

THE REASSESSMENT PROCESS



The following is the definition of a Revaluation Program as described in the "Handbook for New Jersey Assessors" :

"A revaluation program seeks to spread the tax burden equitably within a taxing district by appraising property according to its true value and assessing it based upon such value. This is accomplished by the mass appraisal of all real property in the taxing district by an outside professional appraisal or revaluation firm."

The following power point presentation was created by Associated Appraisal Group, Inc. to provide a basic outline of the reassessment process. All rights are reserved.

THE REASSESSMENT PROCESS

There is an erroneous assumption by some that a reassessment is a means by which a municipality increases property taxes.

Reassessments do not increase the total amount of revenue to be raised by taxation. The municipality only collects the amount of tax dollars that the four units of local government (local school, regional school, county government and municipal government) determine is necessary to operate.



New Jersey's real property tax is ad valorem or a tax "according to the value." The State Constitution at Article VIII, Section 1, Par. 1 requires that all real property be assessed at the "same standard of value." New Jersey Statutes at N.J.S.A. 54:4-23 establish the standard of property value to be the "full and fair value" or "true value" which is defined as "the price at which, in the assessor's judgment, each parcel of real property would sell for at a fair and bona fide sale."

THE REASSESSMENT PROCESS

Why a Rolling Reassessment?

- Eliminate Property Tax Shifts

*Set at true Market Value each year on October 1
to insure no property owner pays more or less than
their fair share*

- Maintain 100% True Market Value at all times
to avoid costly tax appeal losses

*Property A is assessed at \$15,000,000
at 90% ratio = \$16,666,700 FMV
New assessment = \$13,500,000 ($\$15,000,000 \times 0.90$)
 $\$1,500,000$ reduction $\times \$2.50 = \$37,500$*

- Eliminate Costly Tax Revaluations



THE REASSESSMENT PROCESS

The Reassessment Process

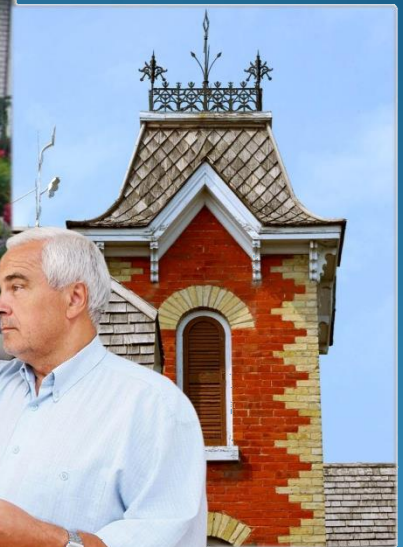


THE REASSESSMENT PROCESS

1 Inspect

First visit - Introduction of Field Rep. to property owner

- First visit between 9:30am-5pm
- Each inspector is issued an ID authorized by the Police Dept.
- Do not allow anyone in your home without this identification.
- Call Police Department *before* allowing anyone in your home if you have any concerns.



INSPECTOR

#20
Christopher Hendrickson



Associated Appraisal Group
6 Commerce Drive
Cranford, NJ 07016
(908) 967-6272
www.njaag.com



THE REASSESSMENT PROCESS

First visit – Site Inspection & Outside Influences

1 Inspect

- Economic loss due to outside influences (environmental nuisances and hazards.)
- Topography (land contours and grades.)



- View (positive and negative influences; views of water, mountains or valleys can produce positive values, conversely a poor view can produce a value penalty.)

