

SENATE, No. 4581

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED SEPTEMBER 28, 2026

Sponsored by:
Senator DECLAN J. O'SCANLON, JR.
District 13 (Monmouth)

SYNOPSIS

Revises statutes concerning assessment of real property.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the assessment of real property, supplementing
2 Title 54 of the Revised Statutes, and amending and repealing
3 various parts of the statutory law.

4

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

7

8 1. (New section) Sections 1 through 3 of P.L. , c.
9 (C.) (pending before the Legislature as this bill) shall be
10 known and may be cited as the “Modernization of Real Property
11 Assessment Act.”

12

13 2. (New section) The Legislature finds and declares:

14 a. In New Jersey, the property assessment function is the
15 mechanism for distributing the cost of county, municipal and school
16 district services amongst the taxpayers of each district. The
17 property tax levy for county, municipal and school district budgets
18 exceeded \$36 billion Statewide in 2025, much larger than income
19 tax collections or sales tax collections in that year.

20 b. Under State law, there are two objective measures of the
21 quality of property assessments: the general coefficient of
22 deviation, and the director’s assessed-value to market-value ratio.
23 Currently, in only two of 21 counties, namely Monmouth and
24 Somerset counties, do the vast majority of municipalities, on
25 average, satisfy the permissible threshold for both of those
26 assessment measures. The property taxpayers in the remaining 19
27 counties generally do not have access to the same assessment
28 transparency and accuracy. If a property is over-assessed, its
29 owners will generally pay higher property taxes than they would if
30 their property was assessed at its correct market value. If a property
31 is under-assessed, its owners will generally pay less property taxes
32 than they would if their property was assessed at its correct market
33 value. Neither scenario is fair to the individual property taxpayers,
34 or the broader group of municipal residents.

35 c. Based on the State’s published metrics, a substantial
36 percentage of the property assessments throughout the State are in
37 violation of the law and should undergo immediate reassessment.
38 To address the roughly 1.5 million individual properties that would
39 require reassessment, if those assessments were corrected using a
40 traditional revaluation of property in the municipalities in which
41 those properties are located, which would cost on average \$130 per
42 parcel of real property revalued, it would cost the municipalities in
43 the State approximately \$195,650,000 to perform those revaluations
44 and correct the real property assessments. This multi-million dollar

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 cost would be borne by property taxpayers and would add to the
2 already high property tax burden in this State.

3 d. Using the current per-parcel cost for a traditional revaluation,
4 it would cost property taxpayers roughly \$455,000,000 to reassess
5 the State's approximately 3.5 million parcels of real property to
6 bring them up to true value, which is the statutory standard that the
7 State has set for uniformity of real property assessments as required
8 in the State Constitution. Without periodic maintenance, the
9 accuracy of the assessments and the corresponding distribution of
10 the property tax levy begins to erode over time. However, if the
11 State required every municipal assessor to perform recurring
12 reassessments of real property, supported by ongoing periodic
13 internal inspections, to maintain the true value of assessments,
14 municipalities would have a diminished need to contract with
15 revaluation companies, the property tax burden would be fairly
16 distributed among all property taxpayers, and local residents would
17 be taxed based on the true value of their property.

18 e. Therefore, it is in the public interest for the State to require, in
19 every municipality, a transition to regular reassessments of real
20 property supported by ongoing periodic internal inspections, and
21 related revisions to the timing of assessment-related functions, as
22 well as to also revise and streamline the property assessment
23 appeal process. These changes would benefit all property taxpayers
24 in the State, who would be assured that they are paying only their
25 fair share of the property tax burden through the accurate
26 assessment of their property's true value.

27
28 3. (New section) a. On or before November 1 of the ninth full
29 calendar year next following the enactment of P.L. , c.
30 (C.) (pending before the Legislature as this bill), every
31 municipality in the State shall implement the performance of
32 recurring five-year real property reassessment cycles. Each five-
33 year real property reassessment cycle shall consist of either of the
34 following processes:

35 (1) five consecutive years in which all real property assessments
36 in the municipality shall be reassessed to 100 percent of the true
37 value of the property, as of September 1 of the pre-tax year; or

38 (2) four consecutive years in which all real property assessments
39 in the municipality shall be assessed at the director's ratio, followed
40 by the reassessment of all real property in the municipality at 100
41 percent of the true value of the property, as of September 1 of the
42 pre-tax year.

43 b. The governing body of each municipality shall, by
44 resolution, determine whether the five-year real property
45 reassessment cycles shall be implemented in accordance with the
46 process set forth in paragraph (1) or paragraph (2) of subsection a.
47 of this section. A municipality's resolution shall remain in effect
48 for not less than two full five-year cycles. Regardless of the

1 process implemented in the municipality for the five-year real
2 property reassessment cycle, the municipality shall conduct an
3 internal inspection of all properties in the municipality at least once
4 every five years. If a governing body of a municipality fails to
5 adopt a resolution pursuant to this subsection by July 1 of the tax
6 year immediately preceding the initial implementation of the five-
7 year real property reassessment cycle, the reassessment cycle shall
8 be implemented in accordance with the process set forth in
9 paragraph (1) of subsection a. of this section.

10 c. Each county board of taxation shall assist all municipalities in
11 the county in meeting the requirements of this section through the
12 promulgation of a county-wide phase-in plan for the orderly
13 completion and implementation of the transition to the performance
14 of the reassessments required in this section, or by any other means
15 that the board deems appropriate.

16 As used in this section, "director's ratio" means the average ratio
17 of assessed to true value for each taxing district in the State,
18 calculated annually by the Director of the Division of Taxation in
19 the Department of the Treasury.

20

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

23 1. a. All tax assessor certificates issued prior to the effective
24 date of P.L.1999, c.278 (C.54:1-35.25b et al.) shall expire five years
25 following that effective date and shall be renewed in accordance
26 with the procedure established in this section. All tax assessor
27 certificates issued on or after the effective date of P.L.1999, c.278
28 (C.54:1-35.25b et al.) shall expire five years after the issuance of
29 the certificate and shall be renewed in accordance with the
30 procedure established in this section.

31 (1) All tax assessor certificates shall be renewed upon
32 application, payment of the required renewal fee, and verification
33 that the applicant has met continuing education requirements, as set
34 forth in paragraph (2) and paragraph (3) of this subsection. After
35 the initial expiration of any tax assessor certificates following the
36 effective date of P.L.1999, c.278 (C.54:1-35.25b et al.), each
37 renewal period shall thereafter be for a period of three years. The
38 renewal date shall be 30 days prior to the expiration date of the tax
39 assessor certificate.

40 (2) Prior to the first renewal date of a tax assessor certificate
41 pursuant to P.L.1999, c.278 (C.54:1-35.25b et al.) every applicant
42 for renewal shall, on a form prescribed by the Director of the
43 Division of Taxation, furnish proof of having earned a total of at
44 least 50 continuing education credit hours over the prior five-year
45 period. Thereafter, prior to each succeeding renewal date of a tax
46 assessor certificate, every applicant for renewal shall, on a form
47 prescribed by the Director of the Division of Taxation, furnish
48 proof of having earned a total of at least 30 continuing education

1 credit hours over the prior three-year period. For the purposes of
2 this section, one continuing education credit hour means 50 minutes
3 of classroom or lecture time. After verifying that the applicant has
4 fulfilled the continuing education requirement and after receiving a
5 fee of not less than \$50 paid by the applicant to the order of the
6 Treasurer of the State of New Jersey, the Director of the Division of
7 Taxation shall renew the tax assessor certificate. The Director of
8 the Division of Taxation shall determine, by regulation, the
9 circumstances under which an extension of time to complete the
10 requirements for continuing education may be granted by the
11 director.

12 (3) Commencing January 1, 2018, for any tax assessor of a
13 municipality, and for any county assessor of a county, in which one
14 or more Class 3B (Farm Qualified) properties subject to valuation,
15 assessment and taxation pursuant to P.L.1964, c.48 (C.54:4-23.1 et
16 seq.) are located, prior to every renewal date of a tax assessor
17 certificate issued to that tax assessor pursuant to P.L.1999, c.278
18 (C.54:1-35.25b et al.), the applicant for renewal shall, on a form
19 prescribed by the Director of the Division of Taxation, furnish
20 proof of having taken, at least once in the prior three years, the
21 continuing education course concerning certain aspects of farmland
22 assessment required to be offered, free of charge, by the Division of
23 Taxation, in conjunction with the Department of Agriculture,
24 pursuant to subsection b. of section 1 of P.L.2013, c.43 (C.54:4-
25 23.3d).

