

SENATE, No. 605

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator DECLAN J. O'SCANLON, JR.

District 13 (Monmouth)

SYNOPSIS

Revises law governing assessment of real property.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning the assessment of real property, amending
2 various parts of the statutory law, supplementing chapter 4 of
3 Title 22A of the New Jersey Statutes, and repealing various parts
4 of the statutory law.

5

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

8

9 1. (New section) Sections 1 and 2 of P.L. , c. (C.)
10 (pending before the Legislature as this bill) shall be known and may
11 be cited as the “Technology-Based Real Property Assessment
12 Transition Act.”

13

14 2. (New section) a. There is established a requirement of
15 technology-based real property assessment in this State, and a 10-
16 year period for municipalities and counties to transition to a
17 technology-based real property assessment system, in order to
18 transform the process of real property assessment to a process that
19 includes: the use of modern technology in every municipality,
20 statutory revisions to the assessment calendar, a mandatory district-
21 wide annual reassessment requirement to set real property
22 assessments at true value, the internal inspection of recent property
23 sales as evidenced by the filing of the deed with the county and the
24 charging of an inspection fee to cover the cost thereof to be paid at
25 the time the deed is filed, and a mandatory 10-year cycle of internal
26 inspections of all real property in every municipality in the State.
27 The provisions of the “Technology-Based Real Property
28 Assessment Transition Act” shall establish a program to be
29 followed by every assessor in the State in order to more equitably
30 distribute the property tax levy among all property taxpayers,
31 provide a more accurate assessment of each parcel of real property
32 in the State, ensure transparency in the real property assessment
33 process, and reduce local costs related to the assessment of real
34 property.

35 Not later than January 31 immediately following the enactment
36 of P.L. , c. (C.) (pending before the Legislature as this
37 bill), every county board of taxation shall adopt an implementation
38 schedule which reflects the actions required to be taken by each
39 assessor in order to meet the requirements of the “Technology-
40 Based Real Property Assessment Transition Act,” over a ten-year
41 period, including the transition to assessors performing mandatory
42 annual reassessments of all real property in their respective
43 jurisdictions. The implementation schedule shall be approved by the
44 county board of taxation, and submitted to the Director of the Division
45 of Taxation not later than August 31. The county board of taxation

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 shall hold at least one public meeting to hear from the public and
2 municipal officials regarding their respective concerns associated with
3 the proposed implementation schedule.

4 The implementation schedule shall be a public document that
5 provides a 10-year plan outlining the tax years in which the municipal
6 assessor shall revise assessments to the current director's ratio, or to
7 100 percent if the director's ratio exceeds 100 percent, the tax year in
8 which all assessments shall be set to 100 percent of true value, and the
9 annual requirement of reassessment each year thereafter. The
10 implementation plan may not exceed 10 years. The municipality may
11 petition the county board of taxation to modify the adopted schedule
12 during the course of the 10-year plan, but all municipalities shall set
13 assessments equal to true value no later than the 10th year of
14 implementation.

15 Not later than April 1 next following the enactment of P.L. ,
16 c. (C.) (pending before the Legislature as this bill), the
17 county tax administrator of every county board of taxation shall
18 certify to the Director of the Division of Taxation in the Department
19 of Treasury that the county board of taxation is either a State-
20 certified vendor of MOD-IV technology, including computer
21 assisted mass appraisal (CAMA) software, or that the county has
22 contracted with a single State-certified MOD-IV vendor to provide
23 MOD-IV technology, including CAMA software, to all of the
24 municipalities in the county. The county tax administrator or
25 county assessor shall file with the director a copy of its MOD-
26 IV/CAMA certification, or a copy of a valid contract with a State-
27 certified MOD-IV vendor for MOD-IV/CAMA services.

28 Each county tax board shall pay all of the costs associated with the
29 conversion to the county-based MOD-IV/CAMA system and the
30 associated expansion of the technology infrastructure required to
31 support the centralized system. Each county tax board shall annually
32 provide technical training and financial support for the advancement of
33 the local assessment function through education and technology
34 expansion.

35 b. There shall be no direct appropriation of State funds used to
36 effectuate the provisions of the "Technology-Based Real Property
37 Assessment Transition Act." Any technical costs shall be paid by each
38 county board of taxation using assessment appeal filing fees collected
39 by the county board taxation pursuant to section 18 of P.L.1979, c.499
40 (C.54:3-21.3a).

41 c. (1) Not later than September 1 next following the enactment
42 of P.L. , c. (C.) (pending before the Legislature as this bill),
43 and using its own funds therefor, each county board of taxation shall
44 provide MOD-IV technology and CAMA software to each
45 municipality that does not use the software, at no cost to those
46 municipalities, and shall provide, at no cost to those municipalities,
47 training in the use of the technology and software to the assessors of
48 those municipalities and to their respective staff members. Thereafter,

1 each municipality shall pay an annual fee per each taxable line item in
2 the municipality to the county board of taxation to cover the cost of the
3 county providing the MOD-IV and CAMA service to the municipality.
4 The amount of the annual fee shall be set by the county board of
5 taxation. Annual MOD-IV/CAMA service fees paid by municipalities
6 shall be used exclusively by county boards of taxation to defray costs
7 associated with the administration and advancement of the
8 “Technology-Based Real Property Assessment Transition Act” and its
9 associated services and technologies.

10 (2) Beginning on October 1 next following the enactment of
11 P.L. , c. (C.) (pending before the Legislature as this bill),
12 every county shall operate under the countywide implementation
13 schedule developed by the county tax administrator or county assessor
14 pursuant to subsection a. of this section.

15 d. Every assessor shall utilize the same property assessment
16 software as is used by the county tax board, and provided to the
17 municipalities or county assessor by the county tax board pursuant to
18 subsection c. of this section. Every real property assessment function
19 required to be performed by an assessor by law, or by rule or
20 regulation adopted pursuant to law, shall be performed using the
21 MOD-IV technology and the CAMA software provided by the county
22 board of taxation to the assessor.

23 e. In accordance with the provisions of this section and existing
24 statutory law, or any rule or regulation promulgated pursuant thereto,
25 every county board of taxation shall publicly adopt a transition
26 schedule for each municipality within the county. The transition
27 schedule shall not exceed 10 years. The municipality may
28 accelerate the initial internal inspection rate, including performing
29 100 percent of inspections in one year.

30 Beginning in the first year of transition, and in every year
31 thereafter, the assessor shall internally inspect every property for
32 which a deed for the sale or conveyance thereof has been filed with
33 the county recording officer. The cost of these inspections shall be
34 covered by the municipal fee collected pursuant to section 16 of
35 P.L. , c. (C.) (pending before the Legislature as this
36 bill).