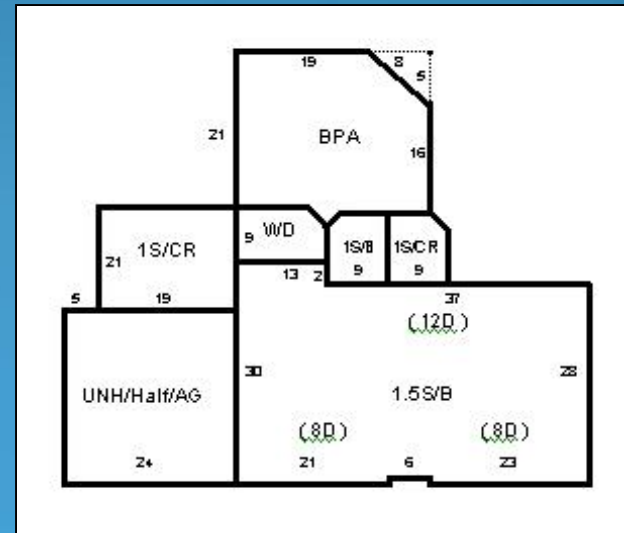
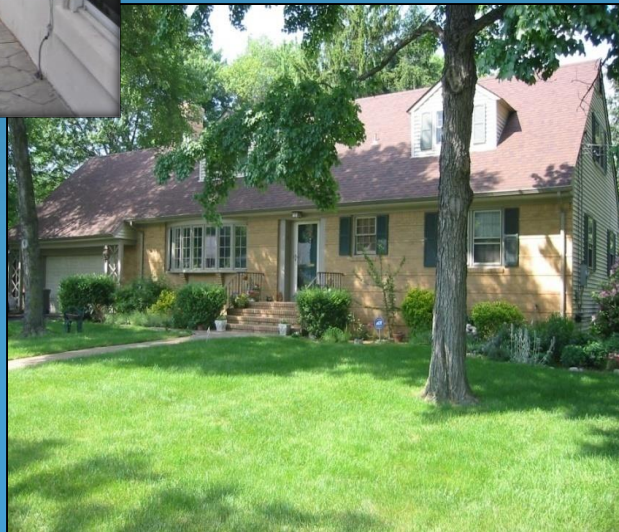


THE REASSESSMENT PROCESS

1 Inspect

First visit – Measure exterior

- The exterior of the residence is verified in detail, starting with the foundation, framing, exterior cover and roof.
- The inspector will verify the exterior dimensions of the main improvement and all other structures on the property by taking spot measurements.
- The architectural style of the main improvement is verified.



THE REASSESSMENT PROCESS

1 Inspect

First visit – Exterior quality of the house

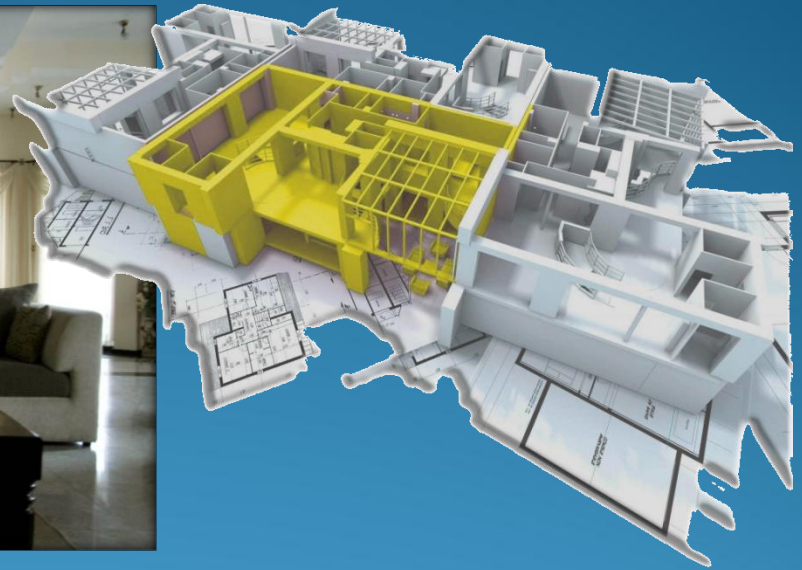
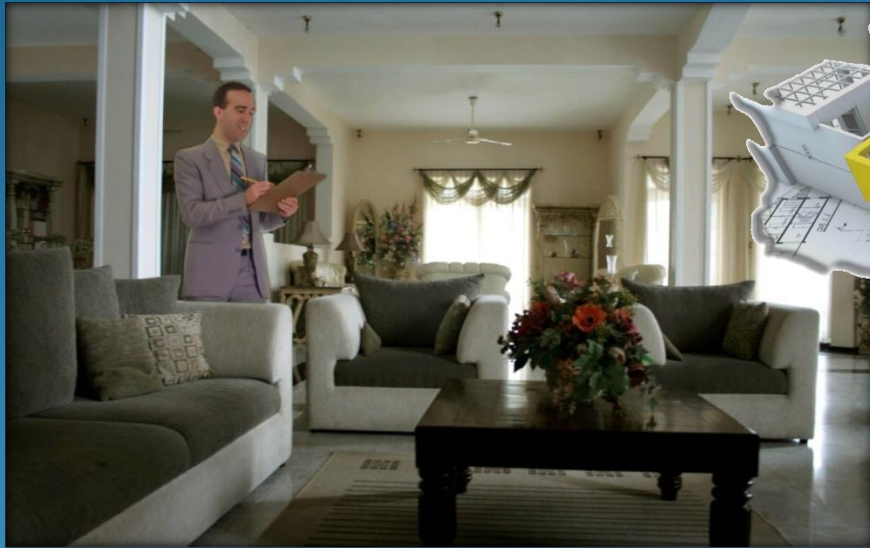
- Quality refers to the character of construction and the materials used, the manner of construction and the workmanship.
- The condition refers to the overall wear and tear, the extent of physical deterioration and the level of maintenance.



THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection



- The interior of the residence is inspected next and takes approximately 5-15 minutes depending on the size of the house.
- All levels of the home including the main floor, upper levels, attics (with fixed stairs) and basements will be inspected.
- The inspector will also note the number of rooms, heat type, air conditioning, number/type of fireplaces, plumbing, and the percent of finish in attics and basements.

THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection - Kitchens & Baths

- The quality and condition of the kitchen and bathrooms will be examined.

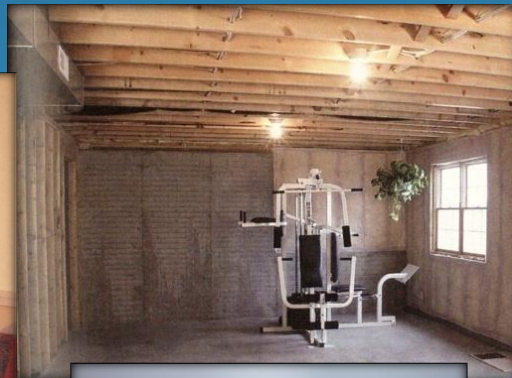
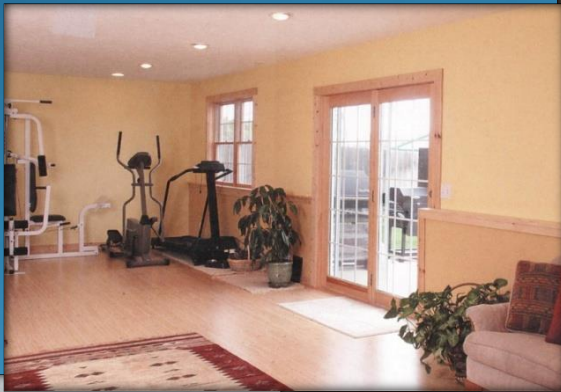


THE REASSESSMENT PROCESS

1 Inspect

First visit – Interior Inspection – Basements/Attics

- The quality and condition of the basement and attic areas will be examined.



THE REASSESSMENT PROCESS

1 Inspect

First Visit – Interior Inspection – COVID 19 Concerns

Due to ongoing COVID-19 concerns, inspectors will be supplied with protective gear while performing inspections

There are 2 ways an interior inspection can be performed:

1) A physical inspection where the inspector enters the premises and does a complete walk through.

2) A contactless interior inspection using a video conference either during the first visit or a mutually convenient scheduled time

- If no one is home at the time inspection, the inspector will leave an inspection card notice.

If an inspector is not given the opportunity to do an interior inspection, interior information will be estimated which may result in an inaccurate assessment of your home.

THE REASSESSMENT PROCESS

First Visit – Interior Inspection – COVID 19 Concerns

1 Inspect

- If no one is home at the time of inspection, the inspector will leave an inspection card notice .

Associated Appraisal Group

Real Estate Appraisal Services
www.njaag.com

Block: _____

Lot: _____

Qual: _____

A representative of Associated Appraisal Group has made a visit to your property and conducted an exterior inspection. “Virtual”, contactless interior inspections are available via a Zoom video conference. Please call (908) 967-6272 between 10AM and 4 PM to schedule a mutually convenient time for this inspection and to receive more information about the process. If no interior inspection is conducted, the following information will be recorded for your property:

of units: _____ # of Baths: _____ HVAC: _____

Kitchen Quality: _____ Attic: Y/N Attic Finish: Y/N/Partial

Basement: Y/N Basement Finish: Y/N/Partial

Exterior Condition: _____ Interior Condition: _____

Inspector: _____ Date: _____ Time: _____

Include options for the interior inspection

The inspector will estimate the interior information.