26 b. There is established within the Division of Taxation in the
27 Department of the Treasury the Tax Assessor Continuing Education
28 Eligibility Board. The board shall consist of six members and be
29 comprised as follows: the Director of the Division of Taxation or
30 his designee, the President of the Association of Municipal
31 Assessors, and the President of the New Jersey Association of
32 County Tax Board Commissioners and County Tax Administrators
33 shall be permanent members. The Director of the Division of
34 Taxation and the President of the Association of Municipal
35 Assessors shall each appoint an additional member who shall serve
36 for a term of two years. The Director of Government Services at
37 Rutgers University shall serve ex officio. Any vacancy in the
38 membership of the board shall be filled for the unexpired term in
39 the manner provided by the original appointment. The first meeting
40 of the board shall be held at the call of the Director of the Division
41 of Taxation, and thereafter the board shall meet annually and shall
42 hold at least one additional meeting within each 12-month period.
43 The board shall establish the curriculum areas and the number of
44 hours in each curriculum area that an assessor shall complete in
45 order to renew certification.

46 c. When the holder of a tax assessor certificate has allowed the
47 certificate to lapse by failing to renew the certificate, a new
48 application and certificate shall be required. If application is made

1 within six months of the expiration of the certificate, then
2 application may be made in the same manner as a renewal, but with
3 an additional late renewal fee of \$50.

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

5 e. **【**In addition to the requirements of this section, to address
6 the introduction to, and competency of, municipal assessors and
7 county tax board personnel with the technology, administrative
8 procedures, and real property appraisal requirements within a
9 demonstration county under a demonstration program established in
10 section 4 of P.L.2013, c.15 (C.54:1-104), the county tax
11 administrator of a demonstration county, in consultation with the
12 members of the county tax board of that demonstration county, shall
13 develop a training program to provide annually, free of charge, an
14 additional 10 credit hours of continuing education training
15 concerning the requirements of the real property assessment
16 function in the demonstration county for all assessors, deputy
17 assessors, tax board commissioners, the county tax administrator,
18 and the deputy county tax administrator, practicing within that
19 demonstration county. Attendance at the training program shall be
20 required for each of these professionals, and the county tax
21 administrator of the demonstration county shall annually certify to
22 the Director of the Division of Taxation in the Department of the
23 Treasury that each of these professionals has completed this
24 training. The continuing education credit hours required by this
25 subsection shall be in addition to the requirements of subsection a.
26 of this section, and shall not be used to satisfy any requirements of
27 that subsection. Any person who does not meet the additional
28 continuing education training requirement required by this
29 subsection shall be ineligible to function as an assessor or deputy
30 assessor in any municipality located in a demonstration county until
31 such time as the additional continuing education training
32 requirement has been satisfied.**】** (Deleted by amendment, P.L. ____,
33 c. C. ____) (pending before the Legislature as this bill)

34 f. (1) The Director of the Center for Government Services at
35 Rutgers, the State University of New Jersey, shall develop a
36 program to be completed by every municipal assessor in the State,
37 leading to certification in the performance of mass appraisal and
38 annual reassessments, to be known as the “mass appraisal
39 certification.” The program shall emphasize material on the laws,
40 regulations and technology governing the implementation of mass
41 appraisal for New Jersey assessors. The program shall consist of
42 classes concerning various elements of the mass appraisal of real
43 property, and shall require a final project using actual property tax
44 data to demonstrate statistical sufficiency in year-over-year
45 assessment change. The content and format of the program shall be
46 subject to the approval of the Director of the Division of Taxation
47 in the Department of the Treasury. The program shall be developed
48 and approved, and shall first be offered to assessors, no later than

1 the first day of the seventh month next following the enactment of
2 P.L. _____, c. _____ (C. _____) (pending before the Legislature as this
3 bill).

4 (2) The certification program may be offered by any licensed
5 and regionally accredited institution of higher education+
6 physically located in the State.

7 (3) No later than January 1 of the fifth year next following the
8 enactment of P.L. _____, c. _____ (C. _____) (pending before the
9 Legislatre as this bill), every municipality shall employ, or shall
10 contract with, an assessor who has earned the mass appraisal
11 certification required by this subsection.

12 (4) Credits earned by assessors who have completed the required
13 coursework for certification under this subsection may be used to
14 satisfy the continuing education requirements set forth in paragraph
15 (2) of subsection a. of this section.

16 g. The Director of the Division of Taxation, in accordance with
17 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
18 seq.), shall adopt such regulations as are necessary to effectuate the
19 provisions of this section.

20 (cf: P.L.2013, c.43, s.6)

21
22 5. Section 19 of P.L.1979, c.499 (C.54:3-5.1) is amended to read
23 as follows:

24 19. a. The president of each county board of taxation shall
25 annually on or before **【August 15】** June 1 report to the Director of
26 the Division of Taxation in the Department of the Treasury**【,** except
27 that the president of a county board of taxation participating in the
28 demonstration program established in section 4 of P.L.2013, c.15
29 (C.54:1-104), the president of a county board of taxation in a
30 county operating under the "Property Tax Assessment Reform Act,"
31 P.L.2009, c.118 (C.54:1-86 et seq.), and the president of a county
32 board of taxation of a county that has adopted, by resolution, the
33 provisions of section 1 of P.L.2018, c.94 (C.54:1-105), shall make
34 this required report to the director annually on or before June 1**】.**
35 Such report shall be in such form as shall be prescribed by the
36 director and shall contain such information and statistics as may be
37 appropriate to demonstrate for the immediately preceding 3-month
38 period during which tax appeals were heard by the county board:
39 the total number of appeals filed with the county board; the
40 disposition of the various appeals disposed of during that period;
41 the character of appeals filed with regard to the classification of
42 properties appealed; the total amount of assessments involved in
43 those appeals; the number of appeals filed in each filing fee
44 category during that period; and, the total amount of reductions and
45 increases of assessed valuation granted by the board during that
46 period.

47 b. The Director of the Division of Taxation shall annually
48 review the reports required under subsection a. of this section, and

1 shall include a summary of the information contained therein in the
2 division's annual report.

3 (cf: P.L.2018, c.94, s.2)

4
5 6. R.S.54:3-17 is amended to read as follows:

6 54:3-17. Each county tax administrator shall annually ascertain
7 and determine, according to his best knowledge and information,
8 the general ratio or percentage of true value at which the real
9 property of each taxing district is in fact assessed according to the
10 tax lists laid before the board. On or before **March 1** of each year,
11 or on or before **May 15** **in the case of a county board of taxation**
12 **participating in the demonstration program established in section 4**
13 **of P.L.2013, c.15 (C.54:1-104)**, the county tax administrator and
14 the county assessor in a county operating under the "Property Tax
15 Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.)**, and**
16 the county tax administrator in a county that has adopted, by
17 resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-
18 105) **shall prepare and submit to the county board an equalization**
19 **table showing, for each district, the following items:**

20 (a) The percentage level established pursuant to law for
21 expressing the taxable value of real property in the county;

22 (b) The aggregate assessed value of the real property, exclusive
23 of class II railroad property;

24 (c) The ratio of aggregate assessed to aggregate true value of the
25 real property, exclusive of class II railroad property;

26 (d) The aggregate true value of the real property, exclusive of
27 class II railroad property;

28 (e) The amount by which the valuation in item (b) should be
29 increased or decreased in order to correspond to item (d);

30 (f) The aggregate assessed value of machinery implements and
31 equipment and all other personal property used in business;

32 (g) The aggregate true value of machinery, implements and
33 equipment and all other personal property used in business;

34 (h) The aggregate equalized valuation of machinery, implements
35 and equipment and all other personal property used in business,
36 computed by multiplying the aggregate true value thereof by the
37 lower of (1) that percentage level established pursuant to law for
38 expressing the taxable value of real property in the county, or (2)
39 the average ratio of assessed to true value of real property as
40 promulgated by the director on October 1 of the pretax year,
41 pursuant to chapter 86, laws of 1954, for State school aid purposes,
42 as the same may have been modified by the Tax Court;

43 (i) The amount by which the valuation in item (f) should be
44 increased or decreased in order to correspond to item (h).