37 Beginning in the first year of the transition and every year
38 thereafter, every assessor shall attempt to internally inspect no less
39 than 10 percent of the district’s line items so that 100 percent of all
40 line items are attempted to be internally inspected every 10 years.
41 Beginning in the first year of transition up until the submission of
42 the first preliminary tax list which reflects assessments set equal to
43 100 percent of true value, the assessor shall annually review and
44 revise each assessment to the current director’s ratio. Every year
45 following the implementation of 100 percent of true value, the
46 assessor shall review and revise every assessment to 100 percent of
47 current true value. During the transition period or any year
48 thereafter, the county board of taxation may compel the

1 implementation of a traditional revaluation of real property in any
2 municipality at such time that the county board of taxation
3 determines the need therefor. If a municipality fails to comply with
4 a districtwide reassessment to the current Director's Ratio,
5 revaluation, or annual reassessment, as appropriate, ordered by the
6 county board of taxation in a timely manner, the county board of
7 taxation shall cause the revaluation or reassessment, as appropriate,
8 to be performed at the municipality's cost. The cost of a
9 revaluation or annual reassessment, as appropriate, shall be directly
10 billed to the municipality, in addition to the apportionment
11 valuation, through the adjustment of the county levy for that
12 municipality pursuant to R.S.54:4-48 and R.S.54:4-49.

13

14 3. Section 5 of P.L.1973, c.123 (C.54:1-35b) is amended to
15 read as follows:

16 a. On or before April 1 in each year the Director of the
17 Division of Taxation shall determine the average ratio and the
18 common level range.

19 b. On or before such date, the director shall mail to the
20 secretary of each county board of taxation and to the assessor, and
21 the municipal clerk of each municipality, a certified list setting forth
22 such average ratio and the common level range determined by him
23 for each taxing district.

24 c. When a municipality has submitted consecutive tax lists
25 reflecting assessments at 100 percent of true value, the period of
26 sale sampling period shall be from July 1 of the pretax year through
27 June 30 of the current tax year.

28 (d) In order to produce a more accurate calculation of the
29 average sales ratio, sales within the current year sampling period
30 that have experienced assessment changes due to county tax board
31 appeal judgments or approved county tax board corrections of
32 errors shall be calculated from the revised assessment as found in
33 the final tax list.

34 (cf: P.L.1981, c.393, s.21)

35

36 4. Section 1 of P.L.1999, c.278 (C.54:1-35.25b) is amended to
37 read as follows:

38 1. a. All tax assessor certificates issued prior to the effective
39 date of P.L.1999, c.278 (C.54:1-35.25b et al.) shall expire five years
40 following that effective date and shall be renewed in accordance
41 with the procedure established in this section. All tax assessor
42 certificates issued on or after the effective date of P.L.1999, c.278
43 (C.54:1-35.25b et al.) shall expire five years after the issuance of
44 the certificate and shall be renewed in accordance with the
45 procedure established in this section.

46 (1) All tax assessor certificates shall be renewed upon
47 application, payment of the required renewal fee, and verification
48 that the applicant has met continuing education requirements, as set

1 forth in paragraph (2) and paragraph (3) of this subsection. After
2 the initial expiration of any tax assessor certificates following the
3 effective date of P.L.1999, c.278 (C.54:1-35.25b et al.), each
4 renewal period shall thereafter be for a period of three years. The
5 renewal date shall be 30 days prior to the expiration date of the tax
6 assessor certificate.

7 (2) Prior to the first renewal date of a tax assessor certificate
8 pursuant to P.L.1999, c.278 (C.54:1-35.25b et al.) every applicant
9 for renewal shall, on a form prescribed by the Director of the
10 Division of Taxation, furnish proof of having earned a total of at
11 least 50 continuing education credit hours over the prior five-year
12 period. Thereafter, prior to each succeeding renewal date of a tax
13 assessor certificate, every applicant for renewal shall, on a form
14 prescribed by the Director of the Division of Taxation, furnish
15 proof of having earned a total of at least 30 continuing education
16 credit hours over the prior three-year period. For the purposes of
17 this section, one continuing education credit hour means 50 minutes
18 of classroom or lecture time. After verifying that the applicant has
19 fulfilled the continuing education requirement and after receiving a
20 fee of not less than \$50 paid by the applicant to the order of the
21 Treasurer of the State of New Jersey, the Director of the Division of
22 Taxation shall renew the tax assessor certificate. The Director of
23 the Division of Taxation shall determine, by regulation, the
24 circumstances under which an extension of time to complete the
25 requirements for continuing education may be granted by the
26 director.

27 (3) Commencing January 1, 2018, for any tax assessor of a
28 municipality, and for any county assessor of a county, in which one
29 or more Class 3B (Farm Qualified) properties subject to valuation,
30 assessment and taxation pursuant to P.L.1964, c.48 (C.54:4-23.1 et
31 seq.) are located, prior to every renewal date of a tax assessor
32 certificate issued to that tax assessor pursuant to P.L.1999, c.278
33 (C.54:1-35.25b et al.), the applicant for renewal shall, on a form
34 prescribed by the Director of the Division of Taxation, furnish
35 proof of having taken, at least once in the prior three years, the
36 continuing education course concerning certain aspects of farmland
37 assessment required to be offered, free of charge, by the Division of
38 Taxation, in conjunction with the Department of Agriculture,
39 pursuant to subsection b. of section 1 of P.L.2013, c.43 (C.54:4-
40 23.3d).

41 b. There is established within the Division of Taxation in the
42 Department of the Treasury the Tax Assessor Continuing Education
43 Eligibility Board. The board shall consist of six members and be
44 comprised as follows: the Director of the Division of Taxation or
45 his designee, the President of the Association of Municipal
46 Assessors, and the President of the New Jersey Association of
47 County Tax Board Commissioners and County Tax Administrators
48 shall be permanent members. The Director of the Division of

1 Taxation and the President of the Association of Municipal
2 Assessors shall each appoint an additional member who shall serve
3 for a term of two years. The Director of Government Services at
4 Rutgers University shall serve ex officio. Any vacancy in the
5 membership of the board shall be filled for the unexpired term in
6 the manner provided by the original appointment. The first meeting
7 of the board shall be held at the call of the Director of the Division
8 of Taxation, and thereafter the board shall meet annually and shall
9 hold at least one additional meeting within each 12-month period.
10 The board shall establish the curriculum areas and the number of
11 hours in each curriculum area that an assessor shall complete in
12 order to renew certification.

13 c. When the holder of a tax assessor certificate has allowed the
14 certificate to lapse by failing to renew the certificate, a new
15 application and certificate shall be required. If application is made
16 within six months of the expiration of the certificate, then
17 application may be made in the same manner as a renewal, but with
18 an additional late renewal fee of \$50.

19 d. (Deleted by amendment, P.L.2013, c.15).

20 e. [In addition to the requirements of this section, to address the
21 introduction to, and competency of, municipal assessors and county
22 tax board personnel with the technology, administrative procedures,
23 and real property appraisal requirements within a demonstration
24 county under a demonstration program established in section 4 of
25 P.L.2013, c.15 (C.54:1-104), the county tax administrator of a
26 demonstration county, in consultation with the members of the
27 county tax board of that demonstration county, shall develop a
28 training program to provide annually, free of charge, an additional
29 10 credit hours of continuing education training concerning the
30 requirements of the real property assessment function in the
31 demonstration county for all assessors, deputy assessors, tax board
32 commissioners, the county tax administrator, and the deputy county
33 tax administrator, practicing within that demonstration county.
34 Attendance at the training program shall be required for each of
35 these professionals, and the county tax administrator of the
36 demonstration county shall annually certify to the Director of the
37 Division of Taxation in the Department of the Treasury that each of
38 these professionals has completed this training. The continuing
39 education credit hours required by this subsection shall be in
40 addition to the requirements of subsection a. of this section, and
41 shall not be used to satisfy any requirements of that subsection.
42 Any person who does not meet the additional continuing education
43 training requirement required by this subsection shall be ineligible
44 to function as an assessor or deputy assessor in any municipality
45 located in a demonstration county until such time as the additional
46 continuing education training requirement has been satisfied.

