

SENATE, No. 4090

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED NOVEMBER 12, 2021

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Requires municipalities to notify affected property owners before implementing compliance plan to reassess valuation of certain properties.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the assessment of real property and amending
2 chapter 4 of Title 54 of the Revised Statutes.

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

6
7 1. R.S.54:4-23 is amended to read as follows:

8 54:4-23. All real property shall be assessed to the person owning
9 the same on October 1 in each year. The assessor shall ascertain the
10 names of the owners of all real property situate in **his** the
11 assessor's taxing district, and after examination and inquiry,
12 determine the full and fair value of each parcel of real property
13 situate in the taxing district at such price as, in **his** the assessor's
14 judgment, it would sell for at a fair and bona fide sale by private
15 contract on October 1 next preceding the date on which the assessor
16 shall complete **his** the assessments, as hereinafter required;
17 provided, however, that in determining the full and fair value of
18 land which is being assessed and taxed under the "Farmland
19 Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.)
20 **chapter 48, laws of 1964**, the assessor shall consider only those
21 indicia of value which such land has for agricultural or horticultural
22 use as provided by said act; and provided further however, that
23 when the assessor has reason to believe that property comprising all
24 or part of a taxing district has been assessed at a value lower or
25 higher than is consistent with the purpose of securing uniform
26 taxable valuation of property according to law for the purpose of
27 taxation, or that the assessment of property comprising all or part of
28 a taxing district is not in substantial compliance with the law and
29 that the interests of the public will be promoted by a reassessment
30 of such property, the assessor shall, after due investigation, make a
31 reassessment of the property in the taxing district that is not in
32 substantial compliance, provided that (1) the assessor has first
33 notified, in writing, the mayor, the municipal governing body, the
34 county board of taxation, and the county tax administrator of the
35 basis of the assessor's determination that a reassessment of that
36 property in the taxing district is warranted **and** ; (2) the assessor
37 has submitted a copy of a compliance plan to the county board of
38 taxation for approval; and (3) after approval by the county board of
39 taxation, the assessor has submitted written notice, by personal
40 service, registered mail, or certified mail, to the owner of each
41 property to be reassessed under the compliance plan, which notice
42 shall inform the taxpayer of the manner in which the reassessment
43 will be implemented, the potential impact of the reassessment on
44 the valuation of the taxpayer's property, and the right of the
45 taxpayer to file an appeal pursuant to R.S.54:3-21. In the case of

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 real property located in a county participating in the demonstration
2 program established in section 4 of P.L.2013, c.15 (C.54:1-104), the
3 assessor of the municipality in which the real property is situate,
4 after due investigation, shall make a reassessment of the property in
5 the taxing district that is not in substantial compliance. Following a
6 reassessment of a portion of the taxing district pursuant to the
7 provisions of this section, the assessor shall certify to the county
8 board of taxation, through such sampling as the county board of
9 taxation deems adequate, that the reassessment is in substantial
10 compliance with the portions of the taxing district that were not
11 reassessed. For the purposes of assessment, the assessor shall
12 compute and determine the taxable value of such real property at
13 the level established for the county pursuant to law.

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

15
16 2. This act shall take effect on the first day of the third month
17 next following the date of enactment.

20 STATEMENT

21
22 This bill requires a municipality to notify affected property
23 owners before implementing a compliance plan to reassess the
24 valuation of certain properties within the municipality.

25 Under current law, a municipal tax assessor may revise the
26 valuation of certain properties outside of the context of a municipal-
27 wide revaluation or reassessment. This practice is known as
28 “assessment maintenance” and is conducted through the approval of
29 a compliance plan. However, before a compliance plan may be
30 implemented, current law requires the tax assessor to submit: (1)
31 written notice justifying the reassessment to the mayor and
32 governing body of the municipality, the county board of taxation,
33 and the county tax administrator; and (2) a copy of the compliance
34 plan to the county board of taxation for approval.

35 This bill provides that the tax assessor would also be required to
36 submit written notice to the owner of each property that would be
37 reassessed under the compliance plan. Specifically, this notice
38 would be required to inform the taxpayer of: (1) the manner in
39 which the reassessment will be implemented; (2) the potential
40 impact of the reassessment on the valuation of the taxpayer’s
41 property; and (3) the right of the taxpayer to file a property tax
42 assessment appeal. Under the bill, the notice would be provided
43 after the county board of taxation has approved the compliance
44 plan, and the notice may be submitted by personal service,
45 registered mail, or certified mail.