

## Chapter I

### INTRODUCTION

#### 101. Local Government in New Jersey

101.1 **Four Types of Local Government Units.** The basic units of local government in New Jersey are the county, municipality, school district, and special district.

101.2 **County Government.** A number of counties in New Jersey date back to colonial times and were initially agents for the English monarchy. The original counties were subdivided periodically until Union, the last of the present 21 counties, was created by the State Legislature in 1857.

101.21 **Classification of Counties.** For purposes of general legislation, counties are divided into six classes by population and geographic location:

<u>Class</u>	<u>Population</u>	<u>Location</u>
First	Over 550,000 & density of more than 3,000 persons per square mile	Any part of State
Second	Over 200,000	Not bordering on Atlantic Ocean
Third	50,000 to 200,000	Not bordering on Atlantic Ocean
Fourth	Under 50,000	Not bordering on Atlantic Ocean
Fifth	Over 100,000	Bordering on Atlantic Ocean
Sixth	100,000 or less	Bordering on Atlantic Ocean

#### REFERENCES:

New Jersey Statutes Annotated 40A:6-1&2 hereafter abbreviated as N.J.S.A.  
This legal source is used throughout the *Handbook* whenever statutes are cited.

According to the Census of 1990, as taken from the 55th Annual Report of the Division of Local Government Services, 1992, the counties of New Jersey are classified as follows:

- First: Bergen, Essex, Hudson
- Second: Burlington, Camden, Gloucester, Mercer, Middlesex, Morris, Passaic, Somerset, Union
- Third: Cumberland, Hunterdon, Salem, Sussex, Warren
- Fourth: None
- Fifth: Atlantic, Monmouth, Ocean
- Sixth: Cape May

**101.22 Apportionment of County Costs.** As of 1992, more than 60% of the revenue for county government came from taxes on real and personal property. The amount to be raised for a county's budget is apportioned among the municipalities of the county based on the equalized value of real property and certain locally assessed personal property used in business in each municipality.

**REFERENCES:**

**N.J.S.A. 54:3-17,18 & 19**  
*55th Annual Report of the N.J. Division of Local Government Services, 1992.*

**101.3 Municipal Government.** Many municipalities of New Jersey also had their origins in the colonial period and are organized similar to their English counterparts. A few of the oldest communities in the State have special charters. Most municipalities today are organized as prescribed by State law. Unlike many western states, the entire area of New Jersey, except for the U. S. military reservation at Sandy Hook, is within the boundaries of an incorporated municipality. In New Jersey, the municipality is the "taxing district" for purposes of property taxation and the terms "municipality" and "taxing district" are often used interchangeably.

**REFERENCES:**

For a general publication on municipal government, see Julius Mastro and J. Albert Mastro, *Governing New Jersey Municipalities* (New Brunswick: Bureau of Government Research and Department of Government Services, Rutgers University, 1979).

101.31 **Classification of Municipalities.** New Jersey municipalities are classified in two ways: type of municipality, and form of government.

101.32 **Five Types of Municipalities.** Type is the name by which the municipality is commonly known. There are five types of municipality: city, town, borough, township, and village. Towns, boroughs, townships, and villages may be located in any part of the State with any population. (See Table 1-1). Cities, by law, are further divided into four classes based on population and geographic location:

<u>Class</u>	<u>Population</u>	<u>Location</u>
First	Over 150,000	Not bordering on Atlantic Ocean
Second	12,000 to 150,000	Not bordering on Atlantic Ocean
Third	All cities not 1st or 2nd class	Not bordering on Atlantic Ocean
Fourth	Any population	Bordering on Atlantic Ocean

101.33 **Forms of Municipal Government.** A number of forms of municipal government are prescribed by State law. Their organizational name frequently coincides with their municipal type. For example, most boroughs operate under the borough form of government and most townships under the township form. There are also optional forms of government organization which may be adopted by any type of municipality. For instance, the City of Newark operates under a mayor-council form, the Township of Teaneck under the council-manager form, and the Borough of Belmar under the commission form. (See Table 1-2)

**REFERENCES:**

**N.J.S.A. 40A:6-4**

***55th Annual Report of the N.J. Division of Local Government Services, 1992.***

***Ernest C. Reock, Jr. and Raymond D. Bodnar, Forms of Municipal Government in New Jersey (Trenton: New Jersey County & Municipal Government Study Commission, January, 1979).***