of Units

of Baths

HVAC

Attic / Bsmnt Finish

Kitchen Quality

Int. Condition

Ext. Condition

THE REASSESSMENT PROCESS

Neighborhood Development

2 Analyze

- The neighborhood is the immediate environment of the subject property. A neighborhood is defined by certain characteristics that are homogenous and differentiate it from other areas in the community.
- Elements of homogeneity or similarity
 - Similar style houses
 - Houses of similar utility
 - Similar age and size of houses
 - Similar quality of houses
 - Similar price range of houses
 - Similar land uses (zoning)

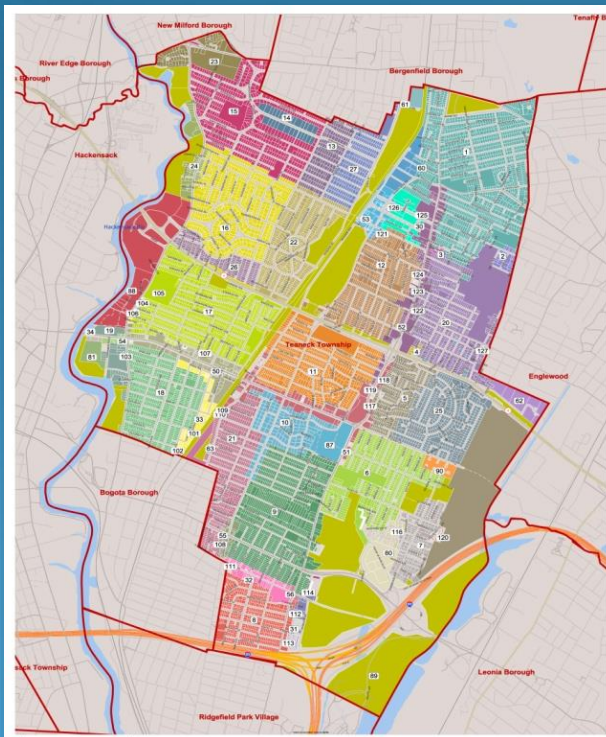


THE REASSESSMENT PROCESS

Neighborhood Development cont....

2 Analyze

- Neighborhoods are delineated for purposes of analysis and eventual establishment of land values.
- Neighborhood boundaries are often established by:



-Natural barriers (rivers, lakes, hills, etc.....)

-Political barriers (city limits, zone boundaries, school districts, etc.....)

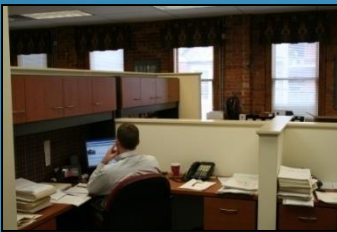
-Man made obstacles (streets and highways, rail lines, major utility rights of way, "green belts", etc.....)

THE REASSESSMENT PROCESS

Market Analysis & Review cont....

3 Review

- Reports are generated based upon information realized from the inspection of properties and the market sales analysis.
- Assists in applying all market value indicators into a uniform standard that produces equitable values.



Max: 0.00 Min: 0.00

Re-Calc: N SPRING LAKE

SUMMARY REPORT 2

11/12/99 Page 1

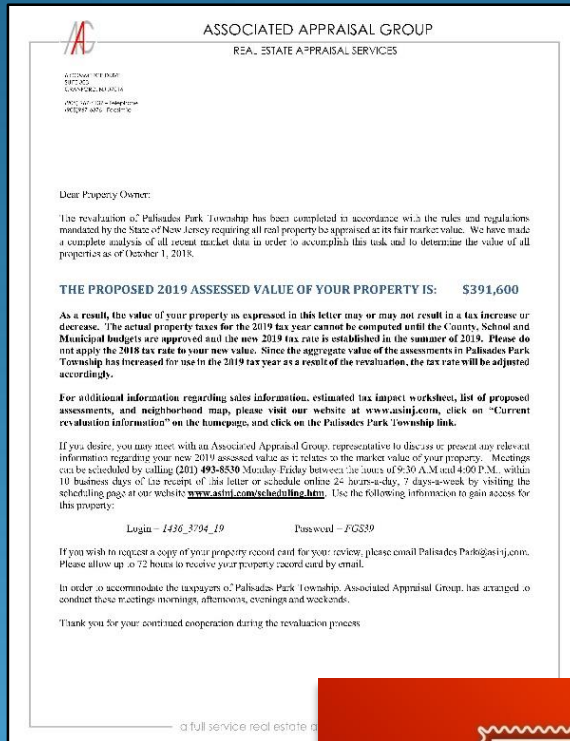
STYLE/NEIGHBORHOOD ANALYSIS - SORTED BY STYLE

