this age of experts. It is the report writing expert, who puts together a report in which he quotes other experts in his own field of writing reports. If all else fails he can manufacture a statistic to prove his point out of an abstruse irrelevant statement by some obscure agency which owes its existence primarily to Parkinson's Law.

By the time the series is complete, the Digest will have convinced a large segment of our population that most, if not all, local officials are incompetent, corrupt, self serving or all three - and the way to save local government is to abolish it. The hard sell involves the pretense of espousing grass roots government, all the while blaming it for doing its job the way it must, in fact, the way it should.

I hope you do not succeed, because lots of us like those "Weird Little Miniatures" as you call them. We thought they were pretty nice home towns. We still like "Do It Yourself Government" even if we don't have the luxury of some one else to blame for our troubles and taxes. What is more, I'll bet there are millions of people around the world who would very much like the opportunity to do to themselves some of the stupid things we do to ourselves - with our home made government.

Norman Harvey,
Assessor

ANNUAL MEETING

The Annual Meeting of the Association of Municipal Assessors of New Jersey will be held at 2:00 P.M. on Wednesday, November 15, 1967 in the Viking Room - Tower Floor - Haddon Hall.



The day was sunny, the sea calm, the wind light and the fish hungry. These conditions led to a successful fishing expedition by the above group at this year's annual outing.

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Passaic County

Passaic County assessors Alfred J. Greene Jr. of Clifton, Noah Krieger of Paterson, and Bert Nawyn of Prospect Park, were named to a special committee by Passaic County Board of Taxation Secretary James J. Murner, Jr.

The three-man committee is charged with formulating new and uniform forms to be used in connection with assessing and its related functions. All three men are assessors in their respective municipalities.

Greene, who is chief assessor in Clifton, will be chairman of the committee.

Murner, in appointing the committee, said he was placing special confidence in them and was hopeful that the new committee would assume as its first job the formulation of a form on which all assessors, in the future, would use to make their reports and recommendations concerning pending tax appeals.

Will Benefit

Murner said, "It has been the practice of various assessors in this county to use different and varied forms for this purpose and it is obvious to be a benefit to all concerned if we can agree on one form which will be uniform in size and content."

In stating that the committee was to continue its work throughout the years to come he concluded, "This is merely an initial task for the committee and I am hopeful that his committee will continue to meet to assist the Board of Taxation in other phases of duties in future years."

Krieger has been an assessor in Paterson for over 30 years; Greene has been in the assessing field for 27 years; and Nawyn was appointed assessor in 1958.

Association of Municipal Assessors of New Jersey

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