47 The Director of the Division of Taxation, in accordance with the
48 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

1 seq.), shall adopt such regulations as are necessary to effectuate the
2 provisions of this section.】 (Deleted by amendment, P.L. , c.)
3 (pending before the Legislature as this bill)
4 (cf: P.L.2013, c.43, s.6)

5
6 5. Section 19 of P.L.1979, c.499 (C.54:3-5.1) is amended to read
7 as follows:

8 19. a. The president of each county board of taxation shall
9 annually on or before 【August 15】 June 1 report to the Director of
10 the Division of Taxation in the Department of the Treasury【, except
11 that the president of a county board of taxation participating in the
12 demonstration program established in section 4 of P.L.2013, c.15
13 (C.54:1-104) and the president of a county board of taxation in a
14 county operating under the “Property Tax Assessment Reform Act,”
15 P.L.2009, c.118 (C.54:1-86 et seq.) shall make this required report
16 to the director annually on or before June 1. Such】 . The report
17 shall be in 【such】 the form as shall be prescribed by the director
18 and shall contain 【such】 the information and statistics as may be
19 appropriate to demonstrate for the immediately preceding 3-month
20 period during which tax appeals were heard by the county board:
21 the total number of appeals filed with the county board; the
22 disposition of the various appeals disposed of during that period;
23 the character of appeals filed with regard to the classification of
24 properties appealed; the total amount of assessments involved in
25 those appeals; the number of appeals filed in each filing fee
26 category during that period; and, the total amount of reductions and
27 increases of assessed valuation granted by the board during that
28 period.

29 b. The Director of the Division of Taxation shall annually
30 review the reports required under subsection a. of this section, and
31 shall include a summary of the information contained therein in the
32 division's annual report.

33 (cf: P.L.2017, c.306, s.1)

34
35 6. R.S.54:3-17 is amended to read as follows:

36 54:3-17. Each county tax administrator shall annually ascertain
37 and determine, according to his best knowledge and information,
38 the general ratio or percentage of true value at which the real
39 property of each taxing district is in fact assessed according to the
40 tax lists laid before the board. On or before 【March 1 of each year,
41 or on or before】 May 15 【in the case of a county board of taxation
42 participating in the demonstration program established in section 4
43 of P.L.2013, c.15 (C.54:1-104),】 the county tax administrator, and
44 the county assessor in a county operating under the “Property Tax
45 Assessment Reform Act,” P.L.2009, c.118 (C.54:1-86 et seq.) shall
46 prepare and submit to the county board an equalization table
47 showing, for each district, the following items:

- 1 (a) The percentage level established pursuant to law for
2 expressing the taxable value of real property in the county;
- 3 (b) The aggregate assessed value of the real property, exclusive
4 of class II railroad property;
- 5 (c) The ratio of aggregate assessed to aggregate true value of the
6 real property, exclusive of class II railroad property;
- 7 (d) The aggregate true value of the real property, exclusive of
8 class II railroad property;
- 9 (e) The amount by which the valuation in item (b) should be
10 increased or decreased in order to correspond to item (d);
- 11 (f) The aggregate assessed value of machinery implements and
12 equipment and all other personal property used in business;
- 13 (g) The aggregate true value of machinery, implements and
14 equipment and all other personal property used in business;
- 15 (h) The aggregate equalized valuation of machinery, implements
16 and equipment and all other personal property used in business,
17 computed by multiplying the aggregate true value thereof by the
18 lower of (1) that percentage level established pursuant to law for
19 expressing the taxable value of real property in the county, or (2)
20 the average ratio of assessed to true value of real property as
21 promulgated by the director on October 1 of the pretax year,
22 pursuant to chapter 86, laws of 1954, for State school aid purposes,
23 as the same may have been modified by the Tax Court;
- 24 (i) The amount by which the valuation in item (f) should be
25 increased or decreased in order to correspond to item (h).
- 26 A copy of the table shall be mailed to the assessor of each
27 district, and to the Division of Taxation, and be posted at the
28 courthouse, not later than **【March 1, or not later than】** May 15 **【in**
29 **the case of a county board of taxation participating in the**
30 **demonstration program established in section 4 of P.L.2013, c.15**
31 **(C.54:1-104) and a county operating under the “Property Tax**
32 **Assessment Reform Act,” P.L.2009, c.118 (C.54:1-86 et seq.)】.**
33 (cf: P.L.2017, c.306, s.2)

34
35 7. R.S.54:3-18 is amended to read as follows:

36 54:3-18. The county board of taxation in each county shall meet
37 annually for the purpose of reviewing the equalization table
38 prepared pursuant to R.S.54:3-17 with respect to the several taxing
39 districts of the county. At the meeting a hearing shall be given to
40 the assessors and representatives of the governing bodies of the
41 various taxing districts for the purpose of determining the accuracy
42 of the ratios and valuations of property as shown in the equalization
43 table, and the board shall confirm or revise the table in accordance
44 with the facts. The hearings may be adjourned from time to time
45 but the equalization shall be completed **【before March 10, or】** not
46 later than May 25 **【in the case of a county board of taxation**
47 **participating in the demonstration program established in section 4**
48 **of P.L.2013, c.15 (C.54:1-104) and a county board of taxation of a**

1 county operating under the "Property Tax Assessment Reform Act,"
2 P.L.2009, c.118 (C.54:1-86 et seq.)**1**. At the first hearing any
3 taxing district may object to the ratio or valuation fixed for any
4 other district, but no increase in any valuation as shown in the table
5 shall be made by the board without giving a hearing, after 3 days'
6 notice, to the governing body and assessor of the taxing district
7 affected.
8 (cf: P.L.2017, c.306, s.3)

9
10 8. R.S.54:3-21 is amended to read as follows:

11 54:3-21. a. **1**(1) Except as provided in subsection b. of this
12 section a taxpayer feeling aggrieved by the assessed valuation of the
13 taxpayer's property, or feeling discriminated against by the assessed
14 valuation of other property in the county, or a taxing district which
15 may feel discriminated against by the assessed valuation of property
16 in the taxing district, or by the assessed valuation of property in
17 another taxing district in the county, may on or before April 1, or 45
18 days from the date the bulk mailing of notification of assessment is
19 completed in the taxing district, whichever is later, appeal to the
20 county board of taxation by filing with it a petition of appeal;
21 provided, however, that any such taxpayer or taxing district may on
22 or before April 1, or 45 days from the date the bulk mailing of
23 notification of assessment is completed in the taxing district,
24 whichever is later, file a complaint directly with the Tax Court, if
25 the assessed valuation of the property subject to the appeal exceeds
26 \$1,000,000. In a taxing district where a municipal-wide revaluation
27 or municipal-wide reassessment has been implemented, a taxpayer
28 or a taxing district may appeal before or on May 1 to the county
29 board of taxation by filing with it a petition of appeal or, if the
30 assessed valuation of the property subject to the appeal exceeds
31 \$1,000,000, by filing a complaint directly with the State Tax Court.
32 Within ten days of the completion of the bulk mailing of
33 notification of assessment, the assessor of the taxing district shall
34 file with the county board of taxation a certification setting forth the
35 date on which the bulk mailing was completed. If a county board of
36 taxation completes the bulk mailing of notification of assessment,
37 the tax administrator of the county board of taxation shall within ten
38 days of the completion of the bulk mailing prepare and keep on file
39 a certification setting forth the date on which the bulk mailing was
40 completed. A taxpayer shall have 45 days to file an appeal upon the
41 issuance of a notification of a change in assessment. An appeal to
42 the Tax Court by one party in a case in which the Tax Court has
43 jurisdiction shall establish jurisdiction over the entire matter in the
44 Tax Court. All appeals to the Tax Court hereunder shall be in
45 accordance with the provisions of the State Uniform Tax Procedure
46 Law, R.S.54:48-1 et seq.

47 If a petition of appeal or a complaint is filed on April 1 or during
48 the 19 days next preceding April 1, a taxpayer or a taxing district

1 shall have 20 days from the date of service of the petition or
2 complaint to file a cross-petition of appeal with a county board of
3 taxation or a counterclaim with the Tax Court, as appropriate.

4 (2) With respect to property located in a county participating in
5 the demonstration program established in section 4 of P.L.2013,
6 c.15 (C.54:1-104) or a property located in a county operating under
7 the "Property Tax Assessment Reform Act," P.L.2009, c.118
8 (C.54:1-86 et seq.), and except **】** Except as provided in subsection b.
9 of this section, a taxpayer feeling aggrieved by the assessed
10 valuation of the taxpayer's property, or feeling discriminated against
11 by the assessed valuation of other property in the county, or a
12 taxing district which may feel discriminated against by the assessed
13 valuation of property in the taxing district, or by the assessed
14 valuation of property in another taxing district in the county, may
15 on or before January 15, or 45 days from the date the **】**bulk mailing
16 of **】** notification of assessment is completed in the taxing district
17 pursuant to R.S.54:4-38 or section 32 of P.L.1991, c.75, (C.54:4-
18 38.1), as appropriate, whichever date is later, appeal to the county
19 board of taxation by filing with it a petition of appeal; provided,
20 however, that any such taxpayer, or taxing district, may on or
21 before April 1, or 45 days from the date the bulk mailing of
22 notification of assessment is completed in the taxing district,
23 whichever date is later, file a complaint directly with the Tax Court,
24 if the assessed valuation of the property subject to the appeal
25 exceeds \$1,000,000.

26 If a petition of appeal is filed on January 15 or during the 19
27 days next preceding January 15, or a complaint is filed with the Tax
28 Court on April 1 or during the 19 days next preceding April 1, a
29 taxpayer or a taxing district shall have 20 days from the date of
30 service of the petition or complaint to file a cross-petition of appeal
31 with a county board of taxation or a counterclaim with the Tax
32 Court, as appropriate.

33 Within 10 days of the completion of the **】**bulk mailing of **】**
34 notification of assessment, the assessor of the taxing district shall
35 file with the county board of taxation a certification setting forth the
36 date on which the **】**bulk mailing **】** notification was completed. If a
37 county board of taxation completes the **】**bulk mailing of **】**
38 notification of assessment, the tax administrator of the county board
39 of taxation shall within 10 days of the completion of the **】**bulk
40 mailing **】** notification prepare and keep on file a certification setting
41 forth the date on which the **】**bulk mailing **】** notification was
42 completed, and whether the notification was provided on the
43 municipality's Internet webpage, or by mail. A taxpayer shall have
44 45 days to file an appeal upon the issuance of a notification of a
45 change in assessment. An appeal to the Tax Court by one party in a
46 case in which the Tax Court has jurisdiction shall establish
47 jurisdiction over the entire matter in the Tax Court. All appeals to

1 the Tax Court hereunder shall be in accordance with the provisions
2 of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

3 b. No taxpayer or taxing district shall be entitled to appeal either
4 an assessment or an exemption or both that is based on a financial
5 agreement subject to the provisions of the "Long Term Tax
6 Exemption Law" under the appeals process set forth in subsection a.
7 of this section.

8 (cf: P.L.2017, c.306, s.4)

9
10 9. Section 18 of P.L.1979, c.499 (C.54:3-21.3a) is amended to
11 read as follows:

12 18. All revenues received by the county from fees, either
13 established or increased pursuant to this amendatory and
14 supplementary act, shall be used exclusively for the purposes of
15 modernizing the record-retention capabilities of the county board of
16 taxation, for defraying the costs incurred by the county board of
17 taxation in recording and transcribing appeal proceedings, setting
18 forth memorandums of judgment and in providing copies thereof,
19 for paying any salary required to be paid by the county **【**which is
20 increased pursuant to this amendatory and supplementary act, and to
21 effectuate the provisions of the real property assessment
22 demonstration program established by section 4 of P.L.2013, c.15
23 (C.54:1-104).**】** under the provisions of R.S.54:3-6 and R.S.54:3-8.

24 In addition to these purposes, a county operating under the "Real
25 Property Assessment Demonstration Program," P.L.2013, c.15
26 (C.54:1-101 et seq.) or the "Property Tax Assessment Reform Act,"
27 P.L.2009, c.118 (C.54:1-86 et seq.) also shall be able to use these
28 fee moneys for costs of software and hardware necessary for
29 computer-assisted mass appraisal of real property, and paying for
30 all costs related to the maintenance of tax maps.

31 (cf: P.L.2017, c.306, s.5)

32
33 10. Section 2 of P.L.1971, c.370 (C.54:4-3.3b) is amended to
34 read as follows:

35 2. Where real property is acquired by the State or by a State
36 agency, or by an authority created by the State, by purchase,
37 condemnation or otherwise, such property shall become tax exempt
38 on January 1 of the calendar year next following the date of
39 acquisition, provided that the tax assessor of the municipality in
40 which such property is located is given written notice of the
41 acquisition by certified mail on or before **【January 10】** April 30 of
42 **【said】** the calendar year next following; provided further that if real
43 property is acquired between January 1 and **【January 10】** April 30
44 inclusive and the prescribed notice is given on or before **【January**
45 **10】** April 30, such real property shall become tax exempt as of the
46 date of acquisition.

1 In order to properly capture the value of the improved parcel
2 from January 1 to the date of acquisition, the assessor's final tax list
3 shall include a land and improvement value that reflects the
4 prorated value of the parcel as of January 1 for the number of days
5 before acquisition.

