

RULE PROPOSALS

INTERESTED PERSONS

Interested persons may submit comments, information or arguments concerning any of the rule proposals in this issue until the date indicated in the proposal. Submissions and any inquiries about submissions should be addressed to the agency officer specified for a particular proposal.

The required minimum period for comment concerning a proposal is 30 days. A proposing agency may extend the 30-day comment period to accommodate public hearings or to elicit greater public response to a proposed new rule or amendment. Most notices of proposal include a 60-day comment period, in order to qualify the notice for an exception to the rulemaking calendar requirements of N.J.S.A. 52:14B-3. An extended comment deadline will be noted in the heading of a proposal or appear in subsequent notice in the Register.

At the close of the period for comments, the proposing agency may thereafter adopt a proposal, without change, or with changes not in violation of the rulemaking procedures at N.J.A.C. 1:30-6.3. The adoption becomes effective upon publication in the Register of a notice of adoption, unless otherwise indicated in the adoption notice. Promulgation in the New Jersey Register establishes a new or amended rule as an official part of the New Jersey Administrative Code.

TREASURY—TAXATION

(a)

DIVISION OF TAXATION

Local Property Tax: General Provisions

Proposed Readoption with Amendments: N.J.A.C. 18:12

Authorized By: Marita R. Sciarrotta, Acting Director, Division of Taxation.

Authority: N.J.S.A. 54:1-35.1, 54:1-35.35, 54:1-35.36, 54:3-14, 54:4-1, 54:4-8.66d, 54:4-23.21, 54:4-26, 54:1-100, 54:1-106, and 54:50-1.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2025-011.

Submit written comments by April 4, 2025, to:

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The agency proposal follows:

Summary

Pursuant to Executive Order No. 66 (1978) and N.J.S.A. 52:14B-5.1, N.J.A.C. 18:12 was scheduled to expire on December 19, 2024. As the Division of Taxation (Division) has filed this notice of re-adoption with the Office of Administrative Law prior to that date, the expiration date of the chapter was extended 180 days to June 17, 2025, pursuant to N.J.S.A. 52:14B-5.1.c(2). The rules proposed for re-adoption with amendments are proposed to carry out the statutory mandates at N.J.S.A. 54:1-35.35 et seq., and 54:4-1 et seq., which require the establishment of standards for valuation and revaluation of real property, property subject to taxation, specified classes entitled to tax deductions from real property taxes, and qualifications for appraisal firms and individuals under contract with municipalities. The Division has reviewed these rules and has determined them to be necessary, reasonable, and proper for the purposes for which they were originally promulgated.

The rules proposed for re-adoption with amendments fulfill the statutory mandates at N.J.S.A. 54:1-35.1, 54:1-35.35, 54:3-14, 54:4-1, 54:4-8.66d, 54:4-23.21, 54:4-26, and 54:50-1. These statutes govern the administration of local property taxation in general. The rules proposed for re-adoption with amendments make grammatical, consistency, and plain language changes in order to make the rules easier to understand.

Certain language, phrasing, and formatting inconsistencies have been addressed.

The rules proposed for re-adoption with amendments are summarized as follows:

To facilitate the Director of the Division of Taxation's (Director) determination of the ratio of aggregate assessed to aggregate true value of real estate of each taxing district pursuant to N.J.S.A. 54:1-35.3, N.J.A.C. 18:12-1.1 sets forth categories of real estate transactions that are not to be used in determining assessment-sales ratios used in the Director's Table of Equalized Assessed Valuation, subject to exceptions listed at subsection (b). Paragraph (a)5 is amended to clarify certain instances where the transfer is deemed outside the sampling period. Paragraph (a)7 is amended to clarify that properties with substantial improvements affecting sale price may only be deemed non-usable if there has been, or will be, an added assessment for the work. Paragraph (a)21 is amended to replace the reference to the Council on Affordable Housing with the general affordable housing controls, pursuant to the New Jersey Fair Housing Act. Paragraph (a)25 is amended for grammatical clarity. Paragraph (a)30 is amended to broaden the non-usability of sales in which multiple parcels are sold in the same transaction, but also to clarify that parcels that are part of one economic unit are not excluded, for example, a residential lot and contiguous vacant lot. Paragraph (a)32 is amended to encompass both properties subject to the Omitted Assessment Act, N.J.S.A. 54:4-63.12 through 63.40, and those that have improvements only discovered at the time of sale, with an unknown completion date. Three new paragraphs are added to formalize existing practice of assessors and the Division of Taxation to exclude sales for which either the sale price is not reflective of an arms-length transaction between a willing buyer and a willing seller for a title in fee simple, or the assessment is not reflective of the municipal assessment practice. New paragraph (a)34 is added for sales of property for which the property class on the tax list is not reflective of the actual use of the property. New paragraph (a)35 is added for sales in which the grantor reserves some rights or otherwise limits the rights of the grantee. New paragraph (a)36 is added for sales of property that have individual sale-to-assessment ratios so disproportionate to the ratios of other usable sales, that the inclusion would substantially impact the overall municipal ratio.

N.J.A.C. 18:12-2.1 requires the assessor to classify each line item in the tax list according to categories designated by the applicable property classification code symbol set forth in the rule.

N.J.A.C. 18:12-2.2 sets forth property classifications with definitions.

N.J.A.C. 18:12-2.3(a) requires the assessor to prepare a summary of property valuations appearing on the tax list with an alphabetical list of taxpayers by name. The subsection is amended to require an alphabetical index of every property by street name for the property's location, as well as a separate alphabetical list by owner for all exempt properties. N.J.A.C. 18:12-2.3(b) requires the assessor to prepare a summary of deduction amounts for senior citizens, disabled citizens, and their surviving spouses; and for veterans and their surviving spouses and the surviving spouses of

servicepersons; along with the number of parcels and exemption amounts for specified property exemption categories. N.J.A.C. 18:12-2.3(c) requires the assessor to prepare a summary of special tax districts.

N.J.A.C. 18:12-2.4 requires the assessor to include in the tax list the applicable building description code designations set forth in the rule for each line item.

N.J.A.C. 18:12-2.5 requires the tax list to show parcels of assessed farmland that are classified partly “Class 3B” and partly “Class 3A,” as separate line items with real property improvements included as Class 3A.

N.J.A.C. 18:12-2.6 requires designations on the tax list for approved tax deductions for senior citizens, disabled citizens, and their surviving spouses, and for veterans and their surviving spouses and the surviving spouses of servicepersons.

N.J.A.C. 18:12-2.7 requires the assessor for certain taxing districts to prepare an annual tax list indicating whether each parcel of property, in part or in whole, is located within the boundaries of the Hackensack Meadowlands District. Any parcel so located is to be designated as such. Subsection (c) is amended to require the notation of a property within the Hackensack Meadowlands District to be in the qualifier field of the tax list, conforming to actual practice.

N.J.A.C. 18:12-2.8 sets forth the real property tax list and accompanying instructions describing the format and content, including page and column headings, specific property exemptions, special tax codes, property classification summary, and assessor’s affidavit. Subsection (a) is amended to require a minimum sized paper of 8 ½ inch by 11 inch tax list and duplicate, providing flexibility for municipalities and counties to print on any larger size of paper. Paragraph (a)1 is amended to remove the requirement of county percentage level being printed as a page heading. Paragraph (a)2 is amended to reorganize various column headings to reflect actual practice in preparing the tax lists.