45 A copy of the table shall be mailed to the assessor of each
46 district, and to the Division of Taxation, and be posted at the
47 courthouse, not later than **March 1**, or not later than **May 15** **in**

1 the cases of a county board of taxation participating in the
2 demonstration program established in section 4 of P.L.2013, c.15
3 (C.54:1-104), a county operating under the "Property Tax
4 Assessment Reform Act, P.L.2009, c.118 (C.54:1-86 et seq.), and a
5 county board of taxation in a county that has adopted, by resolution,
6 the provisions of section 1 of P.L.2018, c.94 (C.54:1-105)】.
7 (cf: P.L.2018, c.94, s.3)
8

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

10 54:3-18. The county board of taxation in each county shall meet
11 annually for the purpose of reviewing the equalization table
12 prepared pursuant to R.S.54:3-17 with respect to the several taxing
13 districts of the county. At the meeting a hearing shall be given to
14 the assessors and representatives of the governing bodies of the
15 various taxing districts for the purpose of determining the accuracy
16 of the ratios and valuations of property as shown in the equalization
17 table, and the board shall confirm or revise the table in accordance
18 with the facts. The hearings may be adjourned from time to time
19 but the equalization shall be completed before 【March 10, or not
20 later than】 May 25 【in the cases of a county board of taxation
21 participating in the demonstration program established in section 4
22 of P.L.2013, c.15 (C.54:1-104), a county board of taxation of a
23 county operating under the "Property Tax Assessment Reform Act,"
24 P.L.2009, c.118 (C.54:1-86 et seq.), and a county board of taxation
25 of a county that has adopted, by resolution, the provisions of section
26 1 of P.L.2018, c.94 (C.54:1-105)】. At the first hearing any taxing
27 district may object to the ratio or valuation fixed for any other
28 district, but no increase in any valuation as shown in the table shall
29 be made by the board without giving a hearing, after 3 days' notice,
30 to the governing body and assessor of the taxing district affected.
31 (cf: P.L.2018, c.94, s.4)
32

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

34 54:3-21. a. (1) Except as provided in subsection b. of this
35 section a taxpayer feeling aggrieved by the assessed valuation or
36 exempt status of the taxpayer's property or a taxing district which
37 may feel discriminated against by the assessed valuation or exempt
38 status of property in the taxing district, or by the assessed valuation
39 or exempt status of property in another taxing district in the county,
40 may on or before 【April 1】 January 15, or 45 days from the date the
41 bulk mailing of notification of assessment is completed in the
42 taxing district, whichever is later, appeal to the county board of
43 taxation by filing with it a petition of appeal; provided, however,
44 that any such taxpayer or taxing district may on or before April 1,
45 or 45 days from the date the bulk mailing of notification of
46 assessment is completed in the taxing district, whichever is later,
47 file a complaint directly with the Tax Court, if the 【assessed

1 valuation of ~~the~~ estimated equalized market value as reflected on the
2 current year's notification of assessment provided pursuant to
3 section 32 of P.L.1991, c.75 (C.54:4-38.1) for the property subject
4 to the appeal exceeds \$1,000,000 ~~\$2,000,000~~. **【In a taxing**
5 **district where a municipal-wide revaluation or municipal-wide**
6 **reassessment has been implemented, a taxpayer or a taxing district**
7 **may appeal before or on May 1 to the county board of taxation by**
8 **filing with it a petition of appeal or, if the assessed valuation of the**
9 **property subject to the appeal exceeds \$1,000,000, by filing a**
10 **complaint directly with the State Tax Court.】** Within ten days of
11 the completion of the bulk mailing of notification of assessment, the
12 assessor of the taxing district shall file with the county board of
13 taxation a certification setting forth the date on which the bulk
14 mailing was completed. If a county board of taxation completes the
15 bulk mailing of notification of assessment, the tax administrator of
16 the county board of taxation shall within ten days of the completion
17 of the bulk mailing prepare and keep on file a certification setting
18 forth the date on which the bulk mailing was completed. A
19 taxpayer shall have 45 days to file an appeal upon the issuance of a
20 notification of a change in assessment. An appeal to the Tax Court
21 by one party in a case in which the Tax Court has jurisdiction shall
22 establish jurisdiction over the entire matter in the Tax Court. All
23 appeals to the Tax Court hereunder shall be in accordance with the
24 provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et
25 seq.

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

33 (2) **【With respect to property located in a county participating in**
34 **the demonstration program established in section 4 of P.L.2013,**
35 **c.15 (C.54:1-104), a property located in a county operating under**
36 **the "Property Tax Assessment Reform Act," P.L.2009, c.118**
37 **(C.54:1-86 et seq.), or a property located in a county that has**
38 **adopted, by resolution, the provisions of section 1 of P.L.2018, c.94**
39 **(C.54:1-105), and except as provided in subsection b. of this**
40 **section, a taxpayer feeling aggrieved by the assessed valuation or**
41 **exempt status of the taxpayer's property or a taxing district which**
42 **may feel discriminated against by the assessed valuation or exempt**
43 **status of property in the taxing district, or by the assessed valuation**
44 **or exempt status of property in another taxing district in the county,**
45 **may on or before January 15, or 45 days from the date the bulk**
46 **mailing of notification of assessment is completed in the taxing**
47 **district, whichever date is later, appeal to the county board of**
48 **taxation by filing with it a petition of appeal; provided, however,**

1 that any such taxpayer, or taxing district, may on or before April 1,
2 or 45 days from the date the bulk mailing of notification of
3 assessment is completed in the taxing district, whichever date is
4 later, file a complaint directly with the Tax Court, if the assessed
5 valuation of the property subject to the appeal exceeds \$1,000,000.

6 If a petition of appeal is filed on January 15 or during the 19
7 days next preceding January 15, or a complaint is filed with the Tax
8 Court on April 1 or during the 19 days next preceding April 1, a
9 taxpayer or a taxing district shall have 20 days from the date of
10 service of the petition or complaint to file a cross-petition of appeal
11 with a county board of taxation or a counterclaim with the Tax
12 Court, as appropriate.

13 Within 10 days of the completion of the bulk mailing of
14 notification of assessment, the assessor of the taxing district shall
15 file with the county board of taxation a certification setting forth the
16 date on which the bulk mailing was completed. If a county board of
17 taxation completes the bulk mailing of notification of assessment,
18 the tax administrator of the county board of taxation shall within 10
19 days of the completion of the bulk mailing prepare and keep on file
20 a certification setting forth the date on which the bulk mailing was
21 completed. A taxpayer shall have 45 days to file an appeal upon the
22 issuance of a notification of a change in assessment. An appeal to
23 the Tax Court by one party in a case in which the Tax Court has
24 jurisdiction shall establish jurisdiction over the entire matter in the
25 Tax Court. All appeals to the Tax Court hereunder shall be in
26 accordance with the provisions of the State Uniform Tax Procedure
27 Law, R.S.54:48-1 et seq.】 (Deleted by amendment, P.L. , c.
28 C.) (pending before the Legislature as this bill)

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

34 c. 【In the case of a municipality located in a county wherein the
35 county board of taxation is participating in the demonstration
36 program established in section 4 of the "Real Property Assessment
37 Demonstration Program," P.L.2013, c.15 (C.54:1-104), absent】
38 Absent good cause, a property owner shall not be entitled to appeal
39 an assessment on a parcel of real property if the assessor's or the
40 county board of taxation's request to internally inspect the property,
41 made after the appeal is filed, has been refused by the property
42 owner.

43 d. The owner of a parcel of real property that is a one- to four-
44 family residential dwelling, regardless of its assessed or estimated
45 market value, shall be required to file an appeal with the county

1 board of taxation on or before January 15, or 45 days from the date
2 the bulk mailing of notification of assessment is completed in the
3 taxing district, whichever date is later.

4 (cf: P.L.2021, c.136, s.2)

5
6 9. Section 1 of P.L.1947, c.93 (C.54:3-21.3) is amended to read
7 as follows:

8 1. Upon the filing of a petition of appeal by any taxpayer with
9 the county board of taxation in any county pursuant to section 54:3-
10 21 of the Revised Statutes, such taxpayer or the person acting on his
11 behalf shall pay to the county treasurer, through the county tax
12 administrator, a fee for each such petition according to the
13 following schedule:

14 (a) If the **assessed valuation of** estimated equalized market
15 value as reflected on the most recent notification of assessment
16 provided pursuant to section 32 of P.L.1991, c.75 (C.54:4-38.1) for
17 the property under appeal is:

18 Less than \$150,000.00, the fee shall be \$5.00

19 \$150,000.00 or more but less than \$500,000.00,

20 the fee shall be \$25.00

21 \$500,000.00 or more but less than \$1,000,000.00,

22 the fee shall be \$100.00

23 \$1,000,000.00 or more, the fee shall be \$150.00

24
25 (b) When the appeal shall involve only the classification of
26 property, for each parcel of property sought to be reclassified the
27 fee shall be \$25.00.

