

# Union County Board of Taxation Tax Appeal Filing Packet

## A COMPREHENSIVE GUIDE TO UNDERSTANDING THE PROPERTY TAX APPEAL PROCESS



This information was developed to assist property owners in preparing for assessment appeal hearings. The instructions and worksheets are intended to be an aid to property owners, but should not be considered as all-inclusive. The general information provided is derived from New Jersey laws governing property assessment appeals: N.J.S.A. 54:3 et seq. and N.J.A.C. 18:12A et seq. These instructions and worksheets are not intended to provide legal advice; property owners should rely on professional help if necessary.

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**\*\*PLEASE READ ENTIRE PACKET CAREFULLY\*\***

## **PROPERTY ASSESSMENT APPEAL PROCESS**

The Union County Board of Taxation recognizes recent changes in the appeal process have made procedures more complex. This presentation was developed as an aid to the property owner, but it **should not be considered as an all-inclusive guide**. More importantly, it is essential property owners understand they must prove their assessment is unreasonable compared to a market value standard. Your current assessment is by law assumed to be correct. You must overcome this presumption of correctness in order to receive a change in your assessment.

### **How do I know if my assessment is fair?**

The New Jersey Legislation adopted a formula known as Chapter 123 in 1973 to test the fairness of an assessment. Once the Tax Board has determined the true market value of a property during an appeal, they are required to automatically compare the true market value to the assessment. If the ratio of the assessment to the true value exceeds the average ratio by 15%, then the assessment is automatically reduced to the common level. However, if the assessment falls within this common level range, no adjustment will be made. If the assessment to true value ratio falls below the common level, the Tax Board is obligated to increase the assessment to the common level. This test assumes the property owner will supply sufficient evidence to the Tax Board so they may determine the true market value of the property subject to the appeal. You should inquire into your district's average ratio before filing a tax appeal. This ratio changes annually on October 1, for use in the subsequent tax year.

**(EXAMPLE on PG 7)**

### **Where do I file my tax appeal?**

All appeals for Union County property owners are filed at the Union County Board of Taxation.

### **What will I need to prove my case?**

You cannot appeal the taxes on your property since the taxes are the result of the local budget process. You must pay the collector all taxes and municipal charges up to and including the first quarter of the tax year. Remember, the burden is on you, the appellant, to prove your assessment is unreasonable, excessive, or discriminatory. It is necessary for you to prove at the onset that your assessment is in error. It is also necessary for you to prove a more appropriate market value.

The property owner must be persuasive and present credible evidence. Credible evidence is evidence supported by fact, not assumptions or beliefs. Photographs of both the subject property (the property subject to the appeal) and comparables are useful in illustrating your argument. Factual evidence concerning special circumstances is necessary. For example, if the property cannot be further developed for some reason, evidence must be provided.

The most credible evidence is recent comparable sales of other properties of a similar type in your neighborhood. Remember, if you are going to discuss comparable sales, not less than three comparable sales shall be submitted to the Assessor, Clerk, and County Tax Board, not less than **one week prior** to the hearing if not included with the petition of appeal.

### **Where can I find Comparable sales and what does comparable mean?**

Sales of all properties (SR-1A's) are available for your review at the County Tax Board or your Municipal Tax Assessor's office. The SR-1A will indicate if the sale you are intending to use is deemed useable or not.

You can also attain multiple sales listings from local realtors or the internet. Remember, you will need to verify if the sales you have selected are deemed useable.

Comparable means most of the characteristics of your property and the neighboring sale is similar. You should be knowledgeable of the conditions of the sales you cite including financing and be able to give a full description of the properties. Some of the characteristics making your property comparable are: recent sale price, similar square footage of living area measured from the exterior, similar lot size or acreage, proximity to your property, the same zoning use (e.g. duplex in a duplex zone), and similar age and style of structure, etc.

### **What are Useable Sales?**

You should be prepared to address the legitimacy of the transaction i.e. it should be one of willing buyers and willing sellers who are not influenced by extraordinary issues (foreclosure, bankruptcy, and transactions between related parties, etc.). There are 33 categories of non-useable sales and you can verify if the sale is useable by checking the SR-1A's.