6 (cf: P.L.1971, c.370, s.2)

7
8 11. R.S.54:4-23 is amended to read as follows:

9 54:4-23. All real property shall be annually assessed to the
10 person owning the same on October 1 in each year. The assessor
11 shall annually ascertain the names of the owners of all real property
12 situate in his taxing district, and after examination and inquiry,
13 determine the full and fair value of each parcel of real property
14 situate in the taxing district at such price as, in his judgment, it
15 would sell for at a fair and bona fide sale by private contract on
16 October 1 next preceding the date on which the assessor shall
17 complete his assessments, as hereinafter required; provided,
18 however, that in determining the full and fair value of land which is
19 being assessed and taxed under the **【Farmland Assessment Act of**
20 **1964, chapter 48, laws of 1964】** "Farmland Assessment Act of
21 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.), the assessor shall
22 consider only those indicia of value which such land has for
23 agricultural or horticultural use as provided by **【said】** that **【; and**
24 provided further however, that when the assessor has reason to
25 believe that property comprising all or part of a taxing district has
26 been assessed at a value lower or higher than is consistent with the
27 purpose of securing uniform taxable valuation of property according
28 to law for the purpose of taxation, or that the assessment of property
29 comprising all or part of a taxing district is not in substantial
30 compliance with the law and that the interests of the public will be
31 promoted by a reassessment of such property, the assessor shall,
32 after due investigation, make a reassessment of the property in the
33 taxing district that is not in substantial compliance, provided that
34 (1) the assessor has first notified, in writing, the mayor, the
35 municipal governing body, the county board of taxation, and the
36 county tax administrator of the basis of the assessor's determination
37 that a reassessment of that property in the taxing district is
38 warranted and (2) the assessor has submitted a copy of a
39 compliance plan to the county board of taxation for approval. In
40 the case of real property located in a county participating in the
41 demonstration program established in section 4 of P.L.2013, c.15
42 (C.54:1-104), the assessor of the municipality in which the real
43 property is situate, after due investigation, shall make a
44 reassessment of the property in the taxing district that is not in
45 substantial compliance**【. Following 【a】 the reassessment of 【a**
46 **portion of】 the taxing district 【pursuant to the provisions of this**
47 **section】, the assessor shall certify to the county board of taxation,**

1 through such sampling as the county board of taxation deems
2 adequate, that the reassessment is in substantial compliance **【with**
3 the portions of the taxing district that were not reassessed**】**. For the
4 purposes of assessment, the assessor shall compute and determine
5 the taxable value of such real property at the level established for
6 the county pursuant to law.

7 An assessor shall make three good-faith attempts to physically
8 inspect the interior of at least 10 percent of the properties in a
9 taxing district annually. The inspections may be performed in a 10-
10 year ongoing assessment cycle. If, after the third attempt to inspect
11 the interior of the premises, access to the interior of the premises
12 has not been granted by the property owner, the assessor shall
13 assess the property using other observations and sources, including
14 information on the property record card maintained by the assessor.

15 Within 30 days of the conveyance of the title of real property as
16 evidenced by the filing of a deed with the county clerk, the
17 municipal assessor's office may inspect the interior of a property.

18 For the purpose of gathering accurate data regarding the status
19 and condition of real property being assessed, the assessor or the
20 assessor's representatives, or lawful agents or representatives of the
21 assessor and the assessor's staff, shall be granted access to the
22 exterior and interior of all property within the municipality and
23 shall be exempt from any liability from trespassing and granted
24 immunity from civil or criminal liability while they are acting
25 within the scope of their official duties. The assessor shall maintain
26 a list of any denied entries. The assessment of any improvement
27 which has been denied internal inspection may be, at the assessor's
28 discretion, estimated to be fully completed and of the highest
29 possible quality as observed within the subject property's direct
30 market area. An assessment appeal filed by a property owner shall
31 not be heard by the county board of taxation or the Tax Court of
32 New Jersey unless the municipality has been given access to
33 internal inspection.

34 (cf: P.L.2013, c.15, s.11)

35
36 12. R.S.54:4-35 is amended to read as follows:

37 54:4-35. **【a.** Except as provided in subsection b. of this section,
38 **the】** The assessor shall determine his taxable valuations of real
39 property as of October 1 in each year and shall complete the
40 preparation of **【his** assessment list by January 10 following, on
41 which date he shall attend before the county board of taxation and
42 file with the board his complete assessment list, and a true copy
43 thereof, to be called the assessor's duplicate. Such list and duplicate
44 shall include the assessments of personal property reported or
45 determined pursuant to this chapter. They shall be properly made
46 up in such manner and form required by the Director of the Division

1 of Taxation pursuant to R.S.54:4-26, to be examined, revised and
2 corrected by the board as provided by law.

3 b. In the case of a municipality located in a county where the
4 county board of taxation is participating in the demonstration
5 program established in section 4 of P.L.2013, c.15 (C.54:1-104) and
6 in the case of a county operating under the "Property Tax
7 Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), the
8 assessor shall determine the taxable valuations of real property as of
9 October 1 in each year and shall complete the preparation of **the** the
10 preliminary assessment list by November 1, and the assessor shall
11 appear on that date before the county board of taxation and shall file
12 with the board a hard copy of the complete preliminary assessment
13 list, or shall certify to the board, on forms promulgated by the
14 Director of the Division of Taxation in the Department of the
15 Treasury, that the electronic file within the county's MOD-IV tax
16 system is his complete preliminary assessment list.

17 After all of the assessment appeals filed with the county tax
18 board have been decided, the assessor shall complete the
19 preparation of the final assessment list by May 5, on which date the
20 assessor shall appear before the county board of taxation and shall
21 file with the board his completed final assessment list, and a true
22 copy of the final assessment list, which true copy shall be the
23 assessor's duplicate. The final assessment and the assessor's
24 duplicate shall include the assessments of personal property
25 reported or determined pursuant to the requirements of chapter 4 of
26 Title 54 of the Revised Statutes, in such manner and form as shall
27 be required by the director pursuant to R.S.54:4-26, and shall be
28 examined, revised and corrected by the board as provided by law.
29 (cf: P.L.2017, c.306, s.6)

30
31 13. Section 1 of P.L.1945, c.260 (C.54:4-35.1) is amended to
32 read as follows:

33 1. **[a.]** When any parcel of real property contains any building
34 or other structure which has been destroyed, consumed by fire,
35 demolished, or altered in such a way that its value has materially
36 depreciated, either intentionally or by the action of storm, fire,
37 cyclone, tornado, or earthquake, or other casualty, which
38 depreciation of value occurred after October 1 in any year and
39 before **[January]** May 1 of the following year, the assessor shall,
40 upon notice thereof being given to him by the property owner prior
41 to **[January 10]** May 3 of that year, and after examination and
42 inquiry, determine the value of **[such]** the parcel of real property as
43 of that **[January]** May 1, and assess the same according to such
44 value within the final tax list delivered to the county board of
45 taxation on or before May 5 of that year.

46 **[b. (1)]** In the case of a county participating in the demonstration
47 program established by section 4 of P.L.2013, c.15 (C.54:1-104),

1 when any parcel of real property contains any building or other
2 structure which has been destroyed, consumed by fire, demolished,
3 or altered in such a way that its value has materially depreciated,
4 either intentionally or by the action of storm, fire, cyclone, tornado,
5 or earthquake, or other casualty, which depreciation of value
6 occurred after October 1 in any year and before May 1 of the
7 following year, the assessor shall, upon notice thereof being given
8 to him by the property owner prior to May 3 of that year, and after
9 examination and inquiry, determine the value of the parcel of real
10 property as of that May 1, and assess the same according to such
11 value within the final tax list delivered to the county board of
12 taxation on or before May 5 of that year.