Block	Lot	Qual	Cl	Nei	Land	Bldg	Totl	11/12/99	Page 1										
8	10	2	203	350800	224600		575400												
8	14_01	2	203	411000	320200		731200												
18	4_01	2	102	689300	478000		1167300												
18	6_01	2	102	689300	545500		1193800												
18	8	2	203	350800	116900		467700												
19	3_01	2	102	718700	521000		1239700												
19	8	2	203	350800	130700		481500												
31	9	2	203	333300	211400		544700												
31	10	2	203	350800	198700		549500												
32	6	2	101	724900	783100		1508000												
32	23	2	202	451400	287600		739000												
54	10	2	205	724800	879900		1604700												
56	5	2	101	599000	395200		994200												
58	3	2	205	790400	1529100		2319500												
60	3	2	207	349200	175500		524700												
60	7	2	207	350800	175200		526000												
66	4	2	100	920700	799700		1660400												
66	13	2	201	615900	1698800		2314700												
69	15	2	206	549300	233400		782700												
70	19_01	2	207	356000	482200		838200												
78	4_01	2	100	563300	289500		852800												
88	1	2	100	253200	1161200		3715200												
107	9_01	2	200	616500	942300		1558800												
108	1	2	100	748700	442100		1190800												
122	2	2	100	664400	163300		819700												
136	1	2	300	476500	404000		971400												
144	1	2	300	714200	272600		467800												
144	10	2	363000	90	181300	543300	208	A208Y CL	18.5	1950	27	A	711	2244	243	05/29/97	515000	230	106
144	10	2	468000	100	529500	997500	300	A300Y CL	18.5	1968	10	G	100P	2697	370	09/09/98	1050000	389	95
144	10	2	476500	100	477900	954400	300	A300Y CL	20	1910	28	A	65Y	4499	212	10/28/98	950000	211	100
144	10	2	714200	100	328300	1042500	300	A300Y CL	20	1900	15	A	91Y	6289	166	05/06/97	985000	157	106
144	10	2	333300	95	211400	54700	203	A203Y CY	18	1981	10	A	90Y	2391	228	01/15/97	439000	184	124
144	10	2	411000	100	320200	731200	203	A203Y CY	19	1958	15	A	85Y	3240	228	08/20/97	700000	216	104
137	5	2	84700	100	236800	1081500	100	A100Y RH	18	1961	20	A	83Y	2904	372	04/09/97	845000	291	128
137	8	2	350800	100	116900	467700	203	A203Y RH	18	1950	30	A	64Y	1258	372	09/16/98	465000	370	101
147	36	2	395000	95	195500	590500	208	A208Y RH	17.5	1969	18	A	82Y	2236	264	03/17/98	575000	257	103

THE REASSESSMENT PROCESS

4 Inform

Notification of Value



- Mailed to address of record for all property owners.
- Date of mailing depends on the project schedule.
- Mailings usually occur at the end of the year or early into the next year.
- Contains total assessment for property.
- Contains instructions for setting up a meeting to review assessment.

