

# New Jersey

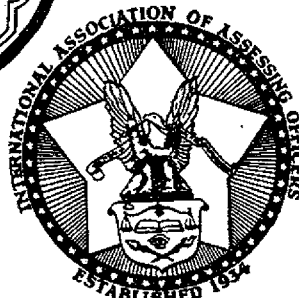


## Assessors

## Bulletin



AFFILIATES



VOL. 9 No. 2

Association of Municipal Assessors of New Jersey

JULY, 1970

## The Farmland Assessment Act - Should It Be Revised?

By Marriott G. Haines, CAE, SMA, SPA  
Assessor of Taxes, City of Vineland

New Jersey has for years been known as the "Garden State" of the Union. However, due to its location between New York City and Philadelphia, urbanization is changing the picture. With a thought of slowing down this transition and, at the same time preserving green acres for open space, the electorate of this state approved a Farmland Assessment Amendment to our State Constitution in 1964, effective for the tax year of 1965. This resulted in a departure from the single standard of value that had been in effect in our State for years, as it authorized the assessment of farmland at other than its true value.

This law has been in force since 1965. In September 1969 the Local Property Tax Bureau issued a summary of data compiled from FA-1 (Farmland Assessment Application) forms filed for the tax year of 1969. It stated that 10,549 forms were approved throughout the State, involving 14,417 line items covering 730,977.98 acres with a total full value of \$37,929,182. These figures indicate that a substantial portion of New Jersey's farmland was assessed under this act last year. It is understood that a greater number of farmland owners filed applications for the reduction allowable under this act for 1970.

The statistics just quoted indicate that this law has been well received throughout the State by the owners of potentially eligible farmland assessable under this act. As the tax burden increases it probably will be utilized by more taxpayers to reduce their tax load.

Assessing land under this law is not easy. Neither is it accomplished automatically by the assessor. An application first must be filed with the assessor of the taxing district in which the land is located and **signed by the owner of record**. The assessor should inspect the premises and

make sure that the land meets the test from its use standpoint as this is the primary prerequisite under the Farmland Act. There can be situations, however, where the land could qualify even though it was not actually being tilled, because land in soil reserve programs can qualify under the provisions of this Act. However, some situations have come to light that indicate many assessors have had trouble in administering this law.

In the meantime some suggestions have been made that certain aspects of the basic Farmland Act and the regulations promulgated by the Director of the Division of Taxation to administer it, should be reviewed and perhaps changed or expanded to improve the farmland assessment program. As a result, a committee was appointed by the President of the State Association of County Tax Board Commissioners and Secretaries to review the Farmland Assessment Act and suggest amendments to improve the present law.

This committee consists of the following:

Vincent J. Maguire, Secretary  
Hunterdon County Board of Taxation  
Benjamin Jager, Secretary  
Sussex County Board of Taxation  
Mrs. Ethel Yahnel, Analyst

(Continued on Page Four)

## THE NON-USABLE DEED TRANSACTIONS LIST

Samuel Katz, Assessor  
Hillside, New Jersey

Many articles have been written and numerous speeches have been made concerning the equities and inequities of the present sales ratio program as it stands today.

To take a position on what has transpired in the past would be futile at this time.

I suggest that a study be made of the Non-usable Deed Transactions List and an additional category should be added, namely, sales of property financed through F.H.A. or V.A.

In reviewing sales that are financed by F.H.A. or V.A., I have found in most cases a down payment is not required and the sales price is equal to the mortgage.

The crux of the problem is that all the costs of the sale is borne by the seller, therefore, the actual sale price is an inflated one.

The following is a breakdown of a typical sale verified by the Closing Statement which I have been able to obtain.

SALE PRICE .....	\$23,900.
MORTGAGE — F.H.A. ....	\$23,900.
F.H.A. Appraisal .....	\$35.00
Credit Report .....	12.50
Survey .....	50.00
Title Examination .....	350.00
Title Insurance .....	130.00
Placement Fee .....	30.00
Tax Searches .....	239.00
4 Months Taxes in Advance .....	225.53
Fire Insurance (1 year's prem.) ....	100.00
9 Points to Mortgage Company ....	2,151.00
Transfer Fee .....	24.00
Broker's Fee .....	1,434.00

Total Fees Paid .....\$4,781.03  
Net Amount to Seller .....\$19,119.00

I fully believe the fees that are paid by the seller reflect on the selling price, for basically the seller is interested in the net amount of the money he will receive.

The Subject property has an appraised value of \$16,950. for taxing purposes. After applying the present weighted ratio of 80% to the appraised value, the market value would be \$20,340., rounded to \$20,500. Assuming a sales price of \$20,500., less a broker's commission of \$1,230., the net to the seller would be \$19,370.