The heading at N.J.A.C. 18:12-3.1 is amended to include Taxable Personal Property List and Railroad Property List. N.J.A.C. 18:12-3.1(a) requires assessors to enter the name of the owners, value, and a description of all churches, cemeteries, public buildings, and other real properties exempt from taxation, in the exempt property list. N.J.A.C. 18:12-3.1(b) provides for the format of the information in the exempt property list, and is amended to require the exempt property list to be printed on a minimum size of 8 ½ by 11 inch paper, to allow municipalities and counties flexibilities to use any size paper at or above the minimum. Paragraph (b)1 is amended to delete the requirement that county percentage level be printed in the page heading. Paragraph (b)2 is amended to reorganize column headings to reflect actual practice in preparing the exempt properties lists. New subsection (c) is added to require the production of the railroad property tax list, which codifies existing practice. New subsection (d) is added to specify the headings and columns for the railroad property tax list, which codifies existing practice. New subsection (e) is added to require the production of the taxable personal property list, which codifies existing practice. New subsection (f) is added to specify the headings and columns for the taxable personal property list, which codifies existing practice.

N.J.A.C. 18:12-4.1 provides definitions for the terms “contract,” “Director,” and “firm” as they relate to the revaluation of real property by appraisal firms.

N.J.A.C. 18:12-4.2 requires the Director of the Division of Taxation to establish assessment standards to be used in the valuation and revaluation of real property and to prescribe minimum qualifications for firms providing such services. This section also requires any municipality contracting for such services to submit the contract, prior to execution, to the Director for a 30-day review period. Assignments or transfers of the contract may not occur without the written consent of all contractual parties, including the surety company, county board of taxation, and the Director. Finally, this section prohibits any other changes in the contract without the mutual consent of the contracting parties and the written permission of the surety company and the Director.

N.J.A.C. 18:12-4.3 is reserved for later use.

N.J.A.C. 18:12-4.4 requires an appraisal firm seeking approval from the Director to become a revaluation firm, to provide annually certain financial, personnel, and other information about the firm. New paragraph (a)12 is being added to ensure compliance with the Local Government

Ethics Law, which would prevent an assessor from being employed or otherwise having an interest in the revaluation firm contracted for valuation services in his or her taxing district.

N.J.A.C. 18:12-4.5 requires that revaluation contracts submitted to the Director for review must include a provision that no county board of taxation commissioner or employee have any interest as an officer, stockholder, or employee of the appraisal firm, nor shall any such company represent any property owner or taxpayer filing a tax appeal with respect to a revaluation by the firm. It is amended to include in the provision that the assessor and deputy assessor, if applicable, of the taxing district have no interest, directly or indirectly, as an officer, stockholder, employee, or in any other capacity of the appraisal firm.

N.J.A.C. 18:12-4.6 sets forth the minimum requirements that principals and employees of an appraisal firm must meet in order to be able to engage in municipal revaluation programs. Such requirements include the number of years of appraisal experience and in-office training pursuant to the Division’s oversight obligations, pursuant to N.J.S.A. 54:1-35.35.

N.J.A.C. 18:12-4.7 requires a municipality using an appraisal firm to do a revaluation, to provide certain information to the firm, including an up-to-date tax map that is also to be submitted to the Property Administration section of the Division of Taxation for suitability determination, along with a surveyor’s certification that the map is up-to-date and a revision block showing approval of the map by the municipal engineer. Additionally, the municipality is to provide any other official records, letters of introduction, and mailing addresses of all property owners, all of which will assist the firm in carrying out its revaluation responsibilities. Finally, this section requires an assessor to sign informational letters to property owners sent by the firm as necessary.

N.J.A.C. 18:12-4.8 requires any firm engaged in a revaluation to comply with the standards and conditions set forth at Subchapter 4. This section further provides that determinations made by an appraisal firm be submitted to and approved by the assessor so as to help implement N.J.S.A. 54:1-35.35. The rule sets forth methodologies for revaluing different property classifications, how real property identification material is to be entered on property record cards, and how property inspections are to be performed. The rule also requires every revaluation contract to include certain items regarding progress and control of operations and that the revaluation firm also conduct a program of taxpayer orientation and education regarding the revaluation. The rule requires the appraisal firm to create a neighborhood map prepared for the assessor indicating all neighborhoods in the municipality. This requirement will make it easier for assessors to compare property values of changing neighborhoods and provides for transparency. The rule also recommends that a municipality obtain a computer-assisted mass appraisal (CAMA) package for revaluation maintenance. Obtaining this software program will assist a large-scale appraisal by facilitating statistical analysis. Finally, the appraisal firm must assist the municipality in the defense of all valuations by providing expert witnesses in an initial appeal to the county tax board. Subparagraph (a)10i is amended to reflect that counties operating under the alternate assessment calendar statutorily must mail their notices of assessment by November 15.