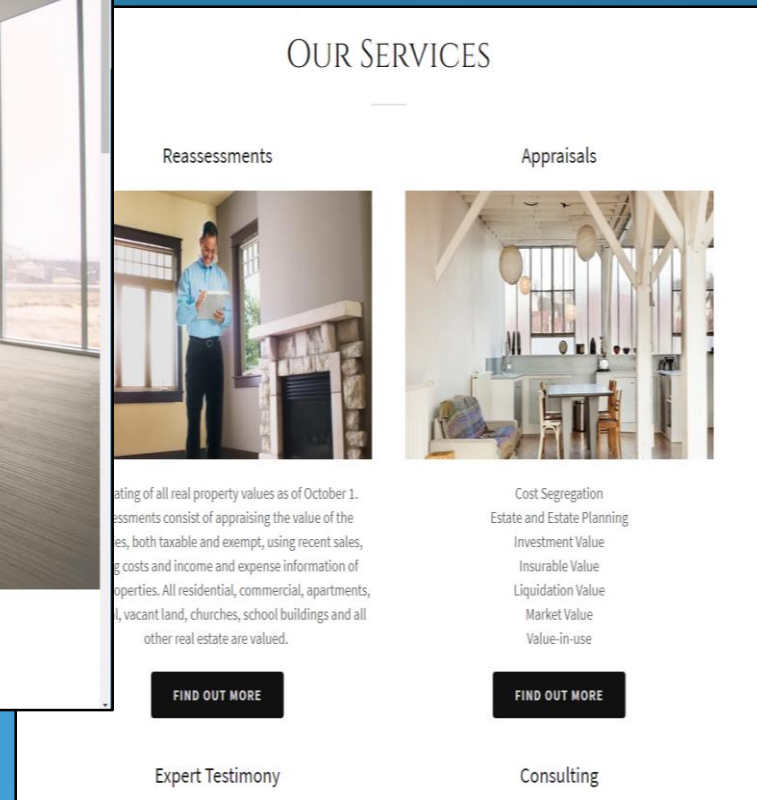
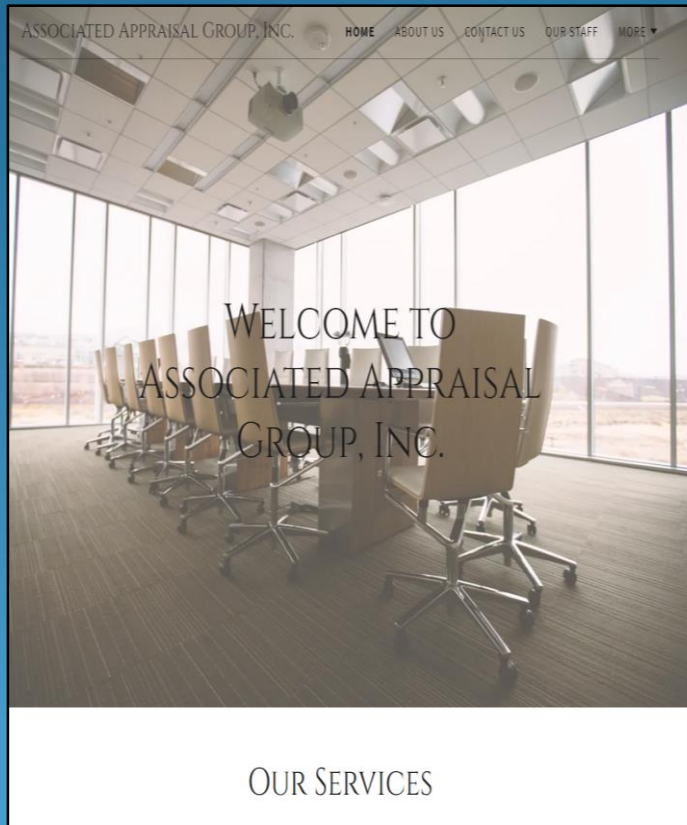


THE REASSESSMENT PROCESS

4
Inform

Website

njaag.com



THE REASSESSMENT PROCESS

5 Meet

Informal Hearings

- Opportunity to discuss your proposed assessment with a representative of Appraisal Systems.
- Meetings are held Monday-Saturday; Mornings, afternoons & evenings.
- Typically takes place in the municipal building



THE REASSESSMENT PROCESS

6 Submit

Transmit Final Values to Municipality & County

FIRST CLASS MAIL
U.S. POSTAGE PAID
TRENTON, NJ
Permit No. 41

TWP
COUNTY = ESSEX

NOTICE OF PROPERTY TAX ASSESSMENT FOR
THIS NOTICE IS REQUIRED UNDER N.J.S.A. 54-4.3.1.1

MAILED:

BLOCK: LOT: QUAL:

PROPERTY LOC:

THE ASSESSMENT SHOWN REPRESENTS THE ASSESSMENT WHICH WILL APPEAR ON THE MUNICIPAL TAX LIST FOR 2006 FOR THE PROPERTY IDENTIFIED.

LAND:	BUILDING:	TOTAL:

NET PROPERTY TAXES BILLED FOR 2005 ASSESSMENT

NET PROPERTY TAXES BILLED FOR	2005 ASSESSMENT	TOTAL:

WHERE:

THIS IS NOT A BILL.
SEE OTHER SIDE FOR
APPEAL INFORMATION.