Had the sale been made with conventional financing, using a \$20,500. selling price, the seller would receive approximately \$250. more than has been reflected under the F.H.A. plan.

The \$23,900. sales provided a ratio of 70.92, whereby had the sale been for \$20,500. the ratio would be 82.68. A figure of 82.68 would be more consistent with the existing ratio.

The Subject sale is not an isolated one. I have found that after a study of eighty sales, 25%

were financed by F.H.A. or V.A. with down payments of \$200. or less.

I do not feel this matter can be treated the same as a broker's commission because, as a rule, a broker is involved in most sales.

After discussing this problem with other Assessors in our County, I found that only three or four communities were being affected by this problem. Therefore, an inequity exists and the communities involved are paying more than their fair share of the County tax burden.

In closing, I wish to make it clear that in no way do I object to the Federal Government making it possible for Veterans, or persons who qualify for F.H.A. loans, to be able to purchase homes without a down payment. However, I strongly advocate an analysis of the impact that these sales have on the sales ratio program.

Previously I have outlined the cost of the sale to the seller. As a point of interest, the following is a breakdown of the cost to the buyer.

Sale Price .....	\$23,900.
F.H.A. Mortgage .....	\$23,900.
Mortgage .....	25 years @ .08%
Monthly payments .....	\$184.50
Annual payments .....	\$2,214.00
Total payments .....	25 yrs. \$55,350.00

Sale Price .....	\$20,500.
Down payment .....	\$2,000.
Conventional Mortgage .....	\$18,500.
Mortgage .....	25 yrs. @ .08%
Monthly payments .....	\$142.82
Annual payments .....	\$1,713.84
Total payments .....	25 yrs. \$42,846.00

Buyer pays \$12,504. more over a 25 year period by having purchased through F.H.A. with no down payment.

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## TREASURER'S REPORT JUNE 18, 1970

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### BALANCE IN CHECKING ACCOUNT

April 17, 1970 ..... \$2647.97

### INCOME

Regular Membership Dues  
(355 members) ..... \$1775.00  
Associate Membership (2 members) ..... 50.00  
Bulletin Ads ..... 367.50  
SMA Seminar ..... 1900.00  
  
Total Income ..... \$4092.50

### EXPENSES

Bulletin ..... \$ 403.00  
Postage & Stationery ..... 55.62  
Meetings ..... 222.87  
SMA Seminar ..... 1260.00  
Secretary salary (3 mos.) ..... 60.00  
Miscellaneous  
(Flowers for Geo. Linger) ..... 26.25  
  
Total Expenses ..... \$2027.74

### BALANCE IN CHECKING ACCOUNT

June 18, 1970 ..... \$4712.73

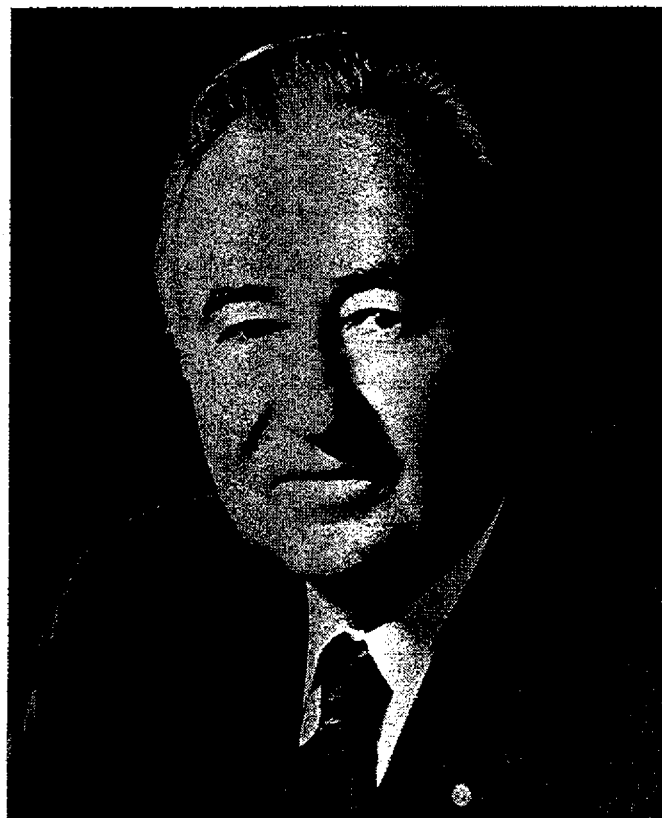
As of this date there are 655 paid up members and 35 Associate members.