## Property Assessment Appeal Checklist

- ✓ File the appeal on or before April 1 of the current tax year, with service to the County Tax Board, Municipal Assessor and the Municipal Clerk. In a taxing district where a municipal revaluation or municipal wide reassessment has been implemented the appeal filing deadline is May 1.  
*On April 1<sup>st</sup>, appeals must be received physically in our office by the close of business (4pm), in order to be deemed received. Mail postmarked on the 1<sup>st</sup> of April and received on a later date will be rejected.*
- ✓ Be sure all information is legible, completed; you have signed and dated the appeal and certification.
- ✓ It is highly recommended you provide a telephone number and email address should the need to contact you arise.
- ✓ When filing, the original appeal form, (White copy) is delivered to the Tax Board. Please be sure to retain a copy of your appeal (Gold copy). You must also serve copies of your appeal to the Tax Assessor (Yellow copy) and City Clerk (Pink copy) of your municipality.
- ✓ A separate appeal must be filed for each individual property you plan on appealing.
- ✓ There is a charge to file your appeal and those fees can be found on the instructions of your Tax Appeal packet. **ONLY EXACT CHANGE** (CASH), Check or Money Order will be accepted.
- ✓ While the sale of a property under appeal is evidential, the true market value should be supported by a minimum of three (3) and a maximum of five (5) comparable sales.
- ✓ Any Comparable Sales or Appraisal reports must be submitted at least **7** calendar days prior to your hearing. Failure to meet this requirement may result in the dismissal of your appeal. **ENSURE** your name, property address, Block & Lot, and contact number are included on the paperwork.  
*For the comparable sales, 1 copy goes to the Tax Board, 1 to the Tax Assessor and 1 copy to the City Clerk. For Appraisal reports, 1 copy MUST be submitted to the Tax Board, 1 to the Tax Assessor and 1 copy to the City Clerk.*
- ✓ The comparable sales that you submit as evidence of true market value must support the valuation of your property as of October 1<sup>st</sup> of the year prior to the year being appealed. Current year sales will be suitable evidence for next year's appeals. (Generally, when appealing 2010 assessments, you need 2009 sales data)
- ✓ All sales must be deemed usable sales. To determine if a sale is usable please visit your local Tax Assessor office or the County Tax Board and ask to review the SR1A files.
- ✓ Sales used as evidence that fall outside of the required time frame as outlined above or are deemed non-usable, will be disqualified as evidence.
- ✓ Please make sure all of your property taxes and municipal charges are paid up to the 1<sup>st</sup> quarter of the current year. Otherwise, your tax appeal can be dismissed for failure to pay taxes.

### BE AWARE OF COMMON MISUNDERSTANDINGS

- ✓ Taxes **cannot** be appealed, as they are a result of the budget process.
- ✓ Assessments of other properties are not acceptable as evidence of value.
- ✓ You are appealing the **total** assessment. The land and improvement components cannot be individually appealed.

- ✓ There is a presumption of correctness in regard to the present assessment. The property owner appealing the assessment must, through the presentation of sufficient evidence of true market value, overcome this presumption to achieve a change in the assessment. (N.J.S.A 54:4-23 case notes) Refer to Chapter 123 worksheet.
- ✓ If an Appraisal is to be used, the Appraiser **MUST** be present to testify. You **MUST** submit 1 copy of the appraisal report, serve one to the assessor, one to the city clerk and retain a copy for your records. **Please note an Appraiser cannot represent a tax payer at an appeal hearing. An appraiser can only speak to the appraisal report submitted.**

N.J.S.A. 45:14f-21(c) very specifically provides:

*No person other than a State licensed real estate appraiser, a State real estate appraiser or a person who assists in the preparation of an appraisal under the direct supervision of a State licensed or certified appraiser shall perform or offer to perform an appraisal assignment in regard to real estate located in this State including, but not limited to, any transaction involving a third party, person, government or quasi-governmental body, court, quasi-judicial body or financial institution.*

**\*Please note Real Estate agents are not allowed to represent a petitioner for a tax appeal. Real Estate agents may appear as a fact witness and discuss how they marketed the property, listing price, offers, but may not offer an opinion of value as they are not a licensed real estate appraiser. Additionally, the real estate agent must have completed an inspection of the property in order to be able to testify.**

- ✓ If you're a business entity other than a sole proprietor you must be represented by an Attorney-at-Law. It is imperative that your attorney be present at the hearing. Failure to do so will result in the dismissal of your appeal.  
Example: LLC, LLP, LP, Corporation, etc.
- ✓ If a settlement is agreed upon between you and the assessor, there is no need to attend the hearing. Please make sure to obtain a copy of your agreement. BUT, if you choose to reject the Assessor's offer, please be aware once your Appeal hearing commences, that offer is no longer on the table.

