ASSOCIATION OF MUNICIPAL ASSESSORS OF NEW JERSEY

AFFILIATED WITH THE
INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS
NORTHEASTERN REGIONAL ASSOCIATION OF ASSESSING OFFICERS
AND THE
NEW JERSEY STATE LEAGUE OF MUNICIPALITIES
Website: www.amanj.org

PRESIDENT – 16/17
MARTIN LYNCH
1 Colonial Drive
Manchester, NJ 08759
O: (732) 657-8121
F: (732) 657-7237
E-Mail: mlynch@manchestertwp.com

SECRETARY – 15/17
MICHELE HENNESSEY
City Hall, Room 116
280 Grove Street
Jersey City, NJ 07302
O: 201-547-5130
Fax: 201-547-4949
Email: mbhennessey@jcnj.org

TREASURER – 13/15
CAROL C. BYRNE
100 Riveredge Road
Tenafly, NJ 07670
O: 201-568-6100 ext 5532
Fax: 201-569-4957
Email: tax61@bergen.org

SERGEANT-AT-ARMS – 13/15
MARTIN BLASKEY
135 Haddon Avenue
Westmont, NJ 08108
O: 856-854-1176 x.4124
Fax: 856-327-6670
Email: MBlaskey@Haddontwp.com

CO-COUNSEL
JOHN LLOYD
NOWELL AMOROSO KLEIN-
BEIRMANN, PA
155 Polifly Rd
Hackensack, NJ 07601
0: 201-342-5001 ext 113
Fax: 201-343-5181
Email: Jrl@rwl-nj.com

CO-COUNSEL
PETER J. ZIPP
166 Gatzmer Avenue
Jamesburg, NJ 08831
O: 732-605-1000
Fax: 732-605-0700
Email: pzipp@zipplaw.com

PAST PRESIDENTS
Marie-Louise Procacci – 14/15
Scott J. Holzhauer – 12/13
Carol C. Byrne – 10/11
Thomas G. Glock – 08/09
Bernard C. Haney – 06/07
Sandra Elliott – *04/05*
Joseph Ravitz – 02/03
Michael Barker – 00/01
Frank Bucino – 98/99
Burnham Hobbs, Jr. – 96/97
Betsy Barr – 94/95
Joseph Gallagher – 92/93
Victor Hartsfield – 90/91
Robert W. Pastor – 88/89
William E. Birchall – 86/87
Stephen Kessler – 84/85
Gloria Cross – 82/83
James Anderson – 80/81
Joseph A, Crane* – 78/79
William T Bailey* – 76/77
John J. Murray – 74/75
Walter Salmon* – 72/73
Samuel Befarah* - 70/71
David P. Kiely* - 68/69
Clarence Delgado* - 66/67
George Linger* - 64/65
Marriott Haines* – 62/63
Alfred J. Greene *– 60/61

AMANJ Position on A4839
June 16, 2017

<u>**Synopsis:**</u> Deals primarily with the following:

1. Extends the county-based assessment pilot in Gloucester County to Atlantic County.

2. Would require the Atlantic County Executive to appoint a county assessor who would effectuate the transfer of the assessment function to the county assessor over a three-year period.

3. Would require a revaluation of all municipalities to be paid by the county and reimbursed by the State at the end of the three-year period during which municipalities must be revalued.

4. Would require the costs of assessment appeal to be paid for based upon the municipalities proportionate share of the County's ratable base instead of being based upon actual costs.

5. Would require Atlantic County and Gloucester County to operate, on a permanent basis, under the alternative real property assessment dates established for municipalities participating in the "Real Property Assessment Demonstration Program" P.L.2013, c.15 (C.54:1-101 et al.).

