ASSEMBLY, No. 5324

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 29, 2021

Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Prohibits denial of farmland assessment if application is not timely filed under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 11/8/2021)

AN ACT concerning the assessment of farmland and amending P.L.1964, c.48.

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

1. Section 13 of P.L.1964, c.48 (C.54:4-23.13) is amended to read as follows:

13. a. Eligibility of land for valuation, assessment and taxation under this act shall be determined for each tax year separately. Application shall be submitted by the owner to the assessor of the taxing district in which such land is situated on or before August 1 or September 1, if an extension of time has been granted by the assessor under section 6 of P.L.1964, c.48 (C.54:4-23.6), of the year immediately preceding the tax year for which such valuation, assessment and taxation are sought. If the application is filed by delivery through the mails or a commercial courier or messenger service, compliance with the time limit for filing shall be established if there is satisfactory evidence that it was committed for delivery to the United States Postal Service or the courier or messenger service within the time allowed for filing. In the case of a courier or messenger service, the application shall be received by the tax assessor of the taxing district within three days after the statutory filing date. An application once filed with the assessor for the ensuing tax year may not be withdrawn by the applicant after August 1 or after September 1, in cases where an extension of time for filing the application has been granted by the assessor, of the pretax year.

b. Notwithstanding the requirements of subsection a. of this section, an assessor shall approve an application that is filed by an owner after August 1, or September 1 if an extension of time has been granted by the assessor under section 6 of P.L.1964, c.48 (C.54:4-23.6), but no later than October 25, if: (1) the owner provides the assessor, in writing, at the time the application is filed, with a reasonable explanation for the owner's delay in filing the application, and (2) the property meets all other statutory requirements for a valuation and assessment pursuant to P.L.1964, c.48 (C.54:4-23.1 et seq.).

c. If a change in use of the land occurs between August 1 and December 31 of the pretax year, either the assessor or the county board of taxation shall deny or nullify such application and, after examination and inquiry, shall determine the full and fair value of said land under the valuation standard applicable to other land in the taxing district and shall assess the same, according to such value. If, notwithstanding such change of use, the land is valued,

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.

assessed and taxed under the provisions of this act in the ensuing year, the assessor shall enter an assessment, as an added assessment against such land, in the "Added Assessment List" for the particular year involved in the manner prescribed in P.L.1941, c.397 (C.54:4-63.1 et seq.). The amount of the added assessment shall be in an amount equal to the difference, if any, between the assessment imposed under this act and the assessment which would have been imposed had the land been valued and assessed as other land in the taxing district. The enforcement and collection of additional taxes resulting from any additional assessments so imposed shall be as provided by said chapter. The additional assessment imposed under this section shall not affect the roll-back taxes, if any, under section 8 of this act.

The application review shall include an on-site inspection of the land at least once every three years. The municipality may impose a fee for an on-site inspection of not more than $25, except that contiguous and non-contiguous parcels of land owned by the same owner would be subject to a single fee.

(cf: P.L.1995, c.276, s.5)

2. The Director of the Division of Taxation in the Department of the Treasury shall issue written guidance to assessors not later than 45 days next following the enactment of this act concerning what constitutes a “reasonable explanation” for the failure of property owner to file an application for farmland assessment in a timely manner. The guidance shall require that a “reasonable explanation” shall be interpreted in the broadest manner so as to allow an owner to retain a farmland assessment on real property that has been valued and assessed as farmland pursuant to the “Farmland Assessment Act of 1964,” P.L.1964, c.48 (C.54:4-23.1 et seq.) in the immediately preceding tax year.

3. This act shall take effect immediately.

STATEMENT

This bill would prohibit an assessor from denying an application for a farmland assessment on a parcel of real property if the assessor receives an application from the property owner after the deadline to file the application, under certain circumstances. Under current law, an application is timely filed if the owner submits the application prior to August 1 of the pretax year, or by September 1 if an extension of time has been granted by the assessor as permitted in N.J.S.A.54:4-23.6. To establish public policy that ensures the broadest availability of farmland assessments, a property owner’s failure to file an application in a timely manner should not automatically result in the loss of a farmland assessment

on property that is actively farmed and meets the criteria for a farmland assessment as set forth in the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

This bill prohibits an assessor from automatically denying an application that is not timely filed. The bill requires the assessor to approve an application that is filed by an owner after August 1, or September 1 if an extension of time has been granted by the assessor under section 6 of P.L.1964, c.48 (C.54:4-23.6), but no later than October 25, if: (1) the owner provides the assessor, in writing, at the time the application is filed, with a reasonable explanation for the owner's delay in filing the application, and (2) the property meets all other statutory requirements for a valuation and assessment pursuant to P.L.1964, c.48 (C.54:4-23.1 et seq.).

The bill also requires that the Director of the Division of Taxation in the Department of the Treasury issue written guidance to assessors not later than 45 days next following the enactment of the bill concerning what constitutes a "reasonable explanation" for the failure of property owner to file an application for farmland assessment in a timely manner, and that a "reasonable explanation" shall be interpreted in the broadest manner so as to allow an owner to retain a farmland assessment on real property that has been valued and assessed as farmland pursuant to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.) in the immediately preceding tax year.