STATEWIDE TOTALS FOR 1992

Population, 1980 Census	7,364,823
Population, 1990 Census	7,730,188
Land Area (Square Miles)	7,487.32
Net Valuation Taxable - Municipal	386,523,732,088
Net Valuation Taxable - County	509,512,723,398
State Equalized Valuation	497,277,668,538
Tax Levy	10,324,378,979

TYPES OF LOCAL GOVERNMENT UNITS IN NEW JERSEY

COUNTIES (21)	MUNICIPALITIES (567)					TOTAL
	BOROUGH	TOWNSHIP	CITY	TOWN	VILLAGE	
Atlantic	3	6	13	1	0	23
Bergen	56	9	3	0	2	70
Burlington	6	31	3	0	0	40
Camden	27	8	2	0	0	37
Cape May	7	4	5	0	0	16
Cumberland	1	10	3	0	0	14
Essex	1	19	2	0	0	22
Gloucester	10	13	1	0	0	24
Hudson	1	2	4	5	0	12
Hunterdon	10	14	1	1	0	26
Mercer	4	8	1	0	0	13
Middlesex	12	10	3	0	0	25
Monmouth	35	15	2	0	1	53
Morris	16	20	0	3	0	39
Ocean	19	14	0	0	0	33
Passaic	10	3	3	0	0	16
Salem	3	11	1	0	0	15
Somerset	12	9	0	0	0	21
Sussex	8	15	0	1	0	24
Union	7	8	5	1	0	21
*Warren	2	18	0	3	0	23
Total	250	247	52	15	3	567

\* In May 1997, Pahaquarry Township, Warren County will merge with Hardwick Township.  
 Fifty-Fifth Annual Report of Division of Local Government Services, 1992  
 (Trenton: State of New Jersey), p.5

Form of Local Government Organization

Method of Assessor Selection

<p><b>Commission Form</b> (AKA the Walsh Act) - an elected governing body of three or five members (determined by population class) with both legislative and administrative authority.</p>	<p>Assessor or assessor with deputy assessors appointed by commission at organization meeting by director of department at subsequent date. (N.J.S.A. 40:72-7)</p>
<p><b>Municipal Manager Form</b> (1923 Law) - an elected body of five, seven or nine members which appoints its mayor and other officers. It appoints a municipal manager who is given authority to administer the local unit.</p>	<p>Assessor or assessor with deputy assessors appointed by council. (N.J.S.A. 40:81-11)</p>
<p><b>Council-Manager Form</b> (1950 Law) - an elected policy-making council of five, seven or nine members (at discretion of voters) which appoints its mayor, a municipal clerk and a municipal manager who has authority and responsibility for overall municipal administration. This form differs from the 1923 form in the greater degree of discretion of both council representation and administrative organization.</p>	<p>Assessor or assessor with deputy assessors appointed by council. (N.J.S.A. 40A:9-146, 40:69A-95)</p>
<p><b>Mayor-Council Administrator Form</b> - an elected policy-making body of five, seven or nine members (voter's option) and a separately elected mayor with authority and responsibility for overall administration including the appointment of a business administrator to direct the department of administration required under this plan.</p>	<p>Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council or by department head who has been appointed by mayor. (N.J.S.A. 40:69A-43)</p>
<p><b>Small Municipalities Form</b> - an elected policy-making body of three, five or seven members including a mayor elected by the voters or the council who has authority for overall administration of the unit. This form of government is limited to units with less than 12,000 persons.</p>	<p>Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council. (N.J.S.A. 40:69A-122)</p>
<p><b>City Mayor-Council Form</b> - includes referendum charter forms authorized between 1897 and 1908 and special charters approved by the Legislature. Its constituency varies in size.</p>	<p>A wide variety of statutory provisions for appointed assessors.</p>
<p><b>Town Form</b> - similar to the borough form with a separately elected mayor and council sized according to number of wards</p>	<p>Assessor or assessor with deputy assessors appointed by governing body. (N.J.S.A. 40A:9-146)</p>

Form of Local Government Organization con't.