- Final values sent to Town and County
- All information (data collection forms, property record cards, photographs, neighborhood map, correspondence, database, etc....) is given to Town.
- Official notification of final value from Municipality (via postcard.)



APPEAL INSTRUCTIONS:

If you agree with the assessed value shown, no further action by you is required.

If you disagree with the assessed value shown, an appeal may be filed with the County Board of Taxation. Forms and instruction for filing an appeal may be obtained by contacting the Board at:

Essex County Board of Taxation
50 South Clinton Street
Suite 5200
East Orange, NJ 07018

If the assessed value exceeds \$750,000, you have the option of filing your appeal directly with the Tax Court. Information for filing a complaint with the Tax Court may be obtained by contacting the Tax Court of New Jersey at PO Box 972, Hughes Justice Complex, Trenton, New Jersey 08625.

Assessment appeals must be filed on or before April 1 of the current tax year, or 45 days from the date mailed, as it appears on the front of this notice, whichever date is later.

ADDITIONAL INSTRUCTIONS:

Do not multiply last year's property tax rate by the current year's assessed value to determine taxes for the current year.

THE REASSESSMENT PROCESS

7 Defend

Tax Appeal

- County appeal/State appeal.
- Can not appeal comparing assessments.
- Can not appeal taxes.
- Must prove value by use of comparable sales
- Appeal deadline:
 - May 1 (newly revalued municipalities)
 - April 1 (all others)



Form A-1 (4-02) Petition of Appeal
Essex County Board of Taxation
84 South Clinton Street, Suite 2300
East Orange, New Jersey 07013
(973) 999-9225 Appeal Number _____

Property Class: _____ Filed _____
Checked _____
Fee Paid _____
Notified _____
Heard _____

NAME OF PETITIONER _____ (Please type or print) Daytime Telephone Number: _____

MAILING ADDRESS _____

BLOCK _____ LOT _____ QUALIFIER _____ Lot Size _____
Municipality _____ Property Location _____
Name, telephone no., fax no. and address of person or attorney to be notified of hearing and judgment if different than above: _____

SECTION I APPEAL OF REAL PROPERTY VALUATION (FILING DEADLINE-SEE INSTRUCTION SHEET)

TAX YEAR _____

<u>CURRENT ASSESSMENT</u>	<u>REQUESTED ASSESSMENT</u>
Land \$ _____	Land \$ _____
Improvement \$ _____	Improvement \$ _____
Abatement \$ _____	Abatement \$ _____
Total \$ _____	Total \$ _____
Purchase Price \$ _____	Tax Court Pending: YES NO
Date of Purchase _____	

REASON FOR APPEAL: _____

SECTION II COMPARABLE SALES (See Instruction 9B)

Block/Lot/Qualifier	Property Location	Sale Price	Sale/Deed Date
1. _____	_____	\$ _____	_____
2. _____	_____	\$ _____	_____
3. _____	_____	\$ _____	_____
4. _____	_____	\$ _____	_____
5. _____	_____	\$ _____	_____

SECTION III APPEAL FOR DENIAL OF:

1. <input type="checkbox"/> Veteran's Deduction	5. <input type="checkbox"/> Veteran 100% Disabled or Surviving Spouse of Veteran
2. <input type="checkbox"/> Veteran's/Serviceperson's Surviving Spouse Deduction	6. <input type="checkbox"/> Farmland Assessment Classification
3. <input type="checkbox"/> Senior Citizen Deduction	7. <input type="checkbox"/> Abatement or Exemption -Religious, Charitable, etc. (Specify) _____
4. <input type="checkbox"/> Disabled Person/Surviving Spouse Deduction	8. <input type="checkbox"/> REAP Property Tax Credit

MUNICIPALITY'S REASON FOR DENIAL: _____
(Attach copy of Denial Notice)

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.

Date _____ Petitioner or Attorney for Petitioner _____

CERTIFICATION OF SERVICE

On _____, 2006, I, the undersigned, served upon the Assessor and the Clerk of _____ (Municipality) or upon the taxpayer, personally or by regular mail or certified mail, a copy of this appeal. I certify that the foregoing statement made by me is true. I am aware that if the foregoing statement is willfully false, I am subject to punishment.

Date _____ Signature _____

The Director of the Division of Taxation has prescribed this form. No other form will be accepted.
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