Membership by Counties is as follows:

Atlantic	100%	Mercer	100%
Bergen	100%	Middlesex	100%
Burlington	80%	Monmouth	100%
Camden	100%	Morris	100%
Cape May	00	Ocean	70%
Cumberland	85%	Passaic	00
Essex	100%	Salem	73%
Gloucester	100%	Somerset	100%
Hudson	100%	Sussex	100%
Hunterdon	58%	Union	100%
		Warren	43%

The SMA Committee turned in \$1900.00 for the SMA Seminar. The total cost for this affair was \$1414.08 leaving a net profit of \$485.92.

Respectfully submitted,  
William A. Brewer, Treasurer



GEORGE J. LINGER

It is with deep regret we report the passing of George J. Linger, Tax Assessor of South Plainfield, on Saturday, May 16, 1970.

George, who had been the assessor in South Plainfield for more than 30 years, was known by most every assessor throughout the state. He was always active in the affairs of our State Association and served as President in 1964 and 1965. Since then he has been a member of the Executive Committee.

George was an insurance broker and past president of the Rotary Club. He was also a member of the Clotilian Club, the Lavalette Yacht Club and the Navy League.

## PROCEEDINGS OF THE 1969 CONFERENCE FOR ASSESSING OFFICERS

Now available are the PROCEEDINGS OF THE 1969 CONFERENCE FOR ASSESSING OFFICERS. This is the first time in many years that the Proceedings have been published. The cost of preparing this work was subsidized by the Association of Municipal Assessors of New Jersey and prepared by Harold M. Klein, of the staff of the Rutgers Government Services Training Program.

We feel the Proceedings are a valuable reference work and should be part of every assessor's library. The cost is \$3.00 and they can be obtained from Harold M. Klein, Bureau of Government Research, Rutgers University, New Brunswick, N.J. 08903

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## THE FARMLAND ASSESSMENT ACT

(Continued from Page One)

Middlesex County Board of Taxation  
Marriott G. Haines, Assessor of Taxes  
City of Vineland

Assessors and County Board members and secretaries were requested to submit suggestions to this committee for consideration. The response was very helpful as quite a diversification of proposals was received.

This committee has held several sessions, during which many aspects of both the basic law and regulations were discussed, together with the suggestions received from several sources. It also conferred with the Secretary of Agriculture, Senator Wayne Dumont, who was a member of the original Farmland Committee appointed by the Governor, and representatives from certain farmer organizations.

Several proposed changes in our statutes have come out of these sessions. Three are now before the legislature for consideration. The first (Senate Bill No. 328) would require the assessor to forward a Notice of Disallowance to the land owner on or before November 1 of the pre-tax year, when a claim has been disallowed. This would give the owner an opportunity to confer with the assessor before his tax list is completed and perhaps avoid an appeal during the tax year.

Another proposal (Senate Bill No. 613) would amend the tax search law by requiring the tax search officer to state whether or not the land may become subject to a roll-back tax under the Farmland Assessment Act of 1964. The passage of this act will fulfill a long-standing need in our state.

The third bill (S690) would change the date for filing the farmland application from October 1 to August 1, of the pre-tax year. This would be advantageous to the assessor for two reasons. First, it would afford him an opportunity to inspect the land during the growing season to better establish its use. Second, it would spread the assessor's workload over a longer period of time, thereby relieving him somewhat during the assessing period without disturbing the assessing date of October 1, of the pre-tax year.

All three of these bills have passed the Senate and have had second reading in the Assembly. You are requested to urge your assemblymen to vote for their passage at the first opportunity.

While these bills were on their way through the Legislature, Mr. Samuel Befarah, Jr., President of the Association of Municipal Assessors of New Jersey, completed his committee appointments for 1970. Included in the list of standing committees is a Farmland Committee consisting of three assessors, as follows:

Marriott G. Haines, Assessor  
City of Vineland, Cumberland County  
William T. Bailey, Jr., Assessor  
Township of East Brunswick, Middlesex County  
Edward D. Delzell, Assessor  
Township of Washington, Mercer County

At my suggestion our Assessors Committee has been consolidated with the County Tax Board

Committee. This gives us equal representation and recognition on both levels. The new members have been fully oriented on our previous discussions and the proposals now pending.

The following additional recommendations for changes in the Farmland Assessment Act have been considered by the committee:

1. **Roll-back taxes** — Consideration should be given to have the law changed to make the seller responsible for any roll-back taxes levied.

2. **Difference between land use capability and farmland use.** The annual report of the Farmland Evaluation Advisory Committee should be revised in its layout so that the recommended values could be directly tied in with the farmland use capability classes set forth in the New Jersey Assessor's Manual. It has been learned from Mr. William Freeman of the Local Property Tax Bureau that this is now being done.

