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Effective Tax Rate

N.J. Department of Community Affairs, Div. LGS 1998 – 2017

Updated for 2018 LTEM with 2017 data

Highlight

Municipal effective tax rates rose again for Pinelands municipalities, from 2.53 in 2016 to 2.58 in 2017. The average effective municipal tax rate for 2017 outside the Pinelands was 2.88 per 100, up from 2.84 in 2016.

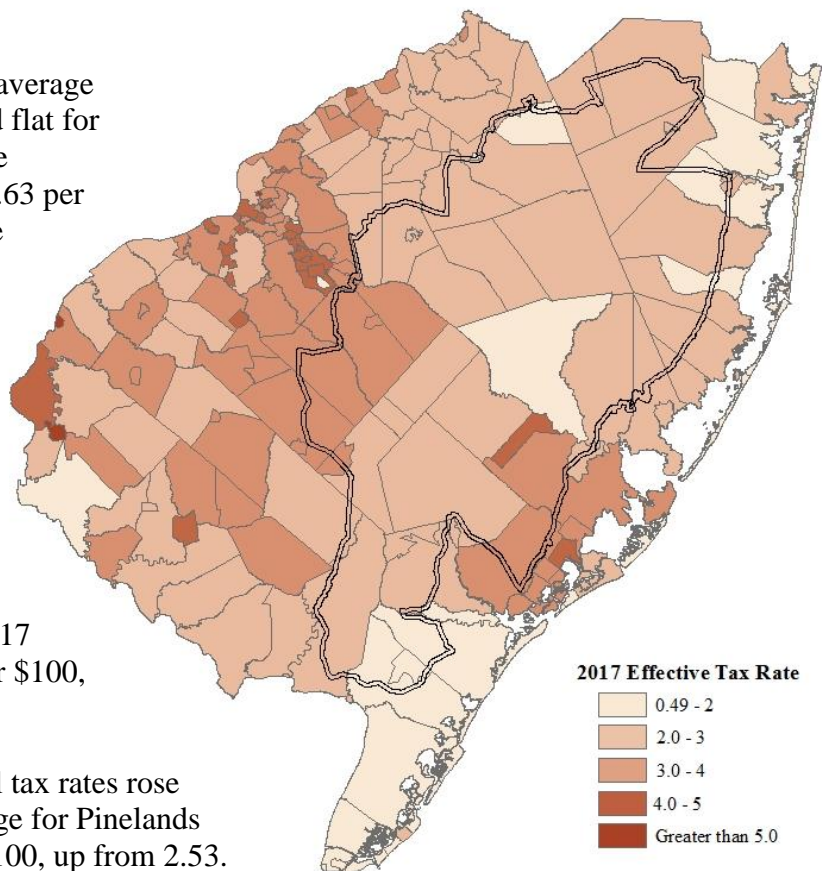
Description: The effective tax rate is a ratio of taxes to property value (expressed in hundredths). The effective tax rate is the rate at which a municipality taxes the (equalized) assessed value of property, and is equal to the general property tax adjusted by the municipality's equalization ratio as calculated by the New Jersey Department of the Treasury, Division of Taxation.

Unit of Analysis: Average effective tax rate data is compiled at the municipal level and regionally aggregated to allow for inside/outside the Pinelands and state analysis.

Findings: The trend in statewide average municipal effective tax rate stayed flat for 2017. Across the state, the average municipal effective tax rate was 2.63 per \$100. This represents a negligible increase of 0.004 per \$100 of valuation.

Non-Pinelands municipalities' average effective tax rates continue to be higher than tax rates inside the Pinelands. The rate increased by about 1% on average in the non-Pinelands region. The average effective municipal tax rate for 2017 outside the Pinelands was 2.88 per \$100, up from 2.84 in 2016.

In the Pinelands region, municipal tax rates rose by about 2% for 2017. The average for Pinelands municipalities came to 2.58 per \$100, up from 2.53. Thirteen municipalities inside the Pinelands had decreases in the tax rate. Decreases ranged from 0% to 9%. The remaining municipalities saw increases of 0.1% to 12%.