Discussion Point # 1

Discussion: Bill states *"Gloucester County reported savings of over $2 million per year resulting from efficiencies realized from county-based real property assessment. In 2014 dollars, the Gloucester County Assessor's Office maintained assessments at a per tax line item cost per year of $20.79, 46% lower than the municipal cost of $38.56 per line item. Atlantic County's property taxpayers could see similar cost savings resulting from a change to county-based real property assessment."*

Concerns: The cost estimate of $20.79 per property/line item indicates that County Assessing in Atlantic County will cost $3,245,800, which is an increase from the current cost of Municipal Assessing in Atlantic County. County Assessing will cost more than Municipal Assessing. The above reference includes an $11.2 million expense for revaluations that was applied as a municipal cost in Gloucester County's report over 7 years however this expense simply did not occur to the municipalities. The cost did occur to the county who was later reimbursed yet the report only applies the 11.2 million dollar cost as a municipal expense thus skewing the results. An apples to apples comparison in Gloucester indicates that County Assessing costs more than Municipal Assessing. Gloucester County Assessor's office continues to hire additional full time employees with health care and pension costs and have spent over $1,000,000 in 2016-2017 on outside contractors including Revaluation companies, Real Property Appraisers and outside legal counsel.

Discussion Point # 2

Discussion: Bill gives the County Executive authority to supervise, direct and control the Department of County Assessor and it will abolish the position of Tax Administrator.

Concern: Currently Municipal Tax Assessors establish the assessed values in their respective municipalities and report to county tax administrators who supervise assessor functions. Tax payers who disagree with an assessed value or decisions in regard to exemptions and deductions can file an appeal with the County Board of Taxation. The County Executive who is not an expert in the valuation of real property will have control over the County

Assessor. The Municipal Assessor's duty to provide fair and equitable assessment independent from political control would be the duty of the County Assessor who will be subject to the control of the County Executive. County Tax Administrators organize and schedule appeals as a separate entity apart from the Municipal Assessor who typically defends his or her assessed value in the tax appeal process. The current process provides for an independent process by a third party to adjudicate appeals. This bill proposes to abolish Municipal Assessors and the position of Tax Administrator and the County Assessor, who is controlled by the County Executive, will establish the assessed values and supervise the process of assessment appeals. This is a direct conflict and eliminates the checks and balances established to insure fair and equitable assessments.

Discussion Point # 3

Discussion: Bill requires the revaluation of all municipalities in Atlantic County within three years. The costs of the revaluations are to be paid for by the State of New Jersey.

Concern: The tax payers in each municipality are currently paying for their own revaluation as needed, but this legislation requires all tax payers throughout New Jersey to pay for the revaluations in Atlantic County. The costs of the revaluations in Atlantic County are estimated to be $15,000,000.

Discussion Point # 4

Discussion: Bill requires the costs of appeals including refunds or credits to be paid for by the County based upon the municipality's proportionate share of the County's ratable base instead of being based upon actual costs.

Concern: The tax payers in each municipality will be required to pay the costs for appeals based upon their proportionate share of the county's ratable base. A municipality with little to no assessment appeal will still have to pay for costs and refunds associated with appeals. They will be subsidizing the other municipalities.

Discussion Point # 5

Discussion: Bill requires the changes to the calendar that would conduct the tax appeal hearings at a county level prior to the calculation of tax rates. It also eliminates the mailing of assessment notices to property owners.

Concern: The change to the calendar does not provide property tax relief to tax payers. It merely shifts property tax refunds for appeals to reduction in assessments. As an example all tax payers in a municipality pay the costs associated with a refund of taxes and all tax payers in a municipality would see an increase of the tax rate by reducing property tax assessments associated with successful appeals. This calendar change does not save money or provide tax relief. It does eliminate the mailing of assessment notices to tax payers. It also changes the dates of county tax board appeals to the winter months that will make it difficult for many of our senior citizen residents to attend appeal hearings.

Respectfully Submitted,

Martin W. Lynch, CTA, SCGREA
AMANJ President

James A. Mancini, CTA
AMANJ Tri-County Vice President
For Atlantic, Cape May & Cumberland Counties