3. **Problem of woodland being qualified under the farmland amendment.** This section has become very controversial and has created a hardship for some municipalities. This will require some study as it should be tightened up.

4. **Assembled land by developers.** Many questions have been raised as to whether or not it was the legislative intent that such operations should receive the benefits of the Farmland Act.

5. **Agricultural use of land is the owner's primary source of income.** This bothers many assessors. Perhaps New Jersey should do the same as Texas, who amended their State Constitution to this effect. It has been upheld by the courts.

6. **Potential use of land.** This regulation should be reviewed and tightened up in view of the court decision — ELIZABETH C. WEMETT, individually DIVISION OF TAX APPEALS and as Trustee under Will of MARY A. T. LORD,

Petitioner,

— against — Docket No. L3475-67  
TOWNSHIP OF 3476-67  
BERKELEY HEIGHTS, 3477-67

Respondent.

7. **Guaranteed number of years** — Should the owner be required to keep his farmland under this program a minimum number of years? This question has been taken under advisement.

8. **Three year roll-back** — In view of the experience of administering this act since 1965, is the present three-year period for roll-back taxes long enough? Should the law be changed to make it five years? This will require some study.

9. **State reimbursement for loss of revenue to municipalities.** The application of this act has eroded the tax base in some municipalities to the point where it is now affecting their tax rate at the expense of their local taxpayers. Since this tax abatement is granted under our state constitution, perhaps now is the time for the state to step in and reimburse the municipalities for the loss they are now sustaining for their farmers. This would require legislation.

10. **Educational program for Assessors** — It is believed that many local assessors are not

adequately trained to properly administer this Farmland Assessment Act. A proposal has been made that the Director of the Division of Taxation prepare a mandatory training program, as soon as possible, for all assessors who have farms in their taxing districts and County Tax Board Commissioners who have to supervise those assessors.

1. **Clear evidence of anticipated yearly gross sales** — The College of Agriculture of Rutgers — The State University should be requested to develop a schedule, showing the number of years it will take for the various crops to reach their potential of producing \$500.00 per year. Perhaps a limit to the number of years a farmland assessment can be given on anticipated revenue should also be established.

12. **Area of woodland needed to support a farm.** It is understood a study is now underway on this subject. This should be concluded as soon as possible and its results reviewed in relation to the Farmland Act.

13. **When a portion of a farm is assessed under the Act,** a map of the farm should be filed with the application so the assessor will be clearly shown that portion to be qualified. Reason: In case of a partial sale of the farm it can be readily determined whether the portion sold was under the Farmland Act and might become subject to roll-back in case of a change in use.

14. **The qualification of \$500. gross receipts** — This should be clarified as to what could be considered for inclusion to make up this amount.

15. **Selling Price** — Allow selling price to be considered as taxable value for first year when roll-back is to apply.

16. **USDA 1970 Census** — A review of this census should be made as soon as it is available to learn what effect the Farmland Assessment Act has had on farming in New Jersey, since it went into effect in 1965, with a view toward possible changes in the Act that might be suggested.

17. **Amend Section 8(b) Chapter 48, P.L. 1964,** to read "County Percentage Level" instead of "average real property assessment ratio of taxing district". We have been assured this change will be made.

18. **Repeal 54:4-23.17** — At present qualified farmland taken by right of eminent domain is not subject to roll-back taxes. It has been agreed that this section of the law could be repealed.

19. **Under present economic conditions,** is the \$500. gross sufficient to qualify? This should be given serious consideration.

20. **Subdivision Approval.** Once final approval of a subdivision has been granted, should the land become subject to roll-back? This would require a change in the statute and should be studied.

21. **Equalization** — Should the equalization process, with relation to Class 3a and 3b be reviewed? Do the affected municipalities get fair

consideration under the present procedure where the Farmland Assessment Act is applied? While some think it has no adverse effect, others are concerned.

The twenty-one different suggested changes or areas of study in connection with our farmland assessment that have just been brought to your attention, were placed before your committee, not to weaken or reduce the privileges and benefits available under the Farmland Assessment Act, but to improve its administration on the local level, and at the same time afford some degree of protection to the local taxpayer, who, under present procedures must make up the difference for the tax levy. They present a tremendous challenge to the committee. We have accepted this responsibility fully realizing that bringing about any changes will not be easy, particularly in view of the recent upsurge of interest in our environment because many people might be lead to oppose any suggested changes because of a misunderstanding of our purpose.