N.J.A.C. 18:12-4.9 sets forth procedures to be utilized by appraisal firms to provide taxpayers who wish to review their proposed real property assessments.

N.J.A.C. 18:12-4.10 requires an appraisal firm to provide surety and insurance protection, including workers’ compensation, liability, and a performance surety bond, to a municipality in the event of a lawsuit, litigation, demand, or claim arising out of the revaluation contract.

N.J.A.C. 18:12-4.11 requires an appraisal firm to provide an assessor with completed property cards filed by block and lot numbers, along with all supporting data, documentation, and special procedures used in deriving values. This subsection also requires the firm to make qualified personnel available to the assessor to explain and provide instruction on materials submitted regarding the revaluation.

N.J.A.C. 18:12-5 through 9 are reserved.

N.J.A.C. 18:12-10.1 defines terms that pertain to the taxability of property used primarily for business.

N.J.A.C. 18:12-10.2 provides definitions for the terms “real property” and “personal property” for determining when such property is subject to local property tax pursuant to the provisions at N.J.S.A. 54:4-1. N.J.A.C.

18:12-10.2(e) codifies P.L. 2004, c. 42, § 14 (N.J.S.A. 54:4-20), which made outdoor advertising signs real property subject to local property taxation.

As the Division has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The intended effect of the rules proposed for readoption with amendments is to increase real property tax assessment uniformity and fairness. They implement statutory provisions by establishing standards for classifications of property to be followed by appraisal firms and assessors, preparation of tax lists by assessors, requirements for the approval of appraisal firms, and standards for revaluation. The public policy of seeking uniformity in the way revaluations and reassessments of real property are implemented will continue. The rules proposed for readoption with amendments will minimize the effect of artificial factors on real property valuations and contribute to relative tax fairness, both in substance as well as perception. The rules proposed for readoption with amendments codify and update the traditional practices of appraisal firms and assessors, so value determinations are made in an equitable manner.

Requiring appraisal firms seeking certification as revaluation firms to provide a list of all holders of the tax assessor certificate will increase transparency and assist in enforcing the Local Government Ethics Law. The rules proposed for readoption with amendments are intended to reinforce the prohibition against appraisal firms employing the municipal tax assessor of the same municipality with which the firm has entered into a revaluation contract.

Economic Impact

The retaining, revising, and adding of sales of real properties that may not be used in determining assessment-sales ratios is continued from the rules proposed for readoption with amendments. The rules proposed for readoption with amendments also seek to minimize the impact of artificial and/or subjective factors that would tend to skew sales that are not arms-length transactions between willing buyers and sellers, but that are used in State or county equalization.

Additionally, the rules proposed for readoption with amendments relate to the standards and conditions that must be met by appraisal firms before they can be approved to do revaluations. The requirement that the firms create neighborhood maps for assessors may increase the cost of contracts between municipalities and firms. The statute and supporting administrative rules may also promote uniformity of the revaluation process by providing additional information on the municipal tax map and requiring the municipality to accelerate the process by specific date submission of a tax map and to make inspections of real property before existing property record cards may be relied upon.

Federal Standards Statement

The rules proposed for readoption with amendments do not set forth requirements that exceed those imposed by Federal law. The rulemaking represents policies of the State of New Jersey regarding implementation at N.J.S.A. 54:1-35.35 et seq., and 54:4-1 that are independent of Federal requirements or standards. Accordingly, no Federal standards analysis is required.