28 (c) When the appeal shall involve both the assessed valuation of
29 property and the classification of property, the fees shall be
30 according to the provisions of (a) and (b) of this section.

31 (d) When the appeal shall involve a matter not covered by (a),
32 (b) or (c), the full fee to be paid shall be \$25.00.

33 (e) No filing fee shall be required hereunder to contest the
34 denial of an application for a veteran's or veteran's widow's
35 deduction under section 11 of P.L.1963, c. 171 (C. 54:4-8.20), for a
36 senior citizen's or disabled person's deduction under section 10 of
37 P.L.1963, c. 172 (C. 54:4-89), or for a homestead exemption under
38 P.L.1976, c. 72 (C. 54:4-3.80 et seq.).

39 Each county tax administrator shall be liable for all such fees
40 paid into his hands and he shall pay over all such fees to the
41 treasurer of the county, who shall receive, account and dispose of
42 such fees as revenues of the county, subject to the provisions of
43 section 18 of this amendatory and supplementary act.

44 (cf: P.L.1979, c.499, s.17)

45
46 10. Section 18 of P.L.1979, c.499 (C.54:3-21.3a) is amended to
47 read as follows:

1 18. All revenues received by the county from fees, either
2 established or increased pursuant to this amendatory and
3 supplementary act, shall be used exclusively for the purposes of
4 modernizing the record-retention capabilities of the county board of
5 taxation, for defraying the costs incurred by the county board of
6 taxation in recording and transcribing appeal proceedings, setting
7 forth memorandums of judgment and in providing copies thereof,
8 for paying any salary required to be paid by the county which is
9 increased pursuant to this amendatory and supplementary act~~],~~ and
10 to effectuate the provisions of the real property assessment
11 demonstration program established by section 4 of P.L.2013, c.15
12 (C.54:1-104)].

13 In addition to these purposes, a county board of taxation or
14 county assessor [operating under the "Real Property Assessment
15 Demonstration Program," P.L.2013, c.15 (C.54:1-101 et seq.), the
16 "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-
17 86 et seq.), and a county that has adopted, by resolution, the
18 provisions of section 1 of P.L.2018, c.94 (C.54:1-105),] also shall
19 be able to use these fee moneys for costs of software and hardware
20 necessary for computer-assisted mass appraisal of real property,
21 costs associated with the performance of the five-year real property
22 reassessment cycle required pursuant to section 3 of P.L. _____, c.
23 (C. _____) (pending before the Legislature as this bill), costs
24 associated with continuing education, costs associated assessment
25 function transparency, and paying for all costs related to the
26 maintenance of tax maps.
27 (cf: P.L.2018, c.94, s.6)
28

29 11. R.S.54:3-22 is amended to read as follows:

30 54:3-22. a. The board shall thereupon make such order
31 respecting the time and manner for hearing the appeal as it may
32 deem just, and shall summarily hear and determine the appeal, and
33 revise and correct the assessment in accordance with the value
34 prescribed by law. All appeals filed pursuant to the provisions of
35 chapter 3 of Title 54 of the Revised Statutes shall be heard and
36 determined by the board. It may compel the attendance of
37 witnesses, the production of books and papers before it, examine
38 witnesses or cause witnesses to be examined under oath before it,
39 which oath may be administered by a member of the board.

40 b. In any proceedings before the board where deeds or other
41 instruments of conveyance do not state the true consideration or
42 sale price of the property, which is the subject of appeal, the realty
43 transfer fee paid upon the recording of such deeds or instruments as
44 well as an affidavit of consideration attached to and filed with any
45 such deed or instrument shall be admitted as prima facie evidence
46 of the actual amount of money and the monetary value of any other
47 thing of value constituting the entire compensation paid for such
48 transfer of realty.

1 c. Whenever the county board of taxation is satisfied by the
2 proofs that the ratio of the assessed valuation of the subject property
3 to its true value exceeds the upper limit or falls below the lower
4 limit of the common level range, it shall revise the taxable value of
5 the property by applying the average ratio to the true value of the
6 property except as hereinafter provided.

7 d. If the average ratio is below the county percentage level and
8 the ratio of the assessed value of the subject property to its true
9 value exceeds the county percentage level, the county board of
10 taxation shall reduce the taxable value of the property by applying
11 the average ratio to the true value of the property.

12 e. If both the average ratio and the ratio of the assessed value
13 of the subject property to its true value exceed the county
14 percentage level, the county board of taxation shall revise the
15 taxable value of the property by applying the county percentage
16 level to the true value of the property.

17 f. The provisions of this section shall not apply to any appeal
18 from an assessment of real property taken with respect to the tax
19 year in which the taxing district shall have completed and put into
20 operation a district-wide revaluation program approved by the
21 Director of the Division of Taxation pursuant to P.L.1971, c.424 (C.
22 54:1-35.35 et seq.), district-wide reassessment program,
23 **【compliance plan,】** or any other form of municipal-wide assessment
24 review that requires the revision of all property assessments to
25 current market value, that is approved by the county board of
26 taxation pursuant to R.S.54:4-23.

27 g. At the property owner's written request submitted at the time
28 of filing, the county board of taxation **【may】** shall proceed with a
29 full evidentiary hearing based on the evidence submitted at least
30 seven full days prior to the original appeal hearing date, without the
31 attendance of the property owner. The ability to proceed based on
32 the evidence timely submitted is at the sole discretion of the
33 property owner. The attendance of the author of any expert
34 appraisal or report submitted as evidence in the appeal, if otherwise
35 required, shall not be waived by the taxpayer's decision not to
36 attend the appeal hearing.

37 h. At the property owner's written request submitted at the time
38 of filing, assessment appeal hearings conducted by the county board
39 of taxation **【may】** shall be conducted virtually, using conference
40 call technology and protocols adopted by the county board of
41 taxation. The county board of taxation may relax the requirement
42 of the time of the taxpayer's appeal as the needs of justice allow.
43 (cf: P.L.2021, c.136, s.3)

44
45 12. R.S.54:3-26 is amended to read as follows:

46 54:3-26. a. (1) The county board of taxation shall hear and
47 determine all such appeals within three months after the last day
48 for filing such appeals, and shall keep a record of its judgments

1 thereon in permanent form, and shall transmit a written
2 memorandum of its judgments to the assessor of the taxing district
3 and to the taxpayer, setting forth the reasons on which such
4 judgment was based, and in all cases where the amount of tax to be
5 paid shall be changed as the result of an appeal, to the collector of
6 the taxing district. The Director of the Division of Taxation shall
7 prescribe such procedures and forms for the setting forth of such
8 written memorandums of judgments as may be necessary.

9 Whenever any review is sought of the determination of the
10 county board of taxation, the complaint shall contain a copy of the
11 memorandum of judgment of the county board.

12 Where no request for review is taken to the Tax Court to review
13 the action or determination of the county board involving real
14 property the judgment of the county board shall be conclusive and
15 binding upon the municipal assessor and the taxing district for the
16 assessment year, and for the two assessment years succeeding the
17 assessment year, covered by the judgment, except as to changes in
18 value of the property occurring after the assessment date,
19 effectively freezing the assessment of that parcel of real property at
20 the amount set forth in the judgment for the assessment year and the
21 next two succeeding tax years. The conclusive and binding effect
22 of such judgment shall terminate with the tax year immediately
23 preceding the year in which a program for a complete revaluation or
24 complete reassessment of all real property within the district has
25 been put into effect. If as of **【October】** September 1 of the pretax
26 year, the property in question has been the subject of an addition
27 qualifying as an added assessment, a condominium or cooperative
28 conversion, a subdivision or a zoning change, the conclusive and
29 binding effect of such judgment shall terminate with said pretax
30 year.

31 (2) When the taxing district has implemented five-year
32 reassessments required pursuant to section 3 of P.L. _____, c.
33 (C. _____) (pending before the Legislature as this bill), the
34 freezing of an assessment as set forth in paragraph (1) of this
35 subsection shall limit the change in the assessment to the
36 municipality's year-over-year aggregate value percentage change,
37 which shall be calculated using the total taxable values from each
38 year for the two years following the judgment. Such a limitation
39 shall apply to a judgment that reflects a change in value through
40 settlement, or a judgment based on market value evidence. A freeze
41 of an assessment as set forth in paragraph (1) of this subsection
42 shall not apply when judgment or settlement is entered solely to
43 enforce or correct the application of a prior freezing of an
44 assessment determination, the presumption of correctness was not
45 overcome, there is a physical change to the property, or the freezing
46 of an assessment was waived as part of a settlement.