In conclusion it must be stated that this committee will continue to accept suggestions for future consideration. We are reviewing all of those presently before us. We expect to meet in the near future, after some statistics and facts have been assembled for our consideration. It is then planned to confer with certain officials on the state level. Out of this conference, we trust, will come such changes in the regulations that can be made to improve the administration of the Act on the local level.

If it is concluded that certain changes can only come about by amending the basic law then such amendments will be prepared and submitted to the legislature for their consideration. If you have had any experience in trying to get a bill through the legislature, you know that it takes time and a lot of hard work. With your cooperation and patience it is believed that some improvement of the Farmland Assessment Act can be accomplished in the not too distant future.

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# 1970 CONFERENCE OF ASSESSING OFFICERS





## EXECUTIVE COMMITTEE MEETING

Minutes of the Executive Committee of the Association of Municipal Assessors of New Jersey — Held June 18, 1970 at Hickman Hall, Rutgers University.

The meeting was called to order by President Samuel Befarah, Jr. at 7:45 P.M.

President Befarah called for members from each county. There were approximately 78 members present.

Reading of the minutes of the April meeting were dispensed with.

### COMMUNICATIONS:

Telegram from President Clifford Allen of the I.A.A.O. wishing success to the Rutgers Convention.

Letter from Governor Cahill to President Befarah regarding the President's interest in the senior citizen taxes.

Letter from Alan F. Hart, State Supervisor of Local Property Tax Bureau, regarding SRI-As. Assessors should keep their copies for the current year and two preceding years.

**TREASURER'S REPORT.** Treasurer William Brewer read the report, and advised there was a balance of \$4,712.73 in the checking account.

**TRAINING COURSES.** Ed Markowich spoke on In-training Courses to be given by Rutgers in the fall, and also courses will be given in New Jersey by the I.A.A.O. if enough members enroll.

**NOVEMBER CONVENTION.** Harry Tracey, Chairman of the Program for the November convention in Atlantic City reported all arrangements for rooms have been completed.

**NORTHEASTERN REGIONAL CONFERENCE.** Clarence Delgado reported that the conference at Cherry Hill was a success and a profit of approximately \$800.00 will be derived from the conference.

**S.M.A.** Clare Young gave information concerning the comparison of the S.M.A. with the C.T.A. President Befarah spoke regarding the S.M.A. which is not a separate association from the N.J. Assessors Association, and that there should not be any other associations except the N.J. Assessors Association. Anyone wishing to use the designation of C.T.A. or S.M.A. on their letterheads may do so if they have been qualified and certified.

**INITIAL & FURTHER EXEMPT STATEMENTS.** Marriott Haines gave a report on initial and further exempt statement revision which has been approved by the committee.

**AWARDS COMMITTEE.** Charles Taylor, Chairman of the Awards Committee, would like to hear from each county as to their choice for the award. Also requested information as to whether George Linger had received Past President Plaque.

**ANNUAL OUTING.** Charles Fouquet stated that a date and place would be set for the outing in the near future.

**CONSTITUTION AND BY-LAWS.** Randy Brokaw said no report at this time.

**LEGISLATIVE COMMITTEE.** Ed Coll gave a report on S-41 and A-348, Chapter 55.

Walter Salmon reported that there are 30 bills to be reviewed and will call a meeting of the Legislative Committee in the very near future. Also to check on tenure certificate S-762.

President Befarah thanked Ed Coll, Robert Ebert and Walter Salmon for a job well done and stated many more volunteers are needed.

**ADVISORY COMMITTEE.** Robert Ebert stated as of now there are twelve assessor's problems throughout the state, and they come in many categories, including:

1. 3 man Board to one man Board.
2. One man Board to 3 man Board.
3. Resolution to cut salary.
4. Assessing municipality in districts.
5. Running for office.
6. Tenure.
7. Certification.
8. Time clock in offices for part-time assessors, and others.

It was recommended that the Legislative Committee see if these and other problems could not be ironed out. Time is the element in each case. Notify Robert Ebert or Sam Befarah as soon as possible.

**DR. REOCK'S REPORT.** Dr. Reock gave a report on assessors in the State of New Jersey as of May 12, 1970:

Individual Assessors .....	855
Certified .....	494
Still under grandfather clause .....	251
Not certified .....	110
Not on Assessors Staff .....	115
Taxing Districts .....	567

Dr. Reock stated he would like to see everyone who is not certified become so immediately. Marriott Haines requested county presidents to find out who is not certified and have them get certified as soon as possible.

### DISCUSSION FROM THE FLOOR.

President Befarah opened discussion from the floor.

There was a discussion on C.T.A. certification, and it was agreed that the designation could be used on assessor's letterheads.

Discussion concerning living in municipality where employed. It was agreed that assessors are professionals and should be treated as such, and to go on record as not being required to live in the municipality where employment is.