# The Appeal Form at a Glance

All Petitions of Appeal filed with the Union County Board of taxation must be fully completed and signed upon submission. Failure to complete sections a required may result in immediate dismissal of your appeal. Please see how to properly fill the form out in the example below:

|   |   |  |  |
|---|---|--|--|
| Form A-1 (1-10)   | <b>UNION</b><br>PETITION OF APPEAL<br>COUNTY BOARD OF TAXATION  | Appeal Number<br><div style="border: 1px solid black; width: 100px; height: 15px;"></div>        |  |
| Property Class <u>SEE CHART BELOW</u>   |   | Filed _____<br>Check/Cash _____<br>Checked _____<br>Notified _____<br>Heard _____                |  |
| NAME OF PETITIONER <u>SMITH, JANE AS IT APPEARS ON THE POSTCARD</u><br><small>(Please type or print)</small>  |   |  |  |
| MAILING ADDRESS <u>YOUR CURRENT MAILING ADDRESS</u>   | Daytime Telephone No. : (556 ) <u>555-5555 CONTACT# NEEDED</u>  |  |  |
|   | E-mail Address <u>NAME@EMAIL.COM</u>  |  |  |
| BLOCK <u>100</u> LOT <u>1</u> QUALIFIER _____ Lot Size _____  |   |  |  |
| Municipality <u>CITY WHERE PROPERTY IS</u> Property Location <u>ADDRESS OF PROPERTY BEING APPEALED</u>  |   |  |  |
| Name, telephone no., fax no. and address of person or attorney to be notified of hearing and judgment if different than above:<br><u>ONLY IF YOU HAVE ATTORNEY REPRESENTATION, PLACE THE CONTACT INFO HERE</u>  |   |  |  |
| <u>ALL CORRESPONDENCE WILL BE SENT TO INFORMATION PROVIDED HERE</u>   |   |  |  |
| <b>SECTION I APPEAL OF REAL PROPERTY VALUATION (SEE INSTRUCTION SHEET FOR FILING FEES AND DEADLINE DATE)</b>  |   |  |  |
| TAX YEAR <u>CURRENT TAX YEAR</u>  |   |  |  |
| <u>CURRENT ASSESSMENT</u>   |   | <u>REQUESTED ASSESSMENT</u>  |  |
| Land \$ <u>FOUND ON POSTCARD</u>  | Land \$ _____   | <small>WHAT YOU FEEL<br/>YOUR ASSESSED<br/>VALUE SHOULD BE</small>                               |  |
| Improvement \$ <u>FOUND ON POSTCARD</u>   | Improvement \$ _____  |  |  |
| Abatement \$ _____  | Abatement \$ _____  |  |  |
| Total \$ <u>FOUND ON POSTCARD</u>   | Total \$ _____  |  |  |
| Purchase Price \$ _____<br>Date of Purchase _____   | Tax Court Pending <u>YES</u> <u>NO</u>  |  | <small>REFERS TO CASES<br/>PREVIOUSLY FILED<br/>WITH TAX COURT</small> |
| OTHER REASON FOR APPEAL: _____  |   |  |  |
| <b>SECTION II COMPARABLE SALES (See Instruction #9B)</b>  |   |  |  |
| <b>PROPERTIES IN YOUR AREA THAT HAVE SOLD RECENTLY - MUST PROVIDE 3-5 USEABLE SALES</b>   |   |  |  |
| Block/Lot/Qualifier   | Property Location   | Sale Price   | Sale/Deed Date   |
| EX. 1. <u>101/2</u>   | <u>100 MAIN ST</u>  | <u>\$ \$200,000</u>  | <u>07/01/2010</u>  |