Jobs Impact

It is anticipated that the rules proposed for readoption with amendments should not have an impact on the job market for persons applying for positions with firms doing revaluation work since the rules proposed for readoption with amendments only add a requirement that firms provide a list of holders of the tax assessor certification; the Local Government Ethics Law already prevents an assessor from being employed by the firm contracted to revalue his or her taxing district.

Agriculture Industry Impact

The rules proposed for readoption with amendments will have no adverse impact on the agriculture industry.

Regulatory Flexibility Statement

The rules proposed for readoption with amendments do not impose recording, recordkeeping, or other compliance requirements on small businesses, as the revaluation firms approved to perform revaluation for

municipalities are dominant in their field and outside the definition of “small business,” pursuant to N.J.S.A. 52:14B-16 et seq.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments should impose at most an insignificant impact on the affordability of housing and there is an extreme unlikelihood that the rulemaking would evoke a change in the average costs associated with housing. The rules proposed for readoption with amendments are not changing the manner in which property is assessed for taxation, which determines the apportionment of the local property tax burden. The newly enumerated categories of nonusable sales are formalizing the existing practice of the municipal assessors and Division of Taxation in excluding sales from the assessment-sales ratio study in which either the sale is not an arm’s length transaction between a willing buyer and a willing seller for title in fee simple or in which the assessment is not reflective of the general assessment practice of the municipality.

Smart Growth Development Impact

The rules proposed for readoption with amendments would not result in a change in the housing production within Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan. This is because they have nothing to do with housing production, either within Planning Areas 1 or 2, within designated centers, or anywhere else in the State of New Jersey. The rules proposed for readoption with amendments only involve the law pertaining to assessments and revaluations.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Division has evaluated this rulemaking and determined that the rules proposed for readoption with amendments will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State because the rules proposed for readoption with amendments concern local property tax administration. Accordingly, no further analysis is required.

Full text of the readoption may be found in the New Jersey Administrative Code at N.J.A.C. 18:12.

Full text of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. CATEGORIES OF NONUSABLE DEED TRANSACTIONS

18:12-1.1 Categories enumerated

(a) The following deed transactions are not usable in determining assessment-sales ratios pursuant to N.J.S.A. 54:1-35.1 et seq.:

1.-4. (No change.)

5. Transfers that did not occur within the sampling period. Sampling period is defined as the period from July 1 to June 30, inclusive, preceding the date of promulgation of the Director’s Table of Equalized Valuation, except as otherwise stated. The recording date of the deed within this period is the determining date since it is the date of official record.

i. Where the date of deed or date of formal sales agreement occurred prior to January 1, next preceding the commencement date of the sampling period **and the recording date was within the sampling period**, the sale shall be **deemed outside the sampling period** and nonusable;

6. (No change.)

7. Sales of property substantially improved subsequent to assessment and prior to the date of sale, **and for which an added assessment has been or will be imposed**;

8.-20. (No change.)

21. Sales of low/moderate income housing as established [by the Council on Affordable Housing] **pursuant to the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 through 329.20**;

22.-24. (No change.)

25. Transfers in which the full consideration [as defined in the “Realty Transfer Fee Act”] is less than or equal to \$100.00, **as the term “consideration” is defined in the Realty Transfer Fee Act, at N.J.S.A. 46:15-5.c**;

26.-29. (No change.)

30. Sales in which multiple parcels are conveyed collectively [as] in one transaction [with an arbitrary allocation of the sale price of each parcel] **and those parcels are not part of a single economic unit;**

31. (No change.)