### ADJOURNMENT:

There being no further business, it was moved, seconded and carried that the meeting be adjourned. Meeting was adjourned at 9:40 P.M.

Respectfully submitted,  
Theodore Swarer, Secretary

## *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

### CERTIFIED TAX ASSESSOR

When the Director (of the Division of Taxation) chose to call the warrant issued to qualified Assessors who were entitled to receive it, a "Tax Assessor Certificate", many of us were disappointed. Having felt for a long time the term "tax" assessor, as applied to New Jersey officials charged with the valuation of property for tax purposes, was misleading if not a sheer misnomer, we assumed that some insensitive underling of the Director was responsible. It was difficult to believe one so manifestly our friend as the then Director would have been guilty of so gauche an error. But criticism of such a detail might have seemed trivial, so none was expressed. The Certificate was gratefully accepted as evidence of qualification for the job no matter what they called it.

Besides the security to be attained through tenure after the required service and experience, for many, certification was the threshold to the long sought professional status in which they know our work belongs.

Some of the benefits of Chapter 44, Laws of 1967 have appeared as expected, others, anticipated, have failed to materialize. On the plus side, some good people with training and experience and tenacity, backed up by the Certificate, successfully retained their posts in the face of political caprice. Of course, we only know of those who were challenged; we cannot know how many would have been replaced had not the certification been passively accepted as having eliminated the option. On the minus side, there is reason to believe the prospect of an assessor with tenure, no longer bound by partisan patronage obligations, may have stimulated the replacement of incumbents before they attained certification or tenure, with more malleable individuals. Thus good potential may have been lost to us, at least temporarily. In some instances, it is claimed that perfunctory compliance resulting in Certification and tenure has encouraged mediocrity and diminished the incentive to do well and improve

one's self. That is hard to accept. It is conceded that certifying the qualifications of an assessor is not guaranteed to improve performance, but it is most doubtful that it would have an **adverse** effect on his basic motivation.

Even more serious on the minus side however, is the apparent failure of certification to improve the image of Assessors where an improved status is most desirable and should be welcomed. Except for the few who are closely associated with us, members of the legal profession have been inclined to derogate the Assessor in his role as an appraiser. Not the least blameworthy are Municipal Attorneys. Far too few of them have any respect for the competence or opinions of the local Assessor. Cooperation is too often limited to a few grudging minutes in the hall before hearings, frequently punctuated by urgings to "settle" cases where taxpayers' attorneys have appeared with "experts" whose proposed testimony is generally accorded greater weight. The attitude of attorneys is reflected in the demeanor of commissioners and judges hearing tax cases. The evidence of the low regard in which we are held by the judiciary is manifest in one written opinion after another in which the theories and opinions of patently biased and mercenary witnesses are consistently given greater weight than Assessor's testimony.

Our image certainly suffers in other quarters as well. In a recent forum, bringing together forty "experts" from all over the country, a consensus report was published on, "what to do to correct what is wrong with today's assessment administration." New Jersey was represented by the former Director of the Division of Local Finance in the Department of Community Affairs, James Alloway. As you are aware, local assessors are under the Division of Taxation in the Department of the Treasury, which administers the sales ratio program. Nevertheless, Mr. Alloway's "expert" observation, as quoted in 'Nation's Cities' magazine, was "In my state there is a purposeful manipulation of the ratio just for the confusion of the general public." — Really? Mr. Alloway!

President Befarah and the State Executive



Board are continuing the effort to raise standards in assessment administration in New Jersey, as their predecessors have effectively done before them. But they also know unless recognition is received for standards already met, progress in and for our profession will be retarded.

To this end, it is recommended that the initials C T A after one's name on stationery, business cards and official correspondence, be used by those who hold a Tax Assessor Certificate. We should first attempt to make all those with whom we have contact aware of the certification and what it signifies. Then to demonstrate by our actions and conduct that what it signifies has made us worthy of respect. We will have to be patient with our detractors, and diligent in our job, but if we are, the designation will be a symbol of pride and not arrogance, of competence not pretense.

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The



Gazette

By Walter W. Salmon, S.M.A.

The members of the Society of Municipal Assessors takes this opportunity to extend its appreciation to Harley W. Hesson, Jr., S.M.A., for his leadership and activity during his tenure of office as the S.M.A. Chairman. We welcome our new Chairman, Mrs. Claire M. Young, S.M.A., Assessor of Tenafly.

Mr. Harley W. Hesson, SMA  
Glen Rock, New Jersey

Dear Harley:

You sure did pick one heck of a time to get sick!! You missed one of the best get-togethers that you can possibly imagine. There were 110 of us at the Second Annual Meeting of the SMA, on April 29th, at Point Pleasant. Our new SMA Chairman, Claire Maxwell Young, and the tireless efforts of "Gene" DiCavalcante, put together a program for the day none of us will forget in a hurry!