| 2. _____  | _____   | \$ _____   | _____  |
| 3. _____  | _____   | \$ _____   | _____  |
| 4. _____  | _____   | \$ _____   | _____  |
| 5. _____  | _____   | \$ _____   | _____  |
| <b>SECTION III APPEAL FOR DENIAL OF: (See Instruction #4, "Filing Fees")</b>  |   |  |  |
| <b>**THIS AREA DOES NOT NEED TO BE COMPLETED FOR A TAX APPEAL</b>   |   |  |  |
| 1. <input type="checkbox"/> Veteran's Property Tax Deduction  | 5. <input type="checkbox"/> 100% Disabled Veteran Exemption or<br>Surviving Spouse or<br>Civil Union Partner or<br>Domestic Partner Exemption |  |  |
| 2. <input type="checkbox"/> Veteran's/Serviceperson's Surviving Spouse or<br>Veteran's/Serviceperson's Surviving Civil Union Partner or<br>Veteran's/Serviceperson's Surviving Domestic Partner Deduction   | 6. <input type="checkbox"/> Farmland Assessment Classification  |  |  |
| 3. <input type="checkbox"/> Senior Citizen /Disabled Person Property Tax Deduction  | 7. <input type="checkbox"/> Abatement or Exemption -Religious, Charitable, etc.   |  |  |
| 4. <input type="checkbox"/> Surviving Spouse or<br>Surviving Civil Union Partner<br>of Senior Citizen/Disabled Person   | 8. <input type="checkbox"/> REAP Property Tax Credit<br><small>(Specify)</small> _____  |  |  |
| MUNICIPALITY'S REASON FOR DENIAL: _____<br><small>(Attach copy of Denial Notice)</small>  |   |  |  |
| WHEREFORE, Petitioner seeks judgment reducing/increasing (circle one) the said assessment(s) to the correct assessable value of the said property and/or granting the requested deduction, credit, Farmland Assessment classification, exemption or abatement.  |   |  |  |
| DATED ON OR BEFORE 04/01  |   | <u>SIGNATURE OF PERSON FILING APPEAL</u><br><small>Petitioner or Attorney for Petitioner</small> |  |
| <b>CERTIFICATION OF SERVICE</b>   |   |  |  |
| On <u>03/29</u> , 20 <u>  </u> , I, the undersigned, served upon the Assessor and the Clerk of <u>CITY/TOWN</u> (Municipality) or upon the taxpayer, personally or by regular mail or certified mail, a copy of this appeal. I certify that the foregoing statement I have made is true. I am aware that if the foregoing statement is willfully false, I am subject to punishment. <b>BY SIGNING HERE YOU ARE STATING YOU WILL SERVE THE MUNICIPAL CLERK AND ASSESSOR COPIES OF THE APPEAL AND ALL SUPPORTING DOCUMENTS.</b> |   |  |  |
| Date  | <b>**FAILURE TO COMPLY WITH THIS MAY<br/>RESULT IN DISMISSAL OF YOUR APPEAL</b>   | Signature  |  |
| The Director of the Division of Taxation has prescribed this form. No other form will be accepted. Reproduction of form is permitted provided it is the same content and legal size.  |   |  |  |