32. Sales of a property [in which an entire building or taxable structure is omitted from the assessment; and] **for which the assessment is based on a property record card description that substantially deviates from the actual property as sold, but would not be subject to an added assessment. These errors in records must result in a substantial change in assessment in the subsequent tax year;**

33. Sales of qualified farmland or currently exempt or abated property[.];

34. **Sales of property in which its designated property class on the tax list is not reflective of the actual use of the parcel;**

35. **Sales of property subject to an exception, reservation for the grantor’s benefit, restriction, or that otherwise transfers less than the full rights of ownership; and**

36. **Sales of property for which:**

i. **The assessment is not reflective of the municipality’s assessment practice; or**

ii. **The individual sale to assessment ratio is excessively high or low, and its individual sale to assessment ratio is so disproportionate to the ratios of other usable sales that its inclusion in the sales-ratio study would substantially impact the overall municipal ratio.**

(b) Transfers [within the foregoing category numbers] **that meet the criteria enumerated at [1.] (a)1, 3, 9, 10, 15, 17, 26, [and] 28 [(under (a) above)], 30, and 35,** should generally be excluded but may be used if after full investigation it clearly appears that the transaction was a sale between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell, with all conditions requisite to a fair sale with the buyer and seller acting knowledgeably and for their own self-interests, and that the transaction meets all other requisites of a usable sale.

SUBCHAPTER 2. PREPARATION AND FILING OF LOCAL PROPERTY TAX LIST AND DUPLICATE

18:12-2.3 Tax list page summaries; recapitulation of property

(a) The assessor shall prepare a summary containing the valuations as they appear in the tax list **and exempt property list** and duplicate for both taxable and exempt properties. In addition, the assessor shall prepare an alphabetical index listing the taxpayer by name **and an alphabetical index listing every property by street name of property location. In addition, the assessor shall prepare an alphabetical list showing the owners of exempt property separately.** The summaries will pertain to the property classification code as described [in] **at N.J.A.C. 18:12-2.1.**

(b)-(c) (No change.)

18:12-2.7 Hackensack Meadowlands District designations

(a)-(b) (No change.)

(c) The assessor shall indicate property located within the boundaries of the Hackensack Meadowlands District, by adding the letters “HM” [to the lot number or to the lot number suffix] **as a qualification code** in the column of the tax list captioned “Block No. Lot No. **Qualification Account No.**”

(d) (No change.)

18:12-2.8 Tax list and instructions

(a) This section describes the form and content of the real property tax list and duplicate for each tax year as prescribed by the Director of the Division of Taxation.

1. The size of the tax list and duplicate should be [14 inches by 17 inches or], **at a minimum, 8 ½ inches by 11 inches.** Each page of a tax list should provide for 14 line items.

i. Page headings:

(1)-(2) (No change.)

(3) Taxing district name and number; **and**

(4) County name and number[; and].

[(5) County percentage level.]

ii. Column headings: The following headings shall appear on the real property tax list and duplicate.

(1)-(4) (No change.)

(5) Column-5 Land taxable value, **improvement taxable value, and total taxable value.**

(6) Column-6 [Improvements taxable value.] **Exemptions: Insert the exemption code and exemption amount in this column. The specific exemptions are detailed in the MOD IV User Manual.**

(7) Column 7--[Exemptions: Insert the exemption code and exemption amount in this column. The specific exemptions are as found in the MOD IV User Manual.] **Net taxable value: Insert the total of columns 5 and 6 minus column 7.**

(8) Column-8 [Net taxable value: Insert the total of columns 5 and 6 minus column 7.] **Deductions: Approval of a tax deduction should be indicated by designating “V” in the case of a veteran, “W” in the case of a surviving spouse, surviving civil union partner, or surviving domestic partner of a veteran or serviceperson, “S” in the case of a senior citizen, “D” in the case of a disabled citizen, and “R” in the case of a surviving spouse, surviving civil union partner, or surviving domestic partner. Indicate if there are several owners or deductions in this column to determine the proportionate share of the eligible applicant’s interest in the property.**

(9) Column 9--[Deductions: Approval of a tax deduction should be indicated by designating “V” in the case of a veteran, “W” in the case of a widow or widower, surviving spouse, surviving civil union partner, or surviving domestic partner of a veteran or serviceperson, “S” in the case of a senior citizen, “D” in the case of a disabled citizen, and “R” in the case of a surviving spouse, surviving civil union partner, or surviving domestic partner. Indicate if there are several owners or deductions in this column to determine the proportionate share of the eligible applicant’s interest in the property.] **Special tax codes: Insert the special tax code as found in the MOD IV User Manual.**