13 (2) To properly capture the value of the building or structure
14 from January 1 to the date of the depreciation of the building or
15 structure, the assessor's final tax list shall include an improvement
16 value that reflects the prorated value of the building or structure as
17 of January 1 for the number of days prior to the date of the
18 depreciation of the building or structure.
19 (cf: P.L.2017, c.228, s.1).

20

21 14. R.S.54:4-49 is amended to read as follows:

22 54:4-49. (a) Except as to any State tax at a fixed rate provided
23 for in sections 54:4-50 and 54:4-51 of this Title, each county board
24 of taxation, after having received the tax lists and duplicates of the
25 assessors and having revised and corrected the same and having
26 equalized the aggregate valuations of all the real property in the
27 respective taxing districts, as required by R.S.54:3-17 to 54:3-19,
28 shall, after making adjustments for the debits and credits hereinafter
29 mentioned, apportion the amount to be raised in the respective
30 taxing districts for State, State school, county, free county library,
31 free public library, and joint free public library purposes and for
32 purposes of consolidated school districts and school districts
33 comprising two or more taxing districts, on the basis of the total
34 valuation so ascertained for each taxing district. The total valuation
35 for each taxing district, so ascertained, shall be known as the
36 "apportionment valuation."

37 (b) The amount to be apportioned among the respective taxing
38 districts shall be the amount to be raised for the purposes specified
39 in subsection (a), plus or minus the difference between the total
40 debits and total credits of the taxing districts affected, determined as
41 provided in subsection (c). The net amounts respectively to be
42 raised, after making allowance to the affected districts for the debits
43 and credits, shall be equivalent to the amount required for each of
44 the purposes specified in subsection (a).

45 (c) The net debit or credit of each taxing district shall be the
46 amount by which the taxing district has overpaid or underpaid its
47 share of the specific tax or taxes for the purposes specified in
48 subsection (a) for the preceding year or years because of increases

1 or decreases in the amount of the assessments of the district
2 subsequent to the apportionment in the preceding year or years by
3 reason of final judgments on appeals, complaints and applications,
4 the correction of clerical errors under R.S.54:4-53 and the
5 allowance of additional veterans' exemptions or deductions during
6 the prior tax year by the collector pursuant to law. When an
7 assessment has been reduced or added to, or increased, on appeal,
8 complaint or other application, and the judgment on that appeal,
9 complaint or other application has been further appealed, no
10 deduction or increase as herein provided for shall be made with
11 respect to the appealed assessment until the further appeal has been
12 finally determined.

13 (d) So that there shall be uniformity of application and treatment
14 under this section in all of the counties, the Director, Division of
15 Taxation, shall issue regulations for the guidance of the county
16 boards of taxation in the determination of the apportionment
17 valuations, the amounts to be apportioned and the amounts of the
18 debits and credits.

19 (e) In the next succeeding tax year, the prior year's equalization
20 shall be recalculated in accordance with the provisions of R.S.54:3-
21 17 and using the most recent average ratio promulgated pursuant to
22 the provisions of section 5 of P.L.1973, c. 123 (C.54:1-35b). The
23 difference between the prior year's preliminary apportionment and
24 the recalculated final apportionment shall be applied as a debit or
25 credit as described in this section.

26 (cf: P.L.2011, c.38, s.4)

27

28 15. R.S.54:4-52 is amended to read as follows:

29 54:4-52. The county board of taxation shall, on or before May
30 **【**20, or on or before May 31 in the case of a county board of
31 taxation participating in the demonstration program established in
32 section 4 of P.L.2013, c.15 (C.54:1-104) and a county board of
33 taxation in a county operating under the "Property Tax Assessment
34 Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)**】** 31, fill out a
35 table of aggregates copied from the duplicates of the several
36 assessors and the certifications of the Director of the Division of
37 Taxation relating to second-class railroad property, and
38 enumerating the following items:

39 (1) The total number of acres and lots assessed;

40 (2) The value of the land assessed;

41 (3) The value of the improvements thereon assessed;

42 (4) The total value of the land and improvements assessed,
43 including:

44 a. Second-class railroad property;

45 b. All other real property.

46 (5) The value of the personal property assessed, stating in
47 separate columns:

48 a. Value of household goods and chattels assessed;

- 1 b. Value of farm stock and machinery assessed;
- 2 c. Value of stocks in trade, materials used in manufacture and
- 3 other personal property assessed under section 54:4-11;
- 4 d. Value of all other tangible personal property used in
- 5 business assessed.
- 6 (6) Deductions allowed, stated in separate columns:
- 7 a. Household goods and other exemptions under the provisions
- 8 of section 54:4-3.16 of this Title;
- 9 b. Property exempted under section 54:4-3.12 of this Title.
- 10 (7) The net valuation taxable;
- 11 (8) Amounts deducted under the provisions of sections 54:4-49
- 12 and 54:4-53 of this Title or any other similar law (adjustments
- 13 resulting from prior appeals);
- 14 (9) Amounts added under any of the laws mentioned in
- 15 subdivision 8 of this section (like adjustments);
- 16 (10) Amounts added for equalization under the provisions of
- 17 sections 54:3-17 to 54:3-19 of this Title;
- 18 (11) Amounts deducted for equalization under the provisions of
- 19 sections 54:3-17 to 54:3-19 of this Title;
- 20 (12) Net valuation on which county, State and State school taxes
- 21 are apportioned;
- 22 (13) The number of polls assessed;
- 23 (14) The amount of dog taxes assessed;
- 24 (15) The property exempt from taxation under the following
- 25 special classifications:
- 26 a. Public school property;
- 27 b. Other school property;
- 28 c. Public property;
- 29 d. Church and charitable property;
- 30 e. Cemeteries and graveyards;
- 31 f. Other exemptions not included in foregoing classifications
- 32 subdivided showing exemptions of real property and exemptions of
- 33 personal property;
- 34 g. The total amount of exempt property.
- 35 (16) State road tax;
- 36 (17) State school tax;
- 37 (18) County taxes apportioned, exclusive of bank stock taxes;
- 38 (19) Local taxes to be raised, exclusive of bank stock taxes,
- 39 subdivided as follows:
- 40 a. District school tax;
- 41 b. Other local taxes.
- 42 (20) Total amount of miscellaneous revenues, including surplus
- 43 revenue appropriated, for the support of the taxing district budget,
- 44 which, for a municipality operating under the State fiscal year, shall
- 45 be the amounts for the fiscal year ending June 30 of the year in
- 46 which the table is prepared;
- 47 (21) District court taxes;
- 48 (22) Library tax;

1 (23) Bank stock taxes due taxing district;

2 (24) Tax rate for local taxing purposes to be known as general
3 tax rate to apply per \$100.00 of valuation, which general tax rate
4 shall be rounded up to the nearest one-half penny after receipt in
5 any year of a municipal resolution submitted to the county tax board
6 on or before April 1 of that tax year requesting that the general tax
7 rate be rounded up to the nearest one-half penny.