<p><b>Borough Form</b> - an elected council usually six members with both administrative and policy making powers and an elected mayor with limited authority for administration.</p>	<p>Assessor or assessor with deputy assessors appointed by mayor with advice and consent of council. (N.J.S.A. 40A:60-2-5-6-8, 40A:9-146)</p>
<p><b>Township Form</b> - an elected governing body usually of three or five members with legislative and administrative authority.</p>	<p>Assessor or assessor with deputy assessors appointed by the governing body. (N.J.S.A. 40A:9-146)</p>
<p><b>Village Form</b> - an elected body of five trustees with both legislative and administrative authority.</p>	<p>Assessor or assessor with deputy assessors appointed by the governing body. (N.J.S.A. 40A:9-146)</p>

Form of County Government Organization

<p><b>County Executive Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an elected county executive authorized to supervise, direct and control all county administrative departments.</p>
<p><b>County Manager Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an appointed county manager authorized to supervise, direct and control all county administrative departments.</p>
<p><b>County Supervisor Plan</b> - an elected board of chosen freeholders of five, seven or nine members and an elected county supervisor. Legislative power is vested in the board of chosen freeholders; the executive power is exercised by the county supervisor.</p>
<p><b>County Board President Plan</b> - an elected board of chosen freeholders of five, seven or nine members who elect a board president who presides at board meetings and oversees the work of the appointed administrator.</p>

Fifty-Fifth Annual Report of Division of Local Government Services, 1992  
 (Trenton: State of New Jersey). p.677

101.4

**School Districts.** School districts were established in New Jersey during the nineteenth century when public education became the responsibility of government. Most school districts cover the same area as the municipality. However, State law provides for districts covering two or more municipalities and for regional districts. There are currently more than 600 school districts in New Jersey; approximately 61 of these are regional districts.

**101.41 Classification of School Districts.** Most New Jersey school districts are either Type I or Type II.

- (1) In Type I (formerly Chapter 6, Title 18 of Revised Statutes) or "city" school districts, members of the board of education are appointed by the mayor or other Chief Executive Officer of the municipality. The school budget is prepared by the board of education and approved by the board of school estimate which consists of the mayor or Chief Executive Officer, two members of the board of education, and two members of the municipal governing body.
- (2) a. In Type II (formerly Chapter 7, Title 18 of Revised Statutes) or noncity school districts, members of the board of education are elected and the school budget is submitted to the voters for approval.  
b. In consolidated and regional school districts, both all purpose and limited purpose, membership on the board of education is apportioned among the participating districts according to population. Board members are elected and the school budget must be approved by the voters.
- (3) State-operated school districts conducted by a State district superintendent were authorized by statutory amendments in 1987.

**REFERENCES:**

**N.J.S.A.** 18A:9-2, 18A:9-3, 18A:10-1, 18A:12-7, 18A:12-11, 18A:13-2 et seq., 18A:13-8 et seq., 18A:13-17 et seq., 18A:22-1 et seq., 18A:22-4 et seq., 18A:22-14 et seq., 18A:22-26 et seq.

101.42 **Apportionment of Regional School District Costs.** As of 1990, the following was the basis for apportioning the regional school tax levy among regional school districts:

- (a) The portion of each municipality's equalized valuation allocated to the regional district, calculated as described in the definition of equalized valuation in section 3 of P.L. 1990, c.52 (C 18A:7D-3)\*
- (b) The proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year in the same manner as would apply if each municipality comprised separate constituent school districts; or
- (c) Any combination of apportionment based upon equalized valuations pursuant to subsection a. of this section or pupil enrollments pursuant to subsection b. of this section.

\* "Equalized valuation" means the equalized valuation of the taxing district or taxing districts as certified by the Director of the Division of Taxation on October 1 of the prebudget year. With respect to regional districts and their constituent districts, however, the equalized valuations as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils in each of them. For the 1991-92 school year, regional and constituent pupils shall include pupils attending the schools of a county vocational school or a county special services school district. Part-time post-secondary vocational pupils are to be excluded from this calculation.

**REFERENCES:**

**N.J.S.A. 18A:7A-3, 18A:13-23, & 23.3**

101.5 **Special Districts.** New Jersey laws authorize special districts to provide specific government services such as fire protection to portions of a municipality. The voters may be empowered to elect a governing body for the special district and approve the levying of a property tax to finance the costs of these services. Or the tax may be determined by the municipal governing body. Some special districts permit only special improvement assessments or taxes to cover the initial cost of installing facilities. Where property taxes for annual operating costs are authorized, they are based on the assessed values of taxable property in that portion of the municipality

receiving the services. In 1990, individual statutes allowing for the creation of street lighting districts, sewerage districts, garbage districts and road districts etc. were repealed and consolidated under one or two statutes providing for their authorization generally.