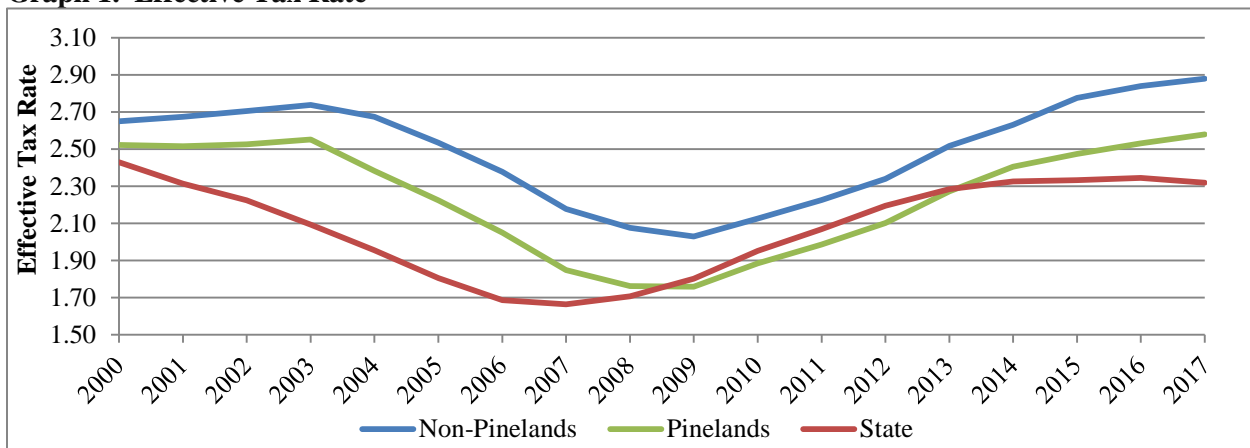
Among the Pinelands municipalities, Mullica Township had the largest increase over the past year. The effective tax rate in the Township was up 12% to 3.00. Folsom Borough also saw a substantial percentage increase of about 10% for a rate of 2.14. Municipalities that saw the greatest decreases in the tax rate included Wrightstown Borough (down 9% to 2.35) and Washington Township (down 6% to 1.75). The highest effective tax rate in the Pinelands region was found again in Egg Harbor City with a rate of 4.55 per 100. Dennis Township with a rate of 1.56 retained the lowest effective tax rate.

Table 1. Regional Average Effective Municipal Tax Rates

Region	2005	2010	2011	2012	2013	2014	2015	2016	2017
Pinelands	2.22	1.88	1.99	2.10	2.27	2.41	2.47	2.53	2.58
Non-Pinelands	2.54	2.13	2.23	2.34	2.52	2.63	2.78	2.84	2.88
State	2.22	2.01	2.14	2.27	2.42	2.53	2.59	2.63	2.63

Below Graph 1 shows the trend in average municipal tax rates for each of the three regions. Graph 2 represents comparative rise in residential tax bills since the year 2000. The average residential tax bill is indexed to the average in 2000.