(10) [Special tax codes: Insert the special tax code as found in the MOD IV User Manual.] **Column 10--Number of Units: Insert the dwelling units as defined in the MOD IV User Manual.**

(11) **Column 11--Deduction Amount, Prior Year Tax, and Current Year First Half Tax: Insert the total dollar amount of property tax deductions for the property, the prior year taxes billed, and the total taxes billed for the first and second quarters of the current year.**

iii. (No change.)

iv. Assessor’s affidavit—form and content:

(1) (No change.)

(2) When a district-wide [revaluation or reassessment] **valuation program** is implemented, and the taxable valuations conform to the county percentage level established for such year, the assessor should affix to his or her assessment list and duplicate, the affidavit and additional statement required [under] **pursuant to N.J.S.A. 54:4-[36(a) and (b)]36.a and b,** in order that the percentage level established for the taxable value of real property in the county be accepted as the common level for such year. (See N.J.S.A. 54:4-2.47.)

SUBCHAPTER 3. PREPARATION AND FILING OF EXEMPT PROPERTY TAX LIST AND DUPLICATE

18:12-3.1 Tax exempt list, **taxable personal property list, and railroad property list;** format and contents

(a) (No change.)

(b) The size of the exempt property list and duplicate should be [14 inches x 17 inches or] **at a minimum 8 ½ inches by 11 inches** and consist of 14 line items per page.

1. Page headings:

i.-ii. (No change.)

iii. Taxing district name and number; **and**

iv. County name and number[; and].

[v. County percentage level.]

2. Column headings: The following headings shall appear on the exempt property list.

i.-v. (No change.)

vi. Column 6--Statute [under] **pursuant to** which exemption claimed: Assessors are required [by] **pursuant to** N.J.S.A. 54:4-27 to state the reasons for exemption for each property to which a tax exemption is allowed. The statute [under] **pursuant to** which an exemption is allowed

can be found on Line [13] 6 of a properly executed Initial Statement Form, Form I.S.

vii. (No change.)

viii. **Column 8--Land value and improvement value:** Insert the true value of the land and true value of improvements to which an exemption is granted. [This] These values should be consistent with full values of other real property in the taxing district in the event the exemption is lost and the property is returned to taxable status.

ix. **Column 9--**[Insert the true value of all buildings or improvements to which an exemption is granted.] **Total exempt value:** Insert in this column the sum of the land and improvement values in column 8. The total of all exempt property should agree with the total exempt property as shown in the table of aggregates that is filed with the county board of taxation.

x. **Column 10--**[Total exempt value: Insert in this column the sum of column 5 and column 9. The total of all exempt property should agree with the total exempt property as shown in the table of aggregates that is filed with the county board of taxation. The exempt property list should be produced in block and lot sequence together with an alphabetical list showing the owner of the exempt property. These lists should be inserted at the back of the tax list and duplicate.] **Special tax codes:** Insert the special tax code as found in the MOD IV User Manual.

(c) Assessors are required to enter on the railroads property tax list and duplicate, in the form and content prescribed by the Director of the Division of Taxation, a description of all railroad property with the owner's name and the value of such land and buildings.

(d) The size of the railroad property list and duplicate should be, at a minimum, 8½ inches by 11 inches and consist of 14 line items per page.

1. Page headings:

i. Title: "RAILROAD PROPERTY LIST": An identical list shall also be prepared as the assessor's duplicate;

ii. Page number;

iii. Taxing district name and number; and

iv. County name and number.

2. **Column headings:** The headings for the railroad property list shall be the same as the first nine columns of the real property tax list provided at (b)2i through ix above.

(e) Assessors are required to enter on the taxable personal property list and duplicate list, in the form and content prescribed by the Director of the Division of Taxation, a description of all taxable business personal property with the owner's name and the value of such land and buildings.

(f) The size of the taxable personal property list and duplicate should be, at a minimum, 8 ½ inches by 11 inches and consist of 14 line items per page.