47 If the assessor increases the assessment or, in the case of five-
48 year reassessments conducted pursuant to section 3 of P.L. _____, c.

(C.) (pending before the Legislature as this bill), increases the assessment at a rate greater than the percentage increase shown in the municipality's year-over-year change in net taxable value, or fails to reflect on the tax duplicate a county board of taxation or Tax Court judgment issued prior to the final preparation of the tax duplicate in either of the two years following the year for which the judgment of the county board was rendered, and if said judgment is a final judgment not further appealed, the burden of proof shall be on the taxing district to establish that the assessor acted reasonably in increasing the assessment. If the county board finds that the assessor did not act reasonably in increasing the assessment or failed to reflect said judgment on the tax duplicate, the county board shall award to the taxpayer reasonable counsel fees, appraisal costs and other costs which shall be paid by the taxing district. (cf: P.L.1999, c.208, s.3)

13. R.S.54:4-23 is amended to read as follows:

54:4-23. All real property shall be assessed to the person owning the same on **【October】** September 1 in each year. The assessor shall ascertain the names of the owners of all real property situate in his taxing district, and after examination and inquiry, determine the full and fair value of each parcel of real property situate in the taxing district at such price as, in his judgment, it would sell for at a fair and bona fide sale by private contract on **【October】** September 1 next preceding the date on which the assessor shall complete his assessments, as hereinafter required; provided, however, that in determining the full and fair value of land which is being assessed and taxed under the Farmland Assessment Act of 1964, chapter 48, laws of 1964, the assessor shall consider only those indicia of value which such land has for agricultural or horticultural use as provided by said act**【**; and provided further however, that when the assessor has reason to believe that property comprising all or part of a taxing district has been assessed at a value lower or higher than is consistent with the purpose of securing uniform taxable valuation of property according to law for the purpose of taxation, or that the assessment of property comprising all or part of a taxing district is not in substantial compliance with the law and that the interests of the public will be promoted by a reassessment of such property, the assessor shall, after due investigation, make a reassessment of the property in the taxing district that is not in substantial compliance, provided that (1) the assessor has first notified, in writing, the mayor, the municipal governing body, the county board of taxation, and the county tax administrator of the basis of the assessor's determination that a reassessment of that property in the taxing district is warranted and (2) the assessor has submitted a copy of a compliance plan to the county board of taxation for approval. In the case of real property located in a county participating in the demonstration program established in section 4 of P.L.2013, c.15

(C.54:1-104), the **】** . The assessor of the municipality **【**in which the real property is situate**】**, after due investigation, shall annually make a reassessment of all of the property in the taxing district **【**that is not in substantial compliance**】** so that after the implementation of a recurring five-year real property reassessment cycle, in the assessor's judgment, each assessment reflects either the director's ratio or 100 percent of the current market value as of September 1 of the pretax year. Following **【a】** the annual reassessment of **【a portion of】** the taxing district pursuant to the provisions of this section, the assessor shall certify to the county board of taxation, through such sampling as the county board of taxation deems adequate, that the reassessment is in substantial compliance with the **【portions of the taxing district that were not reassessed】** requirement to annually maintain all assessments at either the director's ratio or the current market value. For the purposes of assessment, the assessor shall compute and determine the taxable value of such real property at the level established for the county pursuant to law.

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

14. Section 10 of P.L.2017, c.306 (C.54:4-23b) is amended to read as follows:

10. a. Regarding inspections of real property for purposes of a municipal-wide reassessment pursuant to R.S.54:4-23, **【**in the case of a municipality located in a county wherein the county board of taxation is participating in the demonstration program established in section 4 of the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-104), in the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and in the case of a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105),**】** the assessor shall make three good-faith attempts to physically inspect the interior of each of the properties in the municipality not later than December 31 of the year immediately preceding the year of the implementation of the proposed district-wide reassessment. Such inspections may be performed in an ongoing assessment cycle, where internal inspection of 100 percent of the parcels within the municipality shall be attempted every five years. The inspection requirements shall be in accordance with the following:

(1) for a traditional revaluation or reassessment conducted by a municipality that has not implemented the five-year real property assessment cycle required pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill): three physical attempts. Virtual inspections shall be available at the taxpayer's discretion;

(2) for a traditional revaluation conducted by a municipality prior to implementing the five-year real property assessment cycle required pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill): one physical attempt. Virtual inspections shall be available at the taxpayer's discretion;

(3) for a reassessment conducted as part of a five-year real property reassessment required pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill): one physical attempt. Virtual inspections shall be available at the taxpayer's discretion.

If, after **the third attempt** completing the required attempts to inspect the interior of the premises, or earlier refusal, access to the interior of the premises has not been granted by the property owner, the assessor shall assess the property using other observations and sources, including information on the property record card maintained by the assessor.

As used in this section, "good-faith attempt to physically inspect" shall mean that the assessor, an employee of the municipality acting on behalf of the assessor, or a representative of a revaluation company or other company hired by the municipality to provide internal inspection services, shall physically arrive at the parcel of real property and request entry to the interior of the property. If that person is unable to gain entry to the property to perform an interior inspection, the person shall complete the exterior inspection and shall leave a notice affixed to the front door of the property stating that an attempt was made to inspect the interior of the property, with the appropriate contact information prominently displayed on the notice.

b. Notwithstanding the provisions of this section, in any municipality implementing a revaluation program approved by the Director of the Division of Taxation pursuant to P.L.1971, c.424 (C.54:1-35.35 et seq.), district-wide reassessment program, **compliance plan,** or any other form of municipal-wide assessment review that requires the revision of all property assessments to current market value, that is approved by the county board of taxation exclusively, at the taxpayer's discretion, the assessor may perform the internal inspections described in subsection a. of this section in a virtual manner, utilizing smartphone technology and protocols that shall be adopted by the county board of taxation. No such video recordings may be retained by the assessor. This virtual internal inspection alternative shall be available to all assessment function inspections within **the** every county in the State, including, but not limited to, revaluations, reassessments, the **annual** five-year reassessment, and inspections related to added or omitted assessments.

(cf: P.L.2021, c.136, s.1)

1 15. R.S.54:4-35 is amended to read as follows:

2 54:4-35. a. **【**Except as provided in subsection b. of this section,
3 the assessor shall determine his taxable valuations of real property
4 as of October 1 in each year and shall complete the preparation of
5 his assessment list by January 10 following, on which date he shall
6 attend before the county board of taxation and file with the board
7 his complete assessment list, and a true copy thereof, to be called
8 the assessor's duplicate. Such list and duplicate shall include the
9 assessments of personal property reported or determined pursuant to
10 this chapter. They shall be properly made up in such manner and
11 form required by the Director of the Division of Taxation pursuant
12 to R.S.54:4-26, to be examined, revised and corrected by the board
13 as provided by law.**】 Deleted by amendment, P.L. _____, c.**
14 **(C. _____) (pending before the Legislature as his bill)**

15 b. **【**In the case of a municipality located in a county where the
16 county board of taxation is participating in the demonstration
17 program established in section 4 of P.L.2013, c.15 (C.54:1-104), in
18 the case of a county operating under the "Property Tax Assessment
19 Reform Act," P.L.2009, c 118 (C.54:1-86 et seq.), and in the case of
20 a municipality in a county that has adopted, by resolution, the
21 provisions of section 1 of P.L.2018, c.94 (C.54:1-105), the**】 The**
22 assessor shall determine the taxable valuations of real property as of
23 **【October】 September 1 of the pretax year** in each year and shall
24 complete the preparation of the preliminary assessment list by
25 November 1 of the pretax year, and the assessor shall appear on that
26 date before the county board of taxation and shall file with the
27 board a hard copy of the complete preliminary assessment list, or
28 shall certify to the board, on forms promulgated by the Director of
29 the Division of Taxation in the Department of the Treasury, that the
30 electronic file within the county's MOD-IV tax system is his
31 complete preliminary assessment list.