Graph 1. Effective Tax Rate



Graph 2. Index of Effective Tax Rate

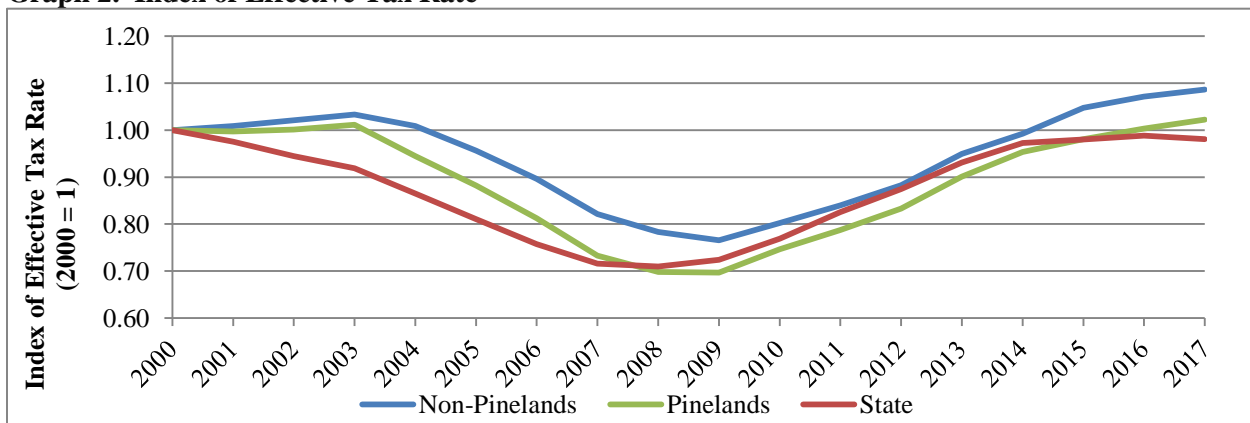


Table 2. Effective Tax Rates for Pinelands Municipalities

Municipality	County	2016 Effective Tax Rate	2017 Effective Tax Rate	2016 South N.J. Rank	2017 South N.J. Rank
Egg Harbor City	Atlantic	4.34	4.55	12	11
Waterford Township	Camden	3.66	3.65	39	39
Monroe Township	Gloucester	3.54	3.56	43	43
Berlin Township	Camden	3.54	3.49	42	48
Chesilhurst Borough	Camden	3.37	3.46	53	50
Winslow Township	Camden	3.33	3.34	58	56
Buena Borough	Atlantic	3.10	3.27	69	62
Egg Harbor Township	Atlantic	2.99	3.15	79	69
Franklin Township	Gloucester	3.05	3.05	74	79
Galloway Township	Atlantic	2.98	3.02	84	81
Mullica Township	Atlantic	2.68	3.00	111	85
Hamilton Township	Atlantic	2.91	3.00	90	86
Medford Lakes Borough	Burlington	2.99	2.95	81	90
South Toms River Borough	Ocean	2.77	2.83	103	98
Medford Township	Burlington	2.82	2.82	101	103
Maurice River Township	Cumberland	2.54	2.76	126	106
Lakehurst Borough	Ocean	2.71	2.76	106	107
Buena Vista Township	Atlantic	2.60	2.69	118	113
Shamong Township	Burlington	2.59	2.69	120	115
Barneгат Township	Ocean	2.66	2.67	113	116
Hammonton Town	Atlantic	2.57	2.66	121	117
Tabernacle Township	Burlington	2.57	2.64	122	119
Eagleswood Township	Ocean	2.43	2.62	131	121
Evesham Township	Burlington	2.64	2.62	115	121
Southampton Township	Burlington	2.49	2.50	127	127
Port Republic City	Atlantic	2.35	2.48	135	130
Wrightstown Borough	Burlington	2.59	2.35	119	137
Estell Manor City	Atlantic	2.31	2.31	137	140
Woodland Township	Burlington	2.20	2.31	143	141
Weymouth Township	Atlantic	2.09	2.27	156	142
Little Egg Harbor Township	Ocean	2.27	2.26	142	143
Pemberton Township	Burlington	2.28	2.26	141	144
Bass River Township	Burlington	2.13	2.20	152	146
Manchester Township	Ocean	2.17	2.20	146	148
Beachwood Borough	Ocean	2.16	2.15	150	152
Folsom Borough	Atlantic	1.95	2.14	163	153
Plumsted Township	Ocean	2.13	2.14	153	154
Stafford Township	Ocean	2.14	2.09	151	155
Lacey Township	Ocean	2.06	2.08	157	157
Jackson Township	Ocean	2.11	2.02	154	160
Berkeley Township	Ocean	2.00	1.96	161	161
New Hanover Township	Burlington	1.73	1.82	171	167
Ocean Township	Ocean	1.80	1.80	168	168
Washington Township	Burlington	1.87	1.75	165	173
Upper Township	Cape May	1.67	1.69	175	176
Woodbine Borough	Cape May	1.62	1.62	176	177
Dennis Township	Cape May	1.52	1.56	178	179
<i>"Outside" Municipalities (less than 10% of total area in Pinelands boundary)</i>					
Berlin Borough	Camden	3.08	3.16	71	68
Springfield Township	Burlington	2.71	2.69	106	112
Vineland City	Cumberland	2.45	2.49	130	128
North Hanover Township	Burlington	2.10	2.09	155	156
Toms River Township	Ocean	1.85	1.89	166	163
Corbin City	Atlantic	1.73	1.79	170	169