

**ASSEMBLY, No. 572**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**  
**Assemblyman ROBERT AUTH**  
**District 39 (Bergen and Passaic)**

**SYNOPSIS**

Revises procedure for determining real property tax appeal outcomes.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1    **AN ACT** concerning tax appeals and amending P.L.1973, c.123.

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3       **BE IT ENACTED** *by the Senate and General Assembly of the State*  
4 *of New Jersey:*

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6       1. Section 1 of P.L.1973, c.123 (C.54:1-35a) is amended to  
7 read as follows:

8       1. a. The "average ratio" of assessed to true value of real  
9 property for a taxing district for the purposes of this act shall mean  
10 that ratio promulgated by the Director of the Division of Taxation  
11 pursuant to P.L.1954, c. 86 (C. 54:1-35.1 et seq.), as of October 1 of  
12 the year preceding the tax year, as revised by the tax court.

13       b. The "common level range" for a taxing district is that range  
14 which is plus or minus 15% of the average ratio for that district;  
15 provided, however, that the Director of the Division of Taxation  
16 shall adjust the range to plus or minus 5% of the average ratio for  
17 the district following certification of technical feasibility by the  
18 director pursuant to subsection c. of this section.

19       c. On or before the first day of the sixth month next following  
20 enactment of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (pending before the Legislature as this  
21 bill), the Director of the Division of Taxation in the Department of  
22 Treasury shall certify the technical feasibility of adjusting the  
23 common level range from 15% of a taxing district's average ratio to  
24 5%. If the director determines that this adjustment is technically  
25 feasible, then the director shall apply the adjusted range beginning  
26 with the next common level range determination, conducted  
27 pursuant to section 5 of P.L.1973, c.123 (C.54:1-35b). If the  
28 director determines that the adjustment is not technically feasible,  
29 then he shall revisit the technical feasibility issue on an annual  
30 basis.

31 (cf: P.L.1983, c.36, s.10)

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33       2. This act shall take effect immediately.

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#### STATEMENT

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38       This bill enhances the ability of property owners to succeed in  
39 tax appeal actions by revising the method for determining the  
40 "common level range," an important figure in resolving those  
41 actions.

42       The bill requires the Director of the Division of Taxation in the  
43 Department of Treasury to certify the technical feasibility of  
44 adjusting the common level range for a taxing district from 15% to  
45 5% of the average ratio of assessed to true value of real property. If

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 the director determines that this adjustment is technically feasible,  
2 then the bill requires the director to apply the adjusted range  
3 beginning with the next common level range determination, also  
4 conducted by the director, pursuant to section 5 of P.L.1973, c.123  
5 (C.54:1-35b). This adjustment would influence the results of tax  
6 appeal determinations, as resolved by county boards of taxation  
7 pursuant to subsection c. of R.S.54:3-22, making those appeals  
8 more likely to result in revisions to the taxable value of real  
9 property. If the director determines that the adjustment is not  
10 technically feasible, then the bill requires him to revisit the  
11 technical feasibility issue on an annual basis.