When I say "US", I mean the SMA's, our good friends from the Legislature, visiting guests from the Industrial world, and many familiar friendly faces from the professional ranks of Assessors.

Some of the happenings that you would have enjoyed were, first; the coffee, bun and bull session that got us off to an early refreshing start; then came the SMA business meeting where we discussed the present and future activities and goals of the Association. Al Greene, in his own inimitable leadership ability, got this session going in good style, with Ed Markowich opening the discussions concerning the present SMA requirements and what is in the hopper for the future. It was felt that the SMA study and examination should have greater emphasis put on New Jersey Assessment Law; more advanced study of the techniques, theory and practice of assessment procedures; and public relations.

We reviewed the past to see just who we are, where we have been and where we are going. We reviewed the whole Association and found that it is structurally strong and sound, but what we need is "more bodies". We want to build the SMA into an organization that is recognized State-wide by the Legislature, the Governing bodies, and the Taxpayers. From the enthusiasm shown, you can bet that old crumpled hat of yours that recognition of our professional status will grow like the proverbial weed.

If you never knew anything about the Co-efficient of Dispersion, Norman Harvey would  
(Continued on Page Ten)

## SMA GAZETTE

(Continued from Page Nine)

have straightened you out in good scholarly fashion. Norm says that the SMA preparation should NOT be the end of our study, but the beginning of activity to put into practice the things we have learned, and more particularly that if we don't get into research of assessment methods someone else may do it for us.

William "Bill" Kingsley was there to renew old acquaintances, and recall a few of his pleasurable moments with Assessors while he was in office.

Our good friend Leo Rosenblum gave us a very candid opinion of his theories on the make-up and use of the "cap-rate". Leo favors the use of the "sinking fund" factor in the cap-rate, and proved his point with an arithmetic example, which proved a value difference over the straight-line method of recapture of the investment, namely depreciation. One of his strong statements was to the effect that a complete re-study of the construction of the cap-rate is long over-due and steps should be taken at an early date to correct the presently accepted methods.

Robert Rubenstein, MAI, a partner in Realty Appraisal Co., took time out from his crowded schedule to speak to us on the subject of "The Land Residual Method in Mass Appraisal". His discourse included the determination of value by estimating the value of land at its highest and best use through the income approach and what it would yield in its present zoning permissibility and with its present building on the site. Another aspect of land residual was explained as it relates to residential property.

State Senator Harry L. Sears brought us up to date on the main issues before the Legislature today. He spoke at length on the Tax Study Commission, of which he is the Chairman. He hoped for and got an Assessor on the commission, who we now know is Marriott Haines. The Senator said quite emphatically that he will not tolerate a cocktail and dinner committee, but wants a committee that will be determined to bring about meaning legislation and effective taxing procedures. His committee will be charged with the responsibility of creating programs, and not new means for new taxes. Dr. William L. Miller, of Princeton, will be the executive director of the commission and will have a full time staff and full time office. One comment we all agree on is that politics are inevitable, but good hard decisions will play an important part in minimizing the pressures.

This was the first time that we have had the pleasure of having the Director, Sydney Glaser, speak to us since his installation in his new responsibilities. And before another word is written —We extend our best wishes and whole hearted cooperation to him for a successful tenure of office. Syd's topic, "Administration of the Local Property Tax" will be printed in the bulletin, so you may read it and digest just how dedicated

this good friend of ours is to the tax problems of the state. His talk covered a variety of subjects from equalization to revaluation to farmland assessment, but he stressed one point quite succinctly, quote: "From our point of view as administrators, it becomes incumbent upon up to insure that the property tax is levied fairly and equitably. This is the very least that we as administrators can and must do".

You sure did pick one heck of a time to be sick and miss all of these good speakers, and the comaraderie of all of your good friends who wish you well.

Sincerely,  
Walt

## Al Weiler Award

Each year at the Annual Meeting of the Association of Municipal Assessors of New Jersey held in Atlantic City, the "Al Weiler Award" is presented to an assessor for outstanding achievement in or contributions to the assessing field.

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: Charles Taylor, Boro Hall, Pompton Lakes, N. J. 07442

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## I A A O AWARDS

Each year at its International Conference on Assessment Administration, IAAO presents awards in several categories to various members. Some of these awards are for individual achievement, while others honor group accomplishment. The purpose of the awards program is to encourage more active participation in association activities and programs as well as to promote a higher degree of professionalism.