### Property Classes

- |                              |                      |
|------------------------------|----------------------|
| Class 1- Vacant Land         | Class 4A- Commercial |
| Class 2- Residential         | Class 4B- Industrial |
| Class 3A- Farmland Regular   | Class 4C- Apartment  |
| Class 3B- Farmland Qualified |                      |

## How do I determine whether or not I have a case?

The purpose of the Tax Appeal process is to determine if your property is being fairly assessed. The Tax Board examines this by following the formula established by the legislature in 1973 known as Chapter 123.

The goal of Chapter 123 is to verify that the relationship between your current total assessment and your indicated determination of true market value is within the acceptable range as outlined in Chapter 123.

## How does Chapter 123 Work?

In most cases your total assessed value does not reflect true market value. Hence, in order to determine what the true market value of your home is today, the State of NJ Division of Taxation studies all sales within your municipality during what is called a sampling period. They then conduct a study to calculate what the average assessed to market value ratio is.

**For example: If your assessed value in 2010 was \$30,000, and you then sold your house for \$300,000, then your assessed value to market value ratio would be 10%.**

After compiling their study, the state comes up with an average assessed to market value ratio for the entire municipality. This is also known as the Common Level Ratio or director's ratio.

**For example: Let's say the City of Elizabeth has a Common Level Ratio (CLR) of 10.00% as determined by the State. Then all assessed values for the City of Elizabeth get divided by the ratio in order to determine its true market value.**

**Mr. Smith's Assessed Value:**

|                      |                   |
|----------------------|-------------------|
| <b>Land -</b>        | <b>\$20,000</b>   |
| <b>Improvement -</b> | <b>\$30,000</b>   |
| <b>TOTAL</b>         | <b>- \$50,000</b> |

**TOTAL assessed value divided by Common Level Ratio.  
\$50,000 / .1000 = \$500,000**

IN THIS EXAMPLE, Mr. Smith has a true market value, as indicated by the State of NJ using the common level ratio, of \$500,000. This **may or may not** be the actual true market value. This is the average value by which the Board will utilize to determine the accuracy/fairness of your property assessment.

**Now, we will discuss the second part of Chapter 123 known as "The corridor".**

In addition to the Common Level Ratio (CLR), there are 2 other ratios known as the Lower and Upper Limit. These ratios help establish a value range 15% above and 15% below the Common Level Ratio. Should you prove a market value outside this value range your assessment would then be reduced or increased by applying the new market value, as determined by the Tax Board, and multiplying it by the Common Level Ratio to ensure uniformity.

**For example: Mr. Smith's Common Level Ratio was 10.00%. His lower limit ratio would be 8.5% and the upper limit ratio would be 11.5%. (Please note these ratios are calculated for you every year by the State of NJ Division of Taxation and included in this packet for your use.)**

As calculated previously, Mr. Smith's true market value, as determined by dividing Mr. Smith's assessed value by the Common Level Ratio, was \$500,000. Now we will divide Mr. Smith's assessed value again by both the lower and upper limit ratios to determine the corridor/value range Mr. Smith must prove outside of in order to be successful with his appeal:

**Mr. Smith's Assessed Value: \$50,000**  
**Lower Limit Ratio: \$50,000 / .085= \$588,235**  
**Upper Limit Ratio: \$50,000 / .1150= \$434,782**

**In conclusion, Mr. Smith's value range for the purpose of his tax appeal is as follows:**

| <b>UPPER LIMIT</b> | <b>COMMON LEVEL AVG</b> | <b>LOWER LIMIT</b> |
|--------------------|-------------------------|--------------------|
| <b>\$434,782</b>   | <b>\$500,000</b>        | <b>\$588,235</b>   |

Therefore in order for Mr. Smith to be successful with his appeal, he must demonstrate through his comparable sales or appraisal report, a market value of less than \$434,782.

If Mr. Smith was successful in proving this, and the Tax Board decided in his favor, then the new market value determined would be multiplied by the Average Ratio to arrive at the new assessed value.

**For example, Mr. Smith's market value as determined by the tax Board is \$405,000.**  
**\$405,000 x .1000 (Common Level Ratio) = \$40,500**  
**Mr. Smith's new Assessed value for the year would now be \$40,500. This would be a reduction of \$9,500 from the previous year's assessed value.**

### **How does this impact my taxes?**

Let's examine Mr. Smith's old assessed value of \$50,000 and calculate his property taxes with this assessed value. Then we will examine his property taxes using the new reduced assessed value. The tax rate for Mr. Smith's municipality is \$2.50.

**Property Taxes based on Original assessed value of \$50,000.**  
 $\$50,000 / 100 = \$500$   
 $\$500 \times \$2.50 = \$1,250.00$

The original amount of taxes for the year, due for Mr. Smith's property was \$1,250.00.

**Property Taxes based on REDUCED assessed value of \$40,500.**  
 $\$40,500 / 100 = \$405$   
 $\$405 \times \$2.50 = \$1,012.50$

Mr. Smith with his reduced Assessed value now has a tax bill of \$1,012.50. Mr. Smith realized a savings of **\$237.50** for tax year 2010.



# INSTRUCTIONS FOR FILING PETITION OF APPEAL

## 1. FILING DATE

- (a) Your appeal must be received (not merely postmarked) by the County Tax Board on or before April 1st of the tax year. In a taxing district where a municipal-wide revaluation or municipal-wide reassessment has been implemented for the current year, the appeal filing deadline is extended to May 1. An appeal received after the close of business hours on the applicable filing deadline date is untimely filed and will result in dismissal of the appeal. If the last day for filing an appeal falls on a Saturday, Sunday or legal holiday, the last day shall be extended to the first succeeding business day.
- (b) A property owner shall have 45 days to file an appeal upon issuance of a "Notification of Change of Assessment".
- (c) In the case where the assessor fails for any reason to mail or deliver a notification of assessment or a change in assessment, the County Tax Board may, upon the written application of the property owner and with the approval of the Director of the Division of Taxation, grant a reasonable extension of time to file an appeal.