#### REFERENCES:

N.J.S.A. 40A:60-7d, 40A:63-6, 40A:63-7d

- 101.6 Powers of Counties, Municipalities, School Districts, and Special Districts.**  
Counties, municipalities, school districts, and special districts of New Jersey are known as "creatures of the State," that is, they have been created by the State legislature and granted legal powers by State law. The State, at any time, may create new or abolish existing counties, municipalities, school districts, and special districts, or may alter their powers. Local government units and officers may perform only those activities and only within the limits authorized by State law or special charter.

### **102. Local Government Finances**

- 102.1 Sources of Local Revenue in the United States.** Traditionally, the general property tax has been the major revenue source for operating local governments throughout the United States. While still true, in recent decades the property tax has declined in importance nationwide as other local revenue sources have developed. These include municipal sales and income taxes; gross receipt taxes; charges for services, such as garbage collection and sewage disposal; licenses, fees, and permits; parking meter receipts; and aid, sometimes called "revenue sharing," from county, state and federal governments.
- 102.2 Sources of Local Revenue in New Jersey.** Few states exceed New Jersey in reliance on the property tax and it is still the primary support of local government finance. In 1996, more than 12.1 billion dollars was received by New Jersey municipalities and used to pay for the costs of municipal and county government, and the local public school system. More than one-half of the taxes collected are

paid to the counties and school districts. Of the total revenue received, 76% is obtained from taxes on real and locally assessed personal property used in business. Table 1-3 lists the sources of municipal revenue and indicates the magnitude of the sums involved.

**102.3 New Jersey Property Tax Procedure.** The steps in determining the tax on each property may be summarized as follows:

- (1) On or before January 10 of the tax year, each assessor files with the county board of taxation the Tax List (real property, personal property & exempt property) and Tax List Duplicate showing the assessed value of each property in the taxing district. Value is determined as of October 1 of the preceding year for real property and January 1 of the preceding year for certain locally assessed personal property.
- (2) Early in the calendar year, the municipal and county governing bodies and the local boards of education make up their respective budgets. Anticipated revenue from various sources is deducted from the budget amounts required. The amount remaining to be raised by a levy on real and personal property is reported to the county board of taxation.
- (3) Each county tax board apportions the amount to be raised by property taxes to support county government among the taxing districts in the county, adds to the respective county portion the amounts needed from property taxes to finance the municipal government and the school district, and divides the total levy by the assessed value of all taxable property to establish the local tax rate.
- (4) The tax rates are reported to the municipality which collects the property tax for the county, the school district, and itself.
- (5) If there are special district costs, the special district governing body reports the amount needed to the assessor who calculates the tax rate for this purpose by dividing the amount to be raised by the total value of taxable property in the special district. This rate is added to the regular general tax rate for the municipality to determine the taxes on properties in the special district.

Revenue Received by All New Jersey Municipalities, 1992		
Source	Amount	Percentage
1992 Property Taxes Collected	\$9,700,453,592	72.2
1992 Payments in Lieu of Taxes	58,031,285	.4
Delinquent Tax & Lien Collections	425,971,857	3.2
Business Personalty Replacement Taxes	155,522,164	1.2
Taxes from Public Utilities	685,241,797	5.1
Other Miscellaneous Tax Revenues	30,754,554	.2
State Aid Revenues	880,831,662	6.6
Federal Aid Revenues	20,233,750	.2
State and Local Fiscal Assistance Act Utilized	322	.0
Sale of Acquired Property	4,629,174	.0
Other Miscellaneous Revenues	966,244,171	7.2
TOTAL	\$13,430,599,136	96.3%
The total includes prior years surplus appropriated amount of \$502,684,808 (3.7%). The percentages reflect the proportion of each revenue source to the total.		
Source: Fifty-Fifth Annual Report of the Division of Local Government Services, 1992 (Trenton: State of New Jersey), p.51		

Table 1-3

- (6) The appropriate tax rate is multiplied by the assessment on each property to determine the taxes due for the current year.