Entry blanks and copies of the rules for the various awards are available from IAAO headquarters, 1313 East Sixtieth Street, Chicago, Illinois, 60637 or from your state representative, Edward McKenna, 8-01 Fair Lawn Ave., Fair Lawn, N. J. 07410.

### MOST VALUABLE MEMBER

This award is presented to the member who has been most effective in promoting the interest of IAAO during the 12 month period preceding August 1 of the current year.

The most valuable member is selected by the Awards Committee on the basis of written statements describing the work performed by each candidate.

### DISTINGUISHED ASSISTANCE AWARD

This award is conferred on the organization, agency or body, public or private, which gives the most effective assistance to the cause of assessment administration in the areas of organization, personnel, procedure or technique.

### ZANGERLE AWARD

This award, established in 1963 in honor of John A. Zangerle, IAAO's third president, is presented to the state or provincial assessing association, IAAO chapter or other agency affiliated with the association, which has published the best periodic bulletin or newsletter during the preceding year.

### McCARREN AWARD

This award was established in 1957 in honor of the late Kenneth J. McCarren, IAAO's second president. It honors the state, provincial or territorial representative who has made the greatest effort in promoting IAAO during the 12 month period prior to August 1 of the current year.

### DONEHOO ESSAY AWARD

All IAAO members are eligible to participate in this contest, which recognizes the top essays on assessment administration. Members who wish to submit entries must do so by April 1.

Contestants may write on any topic dealing with assessment administration. Essays should be from 3,000 to 6,000 words and should be typed, using double spacing. The author must submit four copies of his essay to the IAAO office.

### "M" (MEMBERSHIP) AWARD

This is one of the new awards, established by

the Executive Board at its December 1968 meeting.

This award is to be given to the IAAO member, who, in the opinion of the Awards Committee, contributes most to the promotion of new membership—regular, associate and subscribing.

### "I" (IDEA) AWARD

This is the second new award, established at the December 1968 meeting of the Executive Board, to recognize new ideas developed by IAAO members with respect to public information and office procedures and techniques.

Entries for this award may be submitted in two categories:

(1) Ideas in Public Information—to be conferred on the assessment office or department which has developed the most effective, original idea with respect to the dissemination of information regarding the jurisdiction's function of the taxpayer.

(2) Ideas in Office Procedures—to be conferred on the assessment office or department which has developed the most effective, original idea resulting in some improvement in the office procedures previously employed.

### BERNARD L. BARNARD AWARD

This award was established in 1966 in memory of Bernard L. Barnard.  
(Continued on Page Twelve)

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**I.A.A.O. AWARDS**  
(Continued from Page Eleven)

ory of IAAO's first research director, the late Bernard L. Barnard.

The award is presented annually for the most outstanding article on assessment administration appearing in the Assessor's Journal, IAAO's quarterly professional publication.

**HARRY GALKIN AWARD**

This award was established in 1968 in memory of Harry Galkin, a long time subscribing member of IAAO. It is presented to the member of the President's Advisory Council who, in the judgement of the Council members, has contributed the most toward fulfillment of IAAO's objectives during the past year. The winner will be presented a plaque at the Award Breakfast.

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Pictured above is T. Carlyle Stephen who, on July 1 of this year, retired as the assessor of Merchantville, Camden County, after 31 years of service in the assessing field.

Mr. Stephen was appointed the assessor of Harvy Cedars in 1939 and elected to the assessors office in Merchantville in 1950.

Carlyle is a past President of the Camden County Assessors Association and also served as a Vice President of the Association of Municipal Assessors of New Jersey. He has always been active in assessor activities and was instrumental in organizing assessor associations in other counties.

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## ASSOCIATE MEMBERSHIP

The following is a list of the ASSOCIATE MEMBERS of the Association of Municipal Assessors of New Jersey. These individuals and their respective companies through their association with us, show a deep interest in the assessing profession. We appreciate their contribution to our organization and hope it will continue.

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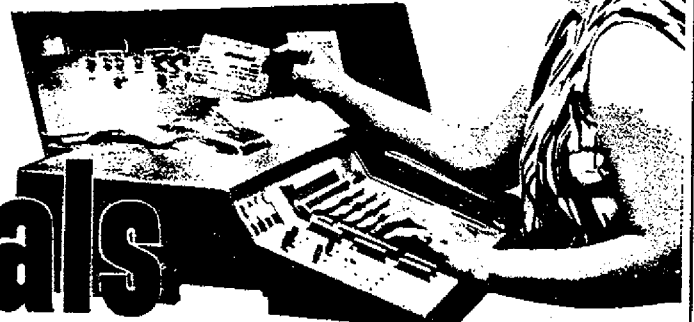
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