## 2. SEPARATE APPEALS

Separate appeals must be filed for each taxed parcel unless the County Tax Administrator grants prior approval.

## 3. FILING OF PETITION

- (a) The original petition must be filed with the County Tax Board.
- (b) A copy must be served upon the Assessor of the municipality in which the property is located, or, in the event of a municipal appeal, served upon the property owner.
- (c) A copy must be served upon the Clerk of the municipality in which the property is located, or in the event of a municipal appeal, served upon the property owner
- (d) A copy should be retained by the petitioner.
- (e) Any supporting documents attached to the original petition shall also be attached to the Assessor and Clerk copies.

**NOTE:** The property owner should be absolutely certain to file a copy of the petition of appeal with both the municipality (the Clerk and the Assessor) and the County Board of Taxation. Failure to properly serve the Petition of Appeal forms MAY RESULT IN DISMISSAL OF YOUR APPEAL.

## 4. FILING FEES (Must accompany original petition of appeal)

- (a) Assessed Valuation less than \$ 150,000 ..... \$ 5.00  
\$150,000 or more, but less than \$ 500,000 ..... \$ 25.00  
\$500,000 or more, but less than \$1,000,000 ..... \$ 100.00  
\$1,000,000 or more ..... \$ 150.00
- (b) Appeal on Classification ..... \$ 25.00
- (c) Appeal on Valuation and Classification ..... Sum of a and b
- (d) Appeal not covered by a, b or c ..... \$ 25.00

**\*\* As of 2010 Assessment Value Ranges for filing Tax Appeals has changed. Assessed values OVER \$1,000,000 can be filed directly to Tax Court. Assessed values UNDER \$1,000,000 MUST be filed at the County Board of Taxation.**

Check should be made payable to "*County Tax Administrator*".

No fee is required to file a petition contesting denial of application for Veterans and Veteran's/ Serviceman's/ Servicewoman's/ Surviving Spouse deduction, Senior Citizen's or Disabled person's deduction.

## 5. PAYMENT OF REAL ESTATE TAXES ON APPEAL

N.J.S.A. 54:3-27 provides that a property owner who shall file an appeal of an assessment shall pay to the collector of the taxing district no less than the total of all taxes and municipal charges due up to and including the first quarter of the taxes and municipal charges assessed against him for the current year. *Failure to comply with this provision may result in a dismissal of the Petition of Appeal.*

## 6. ADJOURNMENTS

Tax appeal hearings are held annually beginning after the filing deadlines and until June 30. Hearings are scheduled Tuesday through Friday between 9am and 4pm. No adjournments will be granted except for extraordinary reasons such as a documented medical emergency. If an adjournment is granted, unless specific authorization is given by the Tax Administrator, delivery of ALL evidence including comparable sales must be made seven (7) days prior to the **ORIGINAL** hearing date assigned.

## 7. REPRESENTATION AT HEARING

- (a) A property owner must be present at the hearing or be represented by an Attorney-At-Law admitted to practice in the State of New Jersey.
- (b) In the event the property owner is a business entity other than a sole proprietor, its appeal must be prosecuted by an Attorney-At-Law admitted to practice in the State of New Jersey.

## 8. DISCRIMINATION

In real property assessment cases, a claim of “Discrimination” charges that the assessed-to-market value ratio being applied to the subject property is in excess of what is legally permissible. N.J.S.A. 54:3-22(c) to (f) requires that whenever the County Board finds that the ratio of assessed value to true value of property under appeal exceeds the upper limit or falls below the lower limit by 15% of the average ratio for each municipality, the County Board shall revise the assessment by applying the average ratio to the true value of the property. Petitioner who alleges discrimination other than discrimination under N.J.S.A. 54:3-22(c) to (f) (Chapter 123) must so specify in the Petition of Appeal. PLEASE SEE *Introduction to Chapter 123* beginning on page 6 of this booklet for additional information regarding the use of Chapter 123 calculations.

**Important Note:** The Chapter 123 test is not utilized in the year of a revaluation or reassessment. In the year of a revaluation or reassessment there is no “range of permissible values” because the *total assessed value* must equal the *true market value*.