### 103. Legislative Limit on Municipal and County Budget Increases

103.1 In an effort to curb the rising costs of county and local governments, laws limiting spending were enacted by the Legislature. It was recognized, however, that these governments could not be so constrained as to make it impossible to provide services to residents.

103.2 **Municipal "Budget Caps."** A municipality is limited in increasing its budget to the lesser of 5% or the index rate over the previous year's "final appropriation."

Some exceptions to the limit follow:

- (1) Capital expenditures (See N.J.S.A. 40A:2-21 & 2-22 for bondable requirements);
- (2) An increase due to an emergency situation (See N.J.S.A. 40A:4-20 & 40A:4-46), if approved by at least two-thirds of the governing body and the Director, Division of Local Government Services, not to exceed 3% of the previous year's final current operating appropriations;
- (3) All debt service;
- (4) Amounts, as approved, required for funding a preceding year's deficit;
- (5) Amounts reserved for uncollected taxes;
- (6) Amounts from new or increased construction, housing, health or fire safety inspection service fees imposed by State law, rule, regulation or local ordinance;
- (7) Amounts approved by referendum;
- (8) Amounts to fund free public libraries (See R.S. 40:54-1) and privately owned libraries and reading rooms (See R.S. 40:54-35);
- (9) Amounts for projects, facilities or public improvements for water, sewerage, parking, senior citizen housing;
- (10) Amounts for expenditures resulting from the impact of a hazardous waste facility as per P.L. 1981, c. 279;

- (11) Amounts mandated due to natural disaster, civil disturbance or other emergency so declared by the U.S. President or the Governor;
- (12) Amounts mandated by court order, federal or State statute, or by order of a State agency as certified to the Local Finance Board;
- (13) Amounts for staffing and operating municipal courts;
- (14) Amounts for administering a joint insurance fund established pursuant to P.L. 1983, c.372;
- (15) Amounts for implementing and maintaining a tax billing system.

**REFERENCES:**

**N.J.S.A. 40A:4-45.3 as amended by L. 1993, c. 269 & L. 1994, c. 72**

103.3

**Certification by Assessors.** Effective tax year 1996, all municipal assessors must provide to their county tax board by January 10 on forms JDC 1 & 2 the assessed value of new construction and improvements, the local municipal purpose rate and the allowable increase to the budget cap for their municipality. This information may be abstracted from the added assessment list for the previous year. Also to be included are partial assessments on the current year's tax list for new construction not included in the prior year's added assessment list. This will help to determine at least a portion of the amount which may be excluded from a municipality's 5% budget "CAP" limitation. The certification should be made by January 10th in the tax year, and should not include values of properties transferred from exempt to taxable status, nor omitted-added assessments for a prior year. (See Exhibit I-1)

**REFERENCES:**

**JOINT DIRECTIVE, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation and Director, Division of Local Government Services, January 11, 1977 & November 27, 1995.**

103.4

**County "Budget Caps."** In preparing its budget, a county may not increase the county taxes apportioned among its municipalities more than the lesser of 5% or the index rate of the previous year's county tax levy. Some exceptions to the limit follow:

- (1) The revenue amount generated by the increase in valuations in the county

based on applying the preceding year's county tax rate to the apportionment valuation of new construction or improvements;

- (2) Capital expenditures, (See N.J.S.A. 40A:2-21 & 22 for bondable requirements);
- (3) An increase due to an emergency (See N.J.S.A. 40A:4-20 & 40A:4-46), if approved by at least two-thirds of the governing body and the Director, Division of Local Government Services, not to exceed 3% of the previous year's final current operating appropriations;
- (4) All debt service;
- (5) Amounts for projects, facilities or public improvements for water, sewerage, parking, senior citizen housing;
- (6) Amounts mandated due to natural disaster, civil disturbance or other emergency as declared by the U. S. President or the Governor;
- (7) Amounts mandated by court order, federal or State statute, or by order of a State agency as certified to the Local Finance Board;
- (8) Funding to a county college in excess of the county tax levy required to fund the college in local budget year 1992;
- (9) Amounts appropriated for the cost of administering a joint insurance fund established pursuant to P.L. 1983, c. 372.