8 For municipalities operating under the State fiscal year, the
9 amount for local municipal purposes shall be the amount as
10 certified pursuant to section 16 of P.L.1994, c.72 (C.40A:4-12.1).
11 The table shall also include a footnote showing the amount raised
12 by taxation for municipal purposes as shown in the State fiscal year
13 budget ending June 30 of the year the table is prepared.

14 In addition to the above such other matters may be added, or
15 such changes in the foregoing items may be made, as may from
16 time to time be directed by the Director of the Division of Taxation.
17 The forms for filling out tables of aggregates shall be prescribed by
18 the director and sent by him to the county treasurers of the several
19 counties to be by them transmitted to the county board of taxation.
20 Such table of aggregates shall be correctly added by columns and
21 shall be signed by the members of the county board of taxation and
22 shall within three days thereafter be transmitted to the county
23 treasurer who shall file the same and forthwith cause it to be printed
24 in its entirety and shall transmit certified copy of same to the
25 Director of the Division of Taxation, the State Auditor, the Director
26 of the Division of Local Government Services in the Department of
27 Community Affairs, the clerk of the board of freeholders, and the
28 clerk of each municipality in the county.

29 (cf: P.L.2017, c.306, s.9)

30

31 16. Section 2 of P.L.1965, c.123 (C.22A:4-4.1) is amended to
32 read as follows:

33 2. County clerks and registers of deeds and mortgages, in
34 counties having such offices, shall charge for the services herein
35 enumerated the following fees:

	Fee
36 For recording veteran's discharge papers	No fee
37 For recording any instrument:	
38 First page	\$30.00
39 Each additional page or part thereof	\$10.00
40 Each rider, insertion, addition, or any map, 41 plat or sketch filed or recorded pursuant 42 to subsection (c) of section 2 of P.L.1957, 43 c.130 (C.48:3-17.3)	\$10.00
44 For entering the marginal notation of an order, 45 judgment, statement or warrant discharging, 46 annulling a notice of lis pendens and for 47 filing such order, judgment or statement	\$10.00

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20

1	For filing a lis pendens foreclosure	\$30.00	
2	Notation	\$10.00	
3	For preparing and transmitting to the assessor,		
4	collector, or other custodian of the assessment		
5	map of any taxing district, the abstract of an		
6	instrument evidencing title to realty	\$10.00	
7	For entering the marginal notation of a discharge		
8	or release of a New Jersey building and loan		
9	or savings and loan mortgage and forwarding		
10	abstract	\$10.00	
11	For entering the marginal notation of a discharge,		
12	assignment, postponement or release of a		
13	mortgage, other than building and loan and		
14	savings and loan mortgages	\$10.00	
15	For the cancellation of any mortgage		
16	\$20.00		
17	For a marginal notation of the discharge of a		
18	mortgage in counties where mortgages are		
19	indexed under a system requiring a duplication		
20	of indices and description	\$10.00	
21	For filing and recording notice of federal tax		
22	lien or other federal lien or certificate		
23	discharging such lien	\$25.00	
24	For filing a notice of settlement	\$20.00	
25	For filing each map, plat, plan or chart		
26	(except when presented by the State or		
27	its agencies or filed pursuant to subsection (c) of		
28	section 2 of P.L.1957, c.130 (C.48:3-17.3))		\$55.00
29	For recording tax sale certificate, except by		
30	municipalities, or a redemption or assignment		
31	of tax sale certificate, first page		\$30.00
32	Each additional page or part thereof		\$10.00
33	Certified copy of veteran's discharge		No fee
34	For indexing any recorded instrument in excess		
35	of 5 parties, per each name in excess of 5		\$6.00
36	For recording tax sale certificate, lien, deed,		
37	or related instrument by a municipality		[\$8.00] \$58.00
38	For recording vacations or dedications of roads,		
39	first page	\$30.00	
40	Each additional page or part thereof	\$10.00	
41	For disclaimers		\$15.00
42	For reimbursement agreements		No fee
43	(cf: P.L.2007, c.144, s.1)		
44			
45	17. (New section) Of the fee for the recording of a deed, \$45		
46	shall be forwarded by the county treasurer to the chief financial		
47	officer of the municipality in which the property is located, to be		
48	used exclusively to cover costs pertaining to the required inspection		

1 of recently sold or conveyed property as required in subsection e. of
2 section 2 of P.L. , c. (C.) (pending before the
3 Legislature as this bill). The remaining \$5 shall be returned to the
4 county recording officer, to be used exclusively to modernize the
5 mortgage filing process.

6
7 18. (New section) The Director of the Division of Taxation,
8 pursuant to the “Administrative Procedure Act,” P.L. P.L.1968,
9 c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations
10 to effectuate the provisions of P.L. , c. (C.) (pending
11 before the Legislature as this bill).

12
13 19. The following sections of law are repealed:
14 Sections 1 through 4 of P.L.2015, c.13 (C.54:1-101 through
15 C.54:1-104); and
16 Section 17 of P.L.2013, c.15.

17
18 20. This act shall take effect immediately.

21 STATEMENT

22
23 This bill, the “Technology-Based Real Property Assessment
24 Transition Act,” would revise the process of real property
25 assessment into a process that includes the use of modern
26 technology in every municipality, statutory revisions to the
27 assessment calendar, a mandatory district-wide annual reassessment
28 requirement to set real property assessments at true value, the
29 internal inspection of recent property sales as evidenced by the
30 filing of the deed with the county and the charging of an inspection
31 fee to cover the cost thereof to be paid at the time the deed is filed,
32 and a mandatory 10-year cycle of internal inspections of all real
33 property in every municipality in the State. The provisions of the
34 “Technology-Based Real Property Assessment Transition Act”
35 would establish a program to be followed by every assessor in the
36 State in order to more equitably distribute the property tax levy
37 among all property taxpayers, provide a more accurate assessment
38 of each parcel of real property in the State, ensure transparency in
39 the real property assessment process, and reduce local costs related
40 to the assessment of real property. Currently, many municipalities
41 do not perform regular revaluations, or in-house reassessments of
42 real property, which leads to properties being over-valued or under-
43 valued, and in turn, property owners either over-paying or under-
44 paying property taxes. The intent of the “Technology-Based Real
45 Property Assessment Transition Act” is to ensure that property
46 owners pay property taxes based on the true value of their
47 properties, not on old or incorrect values, and to provide

1 transparency to the public about the real property assessment
2 process.

3 The real property assessment program proposed by the bill would
4 require every county board of taxation to adopt an implementation
5 schedule which reflects the actions required to be taken by each
6 assessor in order to meet the requirements of the "Technology-
7 Based Real Property Assessment Transition Act," over a ten-year
8 period, including the transition to assessors performing annual
9 reassessments of all real property in their respective jurisdictions.
10 The implementation schedule shall be approved by the county board
11 of taxation and submitted to the Director of the Division of Taxation.
12 The county board of taxation is required to hold at least one public
13 meeting to hear from the public and municipal officials regarding
14 concerns associated with the proposed implementation schedule.