## 9. SUPPORTING PROOF AND PROCEDURES: ONLY THE ASSESSED VALUE CAN BE APPEALED-NOT THE AMOUNT OF TAXES ON YOUR PROPERTY

The assessment value placed on the property by the Assessor is presumed to be correct, and it is the property owner 's burden to overcome that presumption by presenting sufficient proofs of market value. In order to determine the taxable value of your property, you must demonstrate what the market value of your property was as of October 1st, of the year prior to the year being appealed. Thus, the property owner should be prepared to present adequate evidence to support a tax assessment revision as follows:

### (a) APPRAISALS

1. A party intending to rely on expert testimony shall furnish to the Board two (2) copies of a written appraisal report and shall furnish one copy of the report to each opposing party at least seven calendar days prior to the hearing. If the property owner is relying upon the report of an appraiser as evidence, the appraiser **must be** present to testify and be cross-examined. Otherwise the contents of the report will not be considered by the Board if objected to by the municipality. If you intend to use an expert appraisal witness in your tax appeal, please take notice that under N.J.S.A. 45:14F-21, an appraisal submitted in the context of a tax appeal must be performed by a State licensed or certified appraiser.

2. If the municipality intends to rely on its Assessor or a representative of a revaluation company as its expert and if such testimony will involve data and analysis which is not reflected on the property record card, the municipality shall furnish to the Board copies of a written report reflecting such data and analysis and shall furnish one copy of the report to each opposing party at least one week (seven calendar days) prior to the hearing.
3. The Board, at its discretion and in the interest of justice, may waive the requirements for the submission of written reports.
4. At the request of the taxpayer, the municipality shall also furnish that party with a copy of the property record card for the property under appeal at least one week (seven calendar days) prior to the hearing.

**(b) COMPARABLE SALES**

A minimum of three (3) but not more than five (5) comparable sales shall be submitted to the Assessor, Municipal Clerk and County Tax Board, no later than one week (seven calendar days) prior to the hearing if not included with the petition of appeal. The dates of the comparable sales to be introduced in evidence should precede October 1st of the pre-tax year. If the property is a one to four family residential dwelling, the property owner or the witness should be prepared to present sales of residential properties comparable to the subject property and be knowledgeable of the conditions of the sales and nature of the properties. If the property is vacant land, the property owner should be prepared to present sales of vacant land comparable to the subject property in size, quality, and location. The property owner may not separate the assessment value of the land from that of the improvement. The Board must consider the total aggregate assessment. The information regarding each comparable sale shall include the block, lot, sale price and deed date.

**NOTE:** Comparable assessments are not acceptable as evidence of value and not all sales are usable. Only transactions that have a sale price that reflects the true market value of the property are usable as comparable sale evidence.

**(c) STATEMENT ACCOMPANYING PETITION OF APPEAL FOR INCOME PRODUCING PROPERTY**

There shall be attached to a petition appealing an assessment of a commercial, industrial or multi-dwelling property (more than a four family dwelling) an itemized statement showing the amount and source of all income and expenses with respect to such property for the most recently completed accounting year and for such additional years as the Board may request.

**(d) OTHER DATA**

Subject to the Board's discretion, you may present other relevant information concerning the property under appeal, such as, but not limited to photographs, survey, cost data, etc. The property owner may present testimony of a professional appraiser or any other witness who has knowledge of relevant facts. If the property owner wishes to introduce other relevant evidence which is provided by someone other than the witness for the taxpayer, that person must also be present to testify and be cross-examined. Otherwise, that evidence will be rejected by the Board if objected to by the municipality. The property owner may also present evidence of age, condition, location, encumbrances, easements and such other factors affecting value.

If the property owner has failed to respond within the time provided by the rules and Statutes concerning demands for discovery by the municipality (such as interrogatories or income and expense statements, etc.), testimony regarding those facts may be excluded from evidence upon objection by the municipality.

## **10. SIGNATURE AND CERTIFICATION OF SERVICE**

The property owner's signature or the property owner's attorney is required to certify as to the truth of the statements in the petition and to the proof of service of the copies to the municipal Assessor and Clerk (or to the property owner in the case of a municipal appeal).