32 After all of the assessment appeals filed with the county tax
33 board have been decided, the assessor shall complete the
34 preparation of the final assessment list by May 5, on which date the
35 assessor shall appear before the county board of taxation and shall
36 file with the board his completed final assessment list, and a true
37 copy of the final assessment list, which true copy shall be the
38 assessor's duplicate. The final assessment and the assessor's
39 duplicate shall include the assessments of personal property
40 reported or determined pursuant to the requirements of chapter 4 of
41 Title 54 of the Revised Statutes, in such manner and form as shall
42 be required by the director pursuant to R.S.54:4-26, and shall be
43 examined, revised and corrected by the board as provided by law.

44 c. Every county board of taxation shall compel the internal
45 inspections of all parcels of real property in every municipality in
46 the county on a five-year inspection cycle. If the inspections are
47 not performed in a timely manner, for whatever reason, the county
48 board of taxation shall cause the inspections to be performed at the

1 municipality's cost. The cost of the inspections shall be directly
2 billed to such a municipality in addition to the apportionment
3 valuation, through the adjustment of the county levy for that
4 municipality pursuant to R.S.54:4-48 and R.S.54:4-49. A
5 municipality feeling aggrieved by a decision of a county board of
6 taxation to require internal inspections to be performed at the
7 municipality's cost may file an appeal of that decision of the county
8 board of taxation to the Tax Court within 45 days of the approval by
9 the Director of the Division of Taxation of the county board of
10 taxation's order requiring the inspections.

11 (cf: P.L.2018, c.94, s.7)

12

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

15 1. a. **【When any parcel of real property contains any building or**
16 **other structure which has been destroyed, consumed by fire,**
17 **demolished, or altered in such a way that its value has materially**
18 **depreciated, either intentionally or by the action of storm, fire,**
19 **cyclone, tornado, or earthquake, or other casualty, which**
20 **depreciation of value occurred after October 1 in any year and**
21 **before January 1 of the following year, the assessor shall, upon**
22 **notice thereof being given to him by the property owner prior to**
23 **January 10 of that year, and after examination and inquiry,**
24 **determine the value of such parcel of real property as of that**
25 **January 1, and assess the same according to such value.】 Deleted**
26 **by amendment, P.L. , c. (C.) (pending before the**
27 **Legislature as this bill)**

28 b. **【(1) In the case of a county participating in the**
29 **demonstration program established by section 4 of P.L.2013, c.15**
30 **(C.54:1-104), a county operating under the "Property Tax**
31 **Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and a**
32 **county that has adopted, by resolution, the provisions of section 1**
33 **of P.L.2018, c.94 (C.54:1-105), when】 When** any parcel of real
34 property contains any building or other structure which has been
35 destroyed, consumed by fire, demolished, or altered in such a way
36 that its value has materially depreciated, either intentionally or by
37 the action of storm, fire, cyclone, tornado, or earthquake, or other
38 casualty, which depreciation of value occurred after **【October】**
39 **September** 1 in any year and before May 1 of the following year,
40 the assessor shall, upon notice thereof being given to him by the
41 property owner prior to May 3 of that year, and after examination
42 and inquiry, determine the value of the parcel of real property as of
43 that May 1, and assess the same according to such value within the
44 final tax list delivered to the county board of taxation on or before
45 May 5 of that year.

46 (2) To properly capture the value of the building or structure
47 from January 1 to the date of the depreciation of the building or
48 structure, the assessor's added assessment list shall include an

1 improvement value that reflects the prorated value of the building
2 or structure as of January 1 for the number of days prior to the date
3 of the depreciation of the building or structure.

4 (cf: P.L.2021, c.136, s.7)

5
6 17. R.S.54:4-38 is amended to read as follows:

7 54:4-38. a. **【**Except as provided in subsection b. of this section,
8 every assessor, at least ten days before filing the complete
9 assessment list and duplicate with the county board of taxation, and
10 before annexing thereto his affidavit as required in section 54:4-36
11 of this title, shall notify each taxpayer of the current assessment and
12 preceding year's taxes and give public notice by advertisement in at
13 least one newspaper circulating within his taxing district of a time
14 and place when and where the assessment list may be inspected by
15 any taxpayer for the purpose of enabling the taxpayer to ascertain
16 what assessments have been made against him or his property and
17 to confer informally with the assessor as to the correctness of the
18 assessments, so that any errors may be corrected before the filing of
19 the assessment list and duplicate. Thereafter, the assessor shall
20 notify each taxpayer by mail within 30 days of any change to the
21 assessment. This notification of change of assessment shall contain
22 the prior assessment and the current assessment. Any notice issued
23 by the assessor shall contain information instructing taxpayers on
24 how to appeal their assessment along with the deadline to file an
25 appeal, printed in boldface type.**】** (Deleted by amendment, P.L. ____
26 c. (C. ____) (pending before the Legislature as this bill)

27 b. **【**In the case of a municipality located in a county where the
28 county board of taxation is participating in the demonstration
29 program established in section 4 of P.L.2013, c.15 (C.54:1-104), in
30 the case of a county operating under the "Property Tax Assessment
31 Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and in the case of
32 a municipality located in a county that has adopted, by resolution,
33 the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), every**】**
34 Every assessor, before filing the preliminary assessment list with
35 the county board of taxation pursuant to subsection b. of R.S.54:4-
36 35, shall notify each taxpayer of the preliminary assessment and
37 preceding year's taxes and give public notice by advertisement in
38 **【**at least one newspaper circulating within his taxing district**】** the
39 county's and the municipality's online public notice portals of a
40 time and place when and where the assessment list may be
41 inspected by any taxpayer for the purpose of enabling the taxpayer
42 to ascertain what assessments have been made against the taxpayer
43 or the taxpayer's property. Thereafter, the assessor shall notify each
44 taxpayer by mail within 30 days of any change to the assessment.
45 This notification of change of assessment shall contain the prior
46 assessment and the current assessment. Any notice issued by the
47 assessor shall contain information instructing taxpayers on how to

1 appeal their assessment along with the deadline to file an appeal,
2 printed in boldface type.

3 The notification required by this section shall satisfy any notice
4 requirement to a property owner **【in a municipality located in a**
5 **county wherein the county board of taxation is participating in the**
6 **"Real Property Assessment Demonstration Program" established in**
7 **section 4 of P.L.2013, c.15 (C.54:1-104)】** concerning the
8 assessment of that property owner's preliminary assessment value
9 for the tax year.

10 (cf: P.L.2021, c.136, s.5)

11
12 18. Section 32 of P.L.1991, c.75 (C.54:4-38.1) is amended to
13 read as follows:

14 32. a. **【Except as provided in subsection b. of this section,**
15 **every assessor, prior to February 1, shall notify by mail each**
16 **taxpayer of the current assessment and preceding year's taxes.**
17 **Thereafter, the assessor or county board of taxation shall notify**
18 **each taxpayer by mail within 30 days of any change to the**
19 **assessment. This notification of change of assessment shall contain**
20 **the prior assessment and the current assessment. The director shall**
21 **establish the form of notice of assessment and change of**
22 **assessment. Any notice issued by the assessor or county board of**
23 **taxation shall contain information instructing taxpayers on how to**
24 **appeal their assessment along with the deadline to file an appeal,**
25 **printed in boldface type.】** (Deleted by amendment, P.L. _____, c.
26 (C. _____) (pending before the Legislature as this bill)

27 b. **【In the case of a municipality located in a county where the**
28 **county board of taxation is participating in the demonstration**
29 **program established in section 4 of P.L.2013, c.15 (C.54:1-104), in**
30 **the case of a county operating under the "Property Tax Assessment**
31 **Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.) and in the case of**
32 **a municipality located in a county that has adopted, by resolution,**
33 **the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), every】**
34 Every assessor, on or before November 15 of the pretax year, shall
35 notify by mail each taxpayer of the **【preliminary assessment and】**
36 preceding year's taxes; preceding year's assessment; preceding
37 year's estimated equalized market value, calculated by dividing the
38 preceding year's assessment by either the preceding year's
39 director's ratio or 100 percent if a revaluation, reassessment, or
40 five-year reassessment cycle was implemented in the preceding
41 year; the current year's assessment; and the current year's estimated
42 equalized market value, calculated by dividing the current year's
43 assessment by either the current year's director's ratio or 100
44 percent if a revaluation, reassessment, or five-year revision was
45 implemented in the current year. **【Thereafter, the assessor or**
46 **county board of taxation shall notify each taxpayer by mail within**
47 **30 days of any change to the assessment which has occurred as the**

1 result of a municipal-wide revaluation or reassessment of real
2 property within the municipality. This notification of change of
3 assessment shall contain the prior assessment and the current
4 assessment.】 The director shall establish the form of notice of
5 assessment 【and change of assessment】. Any notice issued by the
6 assessor or county board of taxation shall contain information
7 instructing taxpayers on how to appeal their assessment along with
8 the deadline to file an appeal, printed in boldface type. The
9 notification required by this section shall satisfy any notice
10 requirement to a property owner 【in a municipality located in a
11 county wherein the county board of taxation is participating in the
12 "Real Property Assessment Demonstration Program" established in
13 section 4 of P.L.2013, c.15 (C.54:1-104)】 concerning the
14 assessment of that property owner's preliminary assessment value
15 for the tax year.