15 The implementation schedule would be a public document that
16 provides a 10-year plan outlining the tax years in which the municipal
17 assessor is to revise assessments to the current director's ratio, or to
18 100 percent if the director's ratio exceeds 100 percent, the tax year in
19 which all assessments are to be set to 100 percent of true value, and
20 the annual requirement of reassessment each year thereafter. The
21 municipality may petition the county board of taxation to modify the
22 adopted schedule during the course of the 10-year plan, but all
23 municipalities are required to set assessments equal to true value no
24 later than the 10th year of implementation.

25 Not later than April 1 next following the enactment of the bill,
26 the county tax administrator of every county board of taxation is
27 required to certify to the Director of the Division of Taxation in the
28 Department of Treasury that the county board of taxation is either a
29 State-certified vendor of MOD-IV technology, including computer
30 assisted mass appraisal (CAMA) software, or that the county has
31 contracted with a single State-certified MOD-IV vendor to provide
32 MOD-IV technology, including CAMA software, to all of the
33 municipalities in the county. The county tax administrator shall file
34 with the director a copy of its MOD-IV/CAMA certification, or a
35 copy of a valid contract with a State-certified MOD-IV vendor for
36 MOD-IV/CAMA services. Each county tax board shall pay all of the
37 costs associated with the conversion to the county-based MOD-
38 IV/CAMA system and the associated expansion of the technology
39 infrastructure required to support the centralized system. Each county
40 tax board shall annually provide technical training and financial
41 support for the advancement of the local assessment function through
42 education and technology expansion. Under the bill, no direct
43 appropriation of State funds would be used to effectuate the provisions
44 of the "Technology-Based Real Property Assessment Transition Act."
45 The technical costs of the law are to be paid by each county board of
46 taxation using assessment appeal filing fees collected by the county
47 board taxation pursuant to section 18 of P.L.1979, c.499 (C.54:3-
48 21.3a).

1 Each county board of taxation is required to provide MOD-IV
2 technology and CAMA software to each municipality that does not use
3 the software, at no cost to those municipalities, and shall provide, at no
4 cost to those municipalities, training in the use of the technology and
5 the software to the assessors of those municipalities and to their
6 respective staff members. Thereafter, each municipality shall pay an
7 annual fee per each taxable line item in the municipality to the county
8 board of taxation to cover the cost of the county providing the MOD-
9 IV and CAMA service to the municipality. The amount of the annual
10 fee shall be set by the county board of taxation. Annual MOD-
11 IV/CAMA service fees paid by municipalities shall be used
12 exclusively by county boards of taxation to defray costs associated
13 with the administration and advancement of the “Technology-Based
14 Real Property Assessment Transition Act” and its associated services
15 and technologies.

16 On October 1 next following the enactment of the bill, every
17 county shall operate under the countywide implementation schedule
18 developed by the county tax administrator or county assessor, utilizing
19 the same property assessment software as is used by the county tax
20 board, and provided to the municipalities by the county tax board
21 pursuant to the bill. Every real property assessment function required
22 to be performed by an assessor by law, or by rule or regulation adopted
23 pursuant to law, shall be performed using the MOD-IV technology and
24 the CAMA software provided by the county board of taxation to the
25 assessor.

26 Under the bill, every county board of taxation shall publicly adopt
27 a transition schedule for each municipality within the county. The
28 transition schedule shall not exceed 10 years. Beginning in the first
29 year of the transition and every year thereafter, every assessor shall
30 attempt to internally inspect no less than 10 percent of the districts
31 line items so that the inspection of 100 percent of all line items are
32 attempted every 10 years. The municipality may accelerate the
33 initial internal inspection rate, including performing 100 percent of
34 the inspections in the first year.

35 Also, beginning in the first year of transition and in every year
36 thereafter, the assessor shall internally inspect every new property
37 sale that is believed to reflect current market value, the cost of
38 which shall be covered by the municipality’s share of an increased
39 fee for the recording of a deed for the conveyance or transfer of real
40 property.

41 Beginning in the first year of transition up until the submission
42 of the first preliminary tax list which reflects assessments set equal
43 to 100 percent of true value, the assessor shall annually review and
44 revise each assessment to the current director’s ratio. Every year
45 following the implementation of 100 percent of true value, the
46 assessor shall review and revise every assessment to 100 percent of
47 current true value.

1 The bill would also revise various statutes in order to require
2 assessors and county boards of taxation to utilize technology in
3 assessment-related processes and effectuate the provisions of the
4 bill.

5 The bill would also require every municipality and county in the
6 State to operate, on a permanent basis, under the alternative real
7 property assessment dates established for municipalities participating
8 in the “Real Property Assessment Demonstration Program,”
9 P.L.2013, c.15 (C.54:1-101 et al.). The alternative real property
10 assessment calendar implemented as part of the “Real Property
11 Assessment Demonstration Program” is designed to specifically
12 address the systemic costs which result from losses due to
13 successful assessment appeals by property owners, which reduce
14 the property tax base, and which require municipalities to refund
15 large amounts of property taxes previously collected from those
16 property owners.

17 Under current law, every assessor files the tax list with the
18 county board of taxation, which subsequently sets the local tax
19 rates. Assessment appeals are filed by property owners on April 1
20 of each year, or on May 1 in the case of a municipality that has
21 undergone a municipal-wide revaluation or reassessment of real
22 property. Appeals are heard by the county tax board and generally
23 decided by the end of July. Successful appeals that late in the tax
24 year result in reduced assessments, which reduces the municipal tax
25 base. Because the county tax board has already apportioned the tax
26 levy, a decrease in the tax base will result in the under-collection of
27 property taxes to fund current year operations. The real property
28 assessment calendar enacted as part of the “Real Property
29 Assessment Demonstration Program” re-schedules the property
30 assessment appeal process to dates prior to the calculation of the
31 local property tax rate, which allows for a more accurate local
32 property tax rate to reflect local budgetary needs and the true value
33 of the tax base that provides the property tax revenue to fund the
34 local budget.

35 The chart below sets forth the current statutory dates relative to
36 the individual functions that comprise the real property assessment
37 process, and the dates for those functions under the “Real Property
38 Assessment Demonstration Program.”

1

DATES RELATIVE TO CERTIFICATION OF THE TAX LIST, ASSESSMENT APPEALS, AND THE CALCULATION OF LOCAL TAX RATES IN MUNICIPALITIES THAT ADOPT THE REAL PROPERTY ASSESSMENT CALENDAR UNDER THE “REAL PROPERTY ASSESSMENT DEMONSTRATION PROGRAM”		
Description of Function	Current Date	Proposed Date
Assessing Date	October 1 of pre-tax year	October 1 of pre-tax year
Certification of Preliminary Assessment	N/A	November 1 of pre-tax year
Notification of Assessment Postcards	February 1	November 15 of pre-tax year
Assessment Appeal Filing Deadline	April 1; May 1 in municipalities wherein revaluation of real property has occurred	January 15
Assessment Appeals Heard	May, June and July	February, March and April
Tax List Filed	January 10	May 5
County Preliminary Equalization	March 10	May 15
County Final Equalization	March 10	May 25
Municipal Budget to Tax Board	March 31	May 15
County Budget to Tax Board	April 1	May 15
School Budget to Tax Board	May 19	May 15
Certified Tax Rates	May 20	May 31
Tax Duplicates	June 3	June 3
Tax Bills	June 14	June 14

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