

ASSEMBLY, No. 4064

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Permits reassessment of real property when municipal assessor has not received notice of material depreciation from property owner and allows Division of Taxation to extend certain statutory dates.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the material depreciation of real property
2 following a disaster and amending P.L.1945, c.260

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

6
7 1. Section 1 of P.L.1945, c.260 (C.54:4-35.1) is amended to
8 read as follows:

9 1. a. When any parcel of real property contains any building or
10 other structure which has been destroyed, consumed by fire,
11 demolished, or altered in such a way that its value has materially
12 depreciated, either intentionally or by the action of storm, fire,
13 cyclone, tornado, or earthquake, or other casualty, which
14 depreciation of value occurred after October 1 in any year and
15 before January 1 of the following year, the assessor shall, upon
16 notice thereof being given to him by the property owner prior to
17 January 10 of that year, and after examination and inquiry,
18 determine the value of such parcel of real property as of that
19 January 1, and assess the same according to such value.

20 b. (1) In the case of a county participating in the
21 demonstration program established by section 4 of P.L.2013, c.15
22 (C.54:1-104), when any parcel of real property contains any
23 building or other structure which has been destroyed, consumed by
24 fire, demolished, or altered in such a way that its value has
25 materially depreciated, either intentionally or by the action of
26 storm, fire, cyclone, tornado, or earthquake, or other casualty,
27 which depreciation of value occurred after October 1 in any year
28 and before May 1 of the following year, the assessor shall, upon
29 notice thereof being given to him by the property owner prior to
30 May 3 of that year, and after examination and inquiry, determine
31 the value of the parcel of real property as of that May 1, and assess
32 the same according to such value within the final tax list delivered
33 to the county board of taxation on or before May 5 of that year.

34 (2) To properly capture the value of the building or structure
35 from January 1 to the date of the depreciation of the building or
36 structure, the assessor's final tax list shall include an improvement
37 value that reflects the prorated value of the building or structure as
38 of January 1 for the number of days prior to the date of the
39 depreciation of the building or structure.

40 c. When the depreciation of value occurs after December
41 fifteenth and before January first, the Director of the Division of
42 Taxation in the Department of the Treasury may extend the deadline
43 for notice to the assessor to not later than 45 days following the
44 declaration of an emergency by the President of the United States or
45 the Governor.

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.

e. Notwithstanding the provisions of any law, rule, or regulation to the contrary, the Director of the Division of Taxation may, following the declaration of an emergency by the President of the United States or the Governor, and in consultation with the Commissioner of Community Affairs and the Director of the Division of Local Government Services in the Department of Community Affairs, extend the dates related to the assessment and collection of property taxes in accordance with chapters 3, 4, and 5 of Title 54 of the Revised Statutes.

2. This act shall take effect immediately and shall be retroactive to October 1, 2012.

This legislation permits the Director of the Division of Taxation to grant property taxpayers additional time to request that the municipal assessor record material depreciation to a property that occurs between, but not including, October first and January first. Property that has materially depreciated as of October first is not eligible for reassessment because the assessor would have already adjusted the assessment to reflect the condition of the property as of that date.

Under current law, a municipal assessor must assess a parcel of real property as that real property exists on October 1 of the pretax year. All real property in the State was assessed for 2016 property taxation purposes as of October 1, 2015. Current law, N.J.S.A.54:4-35.1, also permits a municipal assessor, after having received notice from a taxpayer, to utilize the assessing date of January first to adjust assessments to properties that have been materially depreciated as a result of a disaster that occurs between, but not including, October first and January first.

1 This bill allows the Director of the Division of Taxation to
2 extend the January ninth deadline for notice of material depreciation
3 to the municipal tax assessor to not later than 45 days following the
4 declaration of an emergency by the President of the United States or
5 the Governor, when the depreciation of value occurs after
6 December fifteenth and before January first. The extended deadline
7 will grant taxpayers additional time to notify the municipal assessor
8 if the material depreciation occurs close to the January first
9 deadline. For example, if a disaster were declared on December
10 16th, then the owner would have until January 29, an additional 20
11 days to notify the assessor.

12 This bill also permits the Director of the Division of Taxation to
13 direct that municipal assessors use all information available in
14 identifying affected properties and assess all affected properties as
15 of January first. Current law allows for the reassessment of
16 property only after the property owner has provided notice of the
17 material depreciation to the municipal assessor prior to January
18 tenth.

19 Finally, this bill grants the Director of the Division of Taxation,
20 following the declaration of an emergency, and in consultation with
21 the Commissioner of Community Affairs and the Director of the
22 Division of Local Government Services, the authority to extend any
23 statutory dates for the assessment and collection of property taxes.
24 This will allow the director to provide municipal assessors, county
25 boards of taxation, and the Division of Taxation appropriate time to
26 fulfill their legal responsibilities regarding those functions.

27 If enacted, this bill would take effect immediately and be
28 retroactive to October 1, 2012. This would allow for the
29 reassessment of properties that experienced material depreciation
30 due to Hurricane Sandy, even when the property owner has not
31 provided notice to the municipal assessor.