16 c. The county board of taxation 【of the county participating in
17 the real property assessment program established in section 4 of the
18 "Real Property Assessment Demonstration Program," P.L.2013,
19 c.15 (C.54:1-104)】 shall make the preliminary data electronically
20 accessible to the public by posting the data in searchable form on
21 the county's website not later than 15 business days after the
22 submission of the preliminary data.
23 (cf: P.L.2021, c.136, s.6)

24
25 19. R.S.54:4-52 is amended to read as follows:

26 54:4-52. The county board of taxation shall, on or before 【May
27 20, or on or before】 May 31 【in the case of a county board of
28 taxation participating in the demonstration program established in
29 section 4 of P.L.2013, c.15 (C.54:1-104), in the case of a county
30 operating under the "Property Tax Assessment Reform Act,"
31 P.L.2009, c.118 (C.54:1-86 et seq.), and in the case of a
32 municipality located in a county that has adopted, by resolution, the
33 provisions of section 1 of P.L.2018, c.94 (C.54:1-105)】, fill out a
34 table of aggregates copied from the duplicates of the several
35 assessors and the certifications of the Director of the Division of
36 Taxation relating to second-class railroad property, and
37 enumerating the following items:

- 38 (1) The total number of acres and lots assessed;
39 (2) The value of the land assessed;
40 (3) The value of the improvements thereon assessed;
41 (4) The total value of the land and improvements assessed,
42 including:
43 a. Second-class railroad property;
44 b. All other real property.
45 (5) The value of the personal property assessed, stating in
46 separate columns:
47 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.2018, c.94, s.10)

30

31 20. Section 5 of P.L.1941, c.397 C.54:4-63.5) is amended to
32 read as follows:

33 5. On **【October first】** September 1 following the assessor shall
34 file the added assessment list and a true copy thereof, to be called
35 the assessor's added assessment duplicate, with the county board of
36 taxation. The county board of taxation shall meet for the purpose of
37 examining, revising and correcting the added assessment list and
38 duplicates, and on or before **【October tenth】** September 10 in each
39 year cause the corrected, revised and completed duplicates, certified
40 by it to be a true record of the added taxes assessed, to be delivered
41 to the collectors of the various taxing districts in the county, and the
42 added assessment lists shall remain in the office of the board as a
43 public record.

44 (cf: P.L.1941, c. 397, s. 5)

45

46 21. Section 6 of P.L.1947, c.413 (C.54:4-63.17) is amended to
47 read as follows:

6. On **【October first】** September 1 in any year wherein prior thereto the county board of taxation shall have rendered a judgment assessing omitted property for that year or the preceding year, the assessor shall file the omitted assessment list and a true copy thereof, to be called the "Assessor's omitted property assessment duplicate," with the county board of taxation. The county board of taxation shall examine, revise and correct the omitted assessment lists and duplicates, if any be filed, and, on or before **【October tenth】** September 10 in each year, cause the corrected, revised and completed duplicate, if any, certified by it to be a true record of the omitted taxes assessed, to be delivered to the collectors of the taxing districts in the county, affected by such omitted assessments and the omitted property assessment lists shall remain in the office of the board as a public record.

(L.1947, c.413, s.6)

22. N.J.S.54:51A-6 is amended to read as follows:

54:51A-6. a. Whenever the tax court is satisfied by the proofs that the ratio of the assessed valuation of the subject property to its true value exceeds the upper limit or falls below the lower limit of the common level range, it shall enter judgment revising the taxable value of the property by applying the average ratio to the true value of the property except as hereinafter provided.

b. If the average ratio is below the county percentage level and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the tax court shall enter judgment revising the taxable value of the property by applying the average ratio to the true value of the property.

c. If both the average ratio and the ratio of the assessed value of the subject property to its true value exceed the county percentage level, the tax court shall enter judgment revising the taxable value of the property by applying the county percentage level to the true value of the property.

d. The provisions of this section shall not apply to any proceeding to review an assessment of real property taken with respect to the tax year in which the taxing district shall have completed and put into operation a district-wide revaluation program approved by the Director of the Division of Taxation pursuant to P.L.1971, c. 424 (C. 54:1-35.35 et seq.), district-wide reassessment program, **【compliance plan,】** or any other form of municipal-wide assessment review that requires the revision of all property assessments to current market value, that is approved by the county board of taxation pursuant to R.S.54:4-23.

(cf: P.L.2021, c.136, s.4)

23. N.J.S.54:51A-8 is amended to read as follows:

54:51A-8. a. (1) Conclusiveness of judgment; changes in value; effect of revaluation program. Where a judgment not subject

1 to further appeal has been rendered by the Tax Court involving real
2 property, the judgment shall be conclusive and binding upon the
3 municipal assessor and the taxing district, parties to the proceeding,
4 for the assessment year and for the two assessment years succeeding
5 the assessment year covered by the final judgment, except as to
6 changes in the value of the property occurring after the assessment
7 date, effectively freezing the assessment of that parcel of real
8 property at the amount set forth in the judgment for the assessment
9 year and the next two succeeding assessment years. The conclusive
10 and binding effect of the judgment shall terminate with the tax year
11 immediately preceding the year in which a program for a complete
12 revaluation or complete reassessment of all real property within the
13 district has been put into effect. If as of ~~October~~ September 1 of
14 the pretax year, the property in question has been the subject of an
15 addition qualifying as an added assessment, a condominium or
16 cooperative conversion, a subdivision or a zoning change, the
17 conclusive and binding effect of such judgment shall terminate with
18 said pretax year.

19 (2) When the taxing district has implemented five-year
20 reassessments required pursuant to section 3 of P.L. _____, c.
21 (C. _____) (pending before the Legislature as this bill), the
22 freezing of an assessment as set forth in paragraph (1) of this
23 subsection shall limit the change in the assessment to the
24 municipality's year-over-year aggregate value percentage change,
25 which shall be calculated using the total taxable values from each
26 year for the two years following the judgment. Such a limitation
27 shall apply to a judgment that reflects a change in value through
28 settlement, or a judgment based on market value evidence. A freeze
29 of an assessment as set forth in paragraph (1) of this subsection
30 shall not apply when judgment or settlement is entered solely to
31 enforce or correct the application of a prior freezing of an
32 assessment determination, the presumption of correctness was not
33 overcome, there is a physical change to the property, or the freezing
34 of an assessment was waived as part of a settlement.

35 b. If the assessor increases the assessment, or in the case of five-
36 year reassessments conducted pursuant to section 3 of P.L. _____, c.
37 (C. _____) (pending before the Legislature as this bill),
38 increases the assessment at a rate greater than the percentage
39 increase shown in the municipality's year-over-year change in net
40 taxable value, or fails to reflect on the tax duplicate a county board
41 of taxation or Tax Court judgment issued prior to the final
42 preparation of the tax duplicate in either of the two years following
43 the year for which the judgment of the Tax Court was rendered and
44 if said judgment is a final judgment not subject to further appeal,
45 the burden of proof is on the taxing district to establish that the
46 assessor acted reasonably in increasing the assessment. If the Tax
47 Court finds that the assessor did not act reasonably in increasing the
48 assessment or failed to reflect said judgment on the tax duplicate,

1 the Tax Court shall award to the taxpayer reasonable counsel fees,
2 appraisal costs and other costs which shall be paid by the taxing
3 district.

4 c. In the event that a taxpayer is successful in an appeal from
5 an assessment on nonresidential real property, the respective taxing
6 district shall refund any excess taxes paid, less any amount of taxes,
7 interest, and penalties, which may be applied against delinquencies
8 pursuant to section 2 of P.L.1983, c.137 (C.54:4-134), in
9 substantially equal payment periods and substantially equal
10 payment amounts within three years of the date of final judgment.