## **11. SETTLEMENTS**

A settlement agreed upon between property owner and the municipality must be approved by the County Board and must reflect whether the assessor agrees with the settlement. Proposed stipulations containing the settlement terms must be executed on forms available at the County Board office and when appropriate, include market value evidence (comparable sales) in support of the proposed change. Settlement stipulations must be signed by all parties or their representatives (municipalities must have attorney's signature). If the Board approves the settlement, the Board will enter judgment incorporating the settlement. If the Board disapproves the settlement, the Board will notify the parties of this fact and will schedule a hearing for the appeal.

## **12. PROPERTY CLASSIFICATION**

If the appeal involves only the classification of property, for each parcel of property sought to be reclassified the fee is \$25.00. Property classes are defined in **N.J.A.C. 18:12-2-2** et seq. and include Classes 1 (Vacant Land); 2 (Residential); 3A (Farm property Regular); 3B (Farm property Qualified); 4A (Commercial); 4B (Industrial); 4C (Apartments); 5A (Railroad Class I); 5B (Railroad Class II); 6A (Personal Property Telephone); 6B (Machinery, Apparatus or Equipment of Petroleum Refineries); 15A (Public School Property); 15B (Other School Property); 15C (Public Property); 15D (Church and Charitable Property); 15E (Cemeteries and Graveyards); 15F (Other Exempt).

## **13. FILING COMPLAINT WITH TAX COURT**

By law, unless the Director of the Division of Taxation grants an extension beyond the deadline for filing appeals, the Tax Board must hear and determine all appeals within three (3) months of the last day for filing appeals, typically April 1<sup>st</sup>. Judgments are issued shortly thereafter.

The judgment of the County Board of Taxation may be appealed to the Tax Court of New Jersey by filing a complaint with the Tax Court Management Office within forty-five (45) days from the date of the service of the judgment (date of mailing). The Tax Court of New Jersey is located at the:

Richard J. Hughes Complex, 25 Market Street, Trenton, New Jersey.  
Mailing address: CN 972, Trenton, New Jersey 08625-0972.

## WHAT TO EXPECT AT A PROPERTY ASSESSMENT APPEAL HEARING

The assessment appeal process provides a *check and balance* procedure in the overall assessment process. It aids in furthering the statutory directive of assessing “according to the same standard of practice”. This guide has been created to assist you. It is recommended that you treat the review of its contents as the first step in that process. Should you decide to appeal, the material below provides you with what to expect relating to a property assessment appeal hearing.

### NOTIFICATION:

- To comply with the 10-day notification requirements, hearing notices will be mailed to all parties involved at least 10 days prior to the scheduled hearing date. The hearing notice will inform you of the location, date, and time of your hearing.
  - **Location:** All Union County Tax Board hearings are held in the Board of Taxation, 271 North Broad St. 3rd Floor, Elizabeth, NJ 07207
  - **Date:** Hearings will be scheduled during the months of May and June, Tuesday through Friday.
  - **Time:** You will be notified of a hearing time on your hearing letter.

If you have not received a hearing notice by May please contact our office @ 908-527-4775

### PRIOR TO HEARING:

- Among other rules, found later in this guide, the Tax Board requires that evidence in support of the appeal must be submitted no later than seven (7) calendar days prior to the hearing if not included with the petition of appeal (see additional information later in this guide) at time of filing. Failure to meet this requirement may result in the dismissal of your appeal.

### AT THE HEARING:

- When your property is called you will be asked to come forward where you will be sworn-in prior to providing testimony.
- You will then be asked to “state the reasons for your appeal” and “your opinion of value as of October 1<sup>st</sup> of the pretax year”, based on the evidence exchanged 7 days prior to the hearing.
- Next the municipality will have the opportunity to cross-examine you or your representative’s, presentation of evidence.
- Based on your testimony, the municipality will either rest on its assessment or present its evidence. If the municipality stands on its assessment, it is their opinion that you have not met the burden of proof in your presentation. If the town does present evidence, then you will have the opportunity to cross-examine their evidence after they are done.
- Thereafter, the Tax Board Commissioner may request additional information or clarification of facts presented. This will complete the hearing and a judgment, reflecting the Tax Board’s decision on the matter, will be forthcoming.

### IMPORTANT HEARING ROOM RULES:

- To ensure the receipt of testimony, during the hearing, all questions and answers must be directed to the Tax Board Commissioner and the audience is asked to remain courteous and quiet while all testimony is being delivered.
- No food or beverages are permitted within the hearing room.
- No cell phones are allowed.
- Metered Parking is available on the street.