1. Page headings:

i. Title: "TAXABLE PERSONAL PROPERTY LIST": An identical list shall also be prepared as the assessor's duplicate;

ii. Page number;

iii. Taxing district name and number; and

iv. County name and number.

2. **Column headings:** The following headings shall appear on the taxable personal property list:

i. **Column 1--Line number:** This column assigns a line number to a particular parcel of property for identification in billing and other purposes. Each line must be consecutively numbered on every page.

ii. **Column 2--Block number, lot number, qualification code, and account number:** Insert the parcel block and lot number and the qualification code, if any. Qualification codes are shown on the real property tax list in the legend. Enter the account number, if used, in this column.

iii. **Column 3--Property description and class:** Insert a description of the property and its classification, pursuant to N.J.A.C. 18:12-2.2.

iv. **Column 4--Owner's name:** Insert owner's name, mailing address, zip code, and property location.

v. **Column 5--Reported depreciated book value:** Insert the depreciated book value as reported by the taxpayer on the annual return filed with the assessor, pursuant to N.J.S.A. 54:4-2.48.

vi. **Column 6--Average assessment ratio:** Insert the appropriate ratio of assessed to true value for the taxing district. If the municipality has undergone a district-wide valuation program for the current tax year, enter the county percentage level of assessments. If the municipality has not undergone a district-wide valuation program, insert the lesser of the county percentage level or the Director's average ratio determined, pursuant to N.J.S.A. 54:1-35.1 et seq.

vii. **Column 7--Taxable value of tangible personal property:** Insert the total of column 5 multiplied by column 6.

SUBCHAPTER 4. REVALUATION OF REAL PROPERTY BY APPRAISAL FIRMS

18:12-4.4 Appraisal firm: required information to be submitted

(a) An appraisal firm seeking approval from the Director to become a New Jersey revaluation firm shall submit the following information annually:

1.-9. (No change.)

10. A breakdown of general staff resources of the firm with regard to field/building enumerators and clerical office personnel; [and]

11. An indication that the firm is able to secure a surety bond for the completion of revaluation work performed under contract[.]; and

12. A list of all owners, officers, principals, supervisors, employees, contractors, or other persons associated with the firm who possess a Tax Assessor Certificate (CTA).

18:12-4.5 Conflict of interest

(a) A contract submitted to the Director shall include the following provisions with respect to officers, stockholders, and employees of the firm:

1. No commissioner or employee of a county board of taxation within the county shall have any interest whatsoever, directly or indirectly, as an officer, stockholder, or employee, or in any other capacity of the firm. The assessor or any deputy assessor of the taxing district shall not have any interest whatsoever, directly or indirectly, as an officer, stockholder, or employee, or in any other capacity of the firm.

2. No company referred to [in] at N.J.A.C. 18:12-4.4(a)7 shall represent any property owner or taxpayer filing a tax appeal with respect to a revaluation by the firm.

18:12-4.8 Standards for revaluation

(a) Any firm engaged in the revaluation of all of the real property in a municipality shall comply with the standards and conditions set forth in this subchapter. The revaluation firm acts as the agent of the assessor and all determinations made by the firm shall be submitted to, and approved by, the assessor.

1.-6. (No change.)

7. The firm shall include real property identification material on properly labeled individual property record cards similar in form and content to those illustrated in the current Real Property Appraisal Manual. [Distinct property record cards for each of the four classifications of real property shall be provided.]

8.-9. (No change.)

10. Every contract shall include the following items representing progress and control of operations:

i. A commencement date and a completion date, the latter not later than November 1. Assessment notices shall not be sent prior to November 10, except in a municipality in a county operating under the alternate assessment calendar, pursuant to N.J.S.A. 54:1-104, 54:1-86 through 100, and 54:1-105, the assessment notices shall be sent no later than November 15. Taxpayer's reviews shall be completed not later than December 15;

ii.-v. (No change.)

11.-17. (No change.)