11 In the event that a taxpayer is successful in an appeal from an
12 assessment on residential real property, the respective taxing district
13 shall refund any excess taxes paid, less any amount of taxes,
14 interest, and penalties, which may be applied against delinquencies
15 pursuant to section 2 of P.L.1983, c.137 (C.54:4-134) within 60
16 days of the date of final judgment.

17 (cf: P.L.2019, c.230, s.2)

18
19 24. The following sections of law are repealed:

20 Sections 1 through 4 of P.L.2013, c.15 (C.54:1-101 through
21 C.54:1-104); and

22 Section 1 of P.L.2018, c.94 (C.54:1-105).

23
24 25. (New section) Notwithstanding the provisions of the
25 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
26 seq.) to the contrary, the Director of the Division of Taxation in the
27 Department of the Treasury may adopt, immediately, upon filing
28 with the Office of Administrative Law, such rules and regulations
29 as the agency deems necessary to implement the provisions of
30 P.L. , c. (C.) (pending before the Legislature as this bill),
31 which regulations shall be effective for a period not to exceed 180
32 days from the date of the filing. Thereafter, the Director shall
33 amend, adopt, or readopt the regulations in accordance with the
34 requirements of the “Administrative Procedure Act,” P.L.1968,
35 c.410 (C.52:14B-1 et seq.).

36
37 26. This act shall take effect January 1 of the first full tax year
38 next following enactment.

39
40
41 STATEMENT

42
43 This bill revises current law concerning the assessment of real
44 property, in order to make the assessment process more uniform
45 among all 21 counties in the State. The bill creates a system of
46 perpetual, technology-based reassessments using current market
47 data that would maintain property assessments at their estimated
48 market value, supported by ongoing internal inspections. By

1 periodically maintaining assessments at or closer to the estimated
2 current market value, the bill seeks to ensure the fair distribution of
3 the property tax levy within each town as local markets change over
4 time. The bill also makes changes to the timing of annual
5 assessment-related functions, and streamlines the property
6 assessment appeal process.

7

8 *Changes to the Timing of Annual Assessment-Related Functions:*

9 The bill amends the provisions of statutory law concerning the
10 functions related to the assessment of real property. P.L.2012, c.13
11 (C.54:1-101 et al) established the Real Property Assessment
12 Demonstration Program, in part, to create an “alternative” property
13 assessment calendar. That calendar accelerated the tax appeals
14 process for property owners and allowed for tax appeals to be heard
15 by county boards of taxation prior to a municipality’s adoption of
16 its budget, permitting a municipality to more effectively budget for
17 tax appeal refunds. Monmouth County has participated in the Real
18 Property Assessment Demonstration Program for over a decade.
19 Gloucester County and Burlington County have also adopted that
20 alternative calendar, as authorized by subsequent legislation.

21 This bill repeals the current Real Property Assessment
22 Demonstration Program and revises current law to change the
23 statutory dates for assessment functions so that all counties operate
24 under these “alternative” calendar dates for tax appeals. This
25 allows tax appeals to county boards of taxation throughout the State
26 to be heard and decided prior to a municipality’s adoption of its
27 budget, allowing all municipalities in the State to budget for tax
28 appeal refunds effectively.

29

30 The following chart sets forth the timeline for performing these
31 functions under current law, and the new timeline under the bill.

32

<i>DATES RELATIVE TO CERTIFICATION OF THE TAX LIST, ASSESSMENT APPEALS, AND THE CALCULATION OF LOCAL TAX RATES</i>		
<i>Description of Function</i>	<i>Current Date</i>	<i>Proposed Date for All Municipalities</i>
Assessing Date (Valuation Date)	October 1 of pre-tax year	September 1 of Pre-Tax year
Certification of Preliminary Assessment to County	N/A	November 1 of Pre-Tax year
County Approval/Rejection of Preliminary Tax List	N/A	On or Before November 8 of Pre-Tax Year
Notification of Assessment Postcards Mailed and Posted Online	On or Before February 1	November 15 of Pre-Tax year
Added/Omitted Assessment Appeals Filed with County Board of Taxation	On or before December 1	On or Before December 1

Added/Omitted Assessment Appeal Judgment Rendered by County Board of Taxation	On or Before December 31	On or Before December 31
Assessment Appeal Filed With County Board of Taxation	April 1/May 1 if Revaluation	January 15
Assessment Appeal Filed With Tax Court	April 1/May 1 if Revaluation	April 1
Assessment Appeals Heard by County Board of Taxation	May, June, and July	February, March and April
County Appeal Judgments Mailed	June 30	April 30
Final Tax List Filed by Assessor	January 10	May 5
County Preliminary Equalization	On or Before March 1	On or Before May 15
Municipal Budget to County Board of Taxation	March 31	May 15
County Budget to County Board of Taxation	April 1	May 15
School Budget to County Board of Taxation	May 19	May 15
County Final Equalization Table (Tax List Finalized)	March 10	May 25
Tax Rate Certified By County Board of Taxation	May 20	May 31
Tax Duplicates	June 3	June 3
Tax Bills Mailed	June 14	June 14
Added/Omitted Tax List Submitted to County Board of Taxation	October 1	September 1
Added/Omitted Tax List Certified to County Board of Taxation	On or Before October 10	On or Before September 10

1
2 *Requirement for Ongoing Periodic Reassessment of Real Property:*
3 The bill would require every municipality, over a nine-year
4 period, to implement the performance of perpetual five-year
5 reassessment cycles, either through: five consecutive years of the
6 revision of all assessments to the estimated current market value; or
7 four consecutive years of the annual revision of all assessments to
8 the current ratio of assessed value to true value as calculated by the
9 Director of the Division of Taxation in the Department of the
10 Treasury, and in the fifth year, a revision of the assessments to the
11 current market value as of September 1 of the pretax year. In order
12 to ensure the ability of municipal assessors to perform these
13 valuations, the bill would establish a new certification program, the
14 “mass appraisal certification,” to be developed by the Director of
15 the Center for Government Services at Rutgers, the State
16 University. With the establishment of a mass appraisal certification
17 for assessors, this bill seeks to significantly and permanently reduce

1 the administrative costs of the property assessment function
2 Statewide.

3

4 *Requirements for Property Inspections:*

5 The bill would also require municipal assessors to physically
6 inspect the interior of each property in their municipalities. The bill
7 requires that inspections of 100 percent of the parcels of real
8 property be attempted every five years, pursuant to a schedule set
9 forth in the bill. The bill also allows assessment-related
10 inspections, at the taxpayer's discretion, to be performed virtually,
11 using smartphone technology and protocols established by the
12 county board of taxation.

13

14 *Assessment Appeals:*

15 The bill makes several changes to statutes concerning appeals of
16 property assessments. Currently, the owner of any parcel of real
17 property assessed at \$1,000,000 or more may appeal an assessment
18 directly to the Tax Court. This bill changes that threshold from
19 \$1,000,000 to \$2,000,000. Under the bill, the owner of a property
20 that is a one- to four-family residential dwelling, regardless
21 of its assessed or estimated market value, is required to file an
22 assessment appeal with the county board of taxation. The bill
23 amends the appeal filing fee calculation to be performed utilizing
24 the "estimated market value" of the property as found on the annual
25 notification of assessment required to be provided to each taxpayer
26 annually. The bill also requires that at the written request of a
27 property owner, an assessment appeal hearing is to be conducted
28 virtually, using conference call technology and protocols adopted
29 by the county board of taxation, or as an evidence-only hearing.

30 The bill also amends current law that requires the assessment of
31 a property owner who is successful in the appeal of an assessment,
32 before either the Tax Court or the county board of taxation, to be
33 binding for the tax year of the successful appeal and the next two
34 succeeding tax years. This current law is informally known as the
35 "freeze act." This bill would amend current law to require that
36 when a municipality has implemented five-year periodic
37 reassessments, as required by the bill, the change in the assessment
38 would be limited to the municipality's year-over-year aggregate
39 value percentage change, which is to be calculated using the total
40 taxable values from each year for the two years following the
41 judgment.

42 Under the bill, the tools used to determine the need for
43 assessment revision under appeal do not apply in assessment
44 appeals before a county board of taxation or the Tax Court when the
45 assessments have been revised to current market value as part of a
46 five-year recurring reassessment program.

1 *Public Notice:*

2 The bill requires the use of the county's and the municipality's
3 public notification website to inform taxpayers of the ability to
4 review new property assessments. The bill also amends the
5 information provided on the notification of assessment that is
6 annually mailed to every property taxpayer. The purpose of the
7 additional information is to provide transparency as to the estimated
8 market value of current assessments.