**REFERENCES:**

N.J.S.A. 40A:4-45.4 amended by L. 1993, c. 76 & L. 1993, c. 269

**103.5 Certification by County Tax Administrators.** County Tax Administrators must review and correct form JDC 1 & 2 and certify to their chief financial officers and the Director of Local Government Services by January 31 the apportionment assessed valuation of all new construction or improvements in the county multiplied by the preceding year's county tax rate. This information may be abstracted from the aggregate of all added assessment lists filed the previous year. Certification may also be included for partial assessments on the current year's tax lists for new construction not included in the prior year's added assessment lists. This will help determine a portion of the amount excluded from a county's 5% budget "CAP."

Certification should not include values of properties transferred from exempt to taxable status, nor amounts for omitted-added assessments for a prior year. County tax administrators must also provide the aggregate equalized value of added and new construction ratables for all municipalities in the county multiplied by the prior year's county tax rate to their chief county financial officers by January 31.

**REFERENCES:**

**JOINT DIRECTIVE, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation and Director, Division of Local Government Services, January 11, 1977 & November 27, 1995.**

**104. The Position of Assessor**

**104.1 General.** Assessors, though selected and appointed by municipal officials, are public officers whose duties are imposed by and defined in State law. The assessor occupies a unique position within the framework of local government. When assessing property for taxation, the assessor performs a governmental function as an agent of the Legislature. The position of assessor takes on a judicial quality in determining the taxability and assessments of property. In discharging these duties, the assessor is not subject to the control of a municipality. The intent is that assessors, like judges, should be free to perform their duties without fear of local retaliation and should be immune from pressure and harassment. However, the assessor is subject to certain local requirements and to supervision at both the county and State levels of government.

**REFERENCES:**

**Jeffers v. City of Jersey City, 8 N.J. Tax 313, N.J. Super. (Law Div., Feb. 1986)**

**Paterson v. Rooney Jr., N.J. Super. (Law Div., June 1973)**

**Arace v. Town of Irvington, 75 N.J. Super. 258, 269 (1962), 59 N.J. 267 (1971)**

**Ream v. Kuhlman, 112 N.J. Super. 175, 190 (1970)**

104.2

**Code of Ethics and Professional Behavior for Assessors.** The New Jersey Administrative Code referring to the assessor qualification, examination and tenure law contains the following statement concerning an assessor's actions:

"It should be noted that, for the assessor himself, professionalization carries with it both benefits and responsibilities. Municipal governing bodies should recognize the right of an assessor to be adequately compensated for his professional responsibilities. At the same time, an assessor must recognize the need to perform competently, diligently, and in conformity with the professional ethics that reasonably accompany his professional status. In observing professional ethics, the assessor must have in mind not only the avoidance of activities which will obviously and presently involve a conflict with his ethical responsibilities, but also the probability or possibility that such a situation will develop..."

The Association of Municipal Assessors of New Jersey has adopted the code of ethics published by the International Association of Assessing Officers for assessors affiliated with the New Jersey Association. The code of ethics is shown as Exhibit I-2. In addition, the *Rules for County Boards of Taxation*, contains guidelines concerning the conduct of assessors.

**REFERENCES:**

*New Jersey Administrative Code, Chapter 17, Foreword*  
*Rules for County Boards of Taxation*  
N.J.A.C. 18:12A-1.9(f), 18:12A-1.9(I)

104.3

**Only One Assessor Position Is Authorized for Each Municipality.** New Jersey law currently authorizes only one position of assessor for each municipality. In the past, either a single assessor or a board of assessors was permissible. However, in 1982 boards of assessors were eliminated and the former secretary of each board or the individual having primary responsibility for the assessment function in each municipality was named assessor. Other members of the former boards of assessors were designated deputy assessors.

**REFERENCES:**

N.J.S.A. 40A:9-146, 40A:9-146.1

**104.4 Tax Assessor Certificate Required.** As of July 1, 1971, only persons having a valid Tax Assessor Certificate issued by the Director of the Division of Taxation can be appointed to office as municipal assessor. Deputy assessors and joint assessors are also required to possess a valid Tax Assessor Certificate. However, any individual who was in office as assessor July 1, 1967 and who served continuously since that time was permitted reappointment as assessor without a Tax Assessor Certificate.

**REFERENCES:**

**N.J.S.A. 54:1-35.30, 54:1-35.33, 40A:9-148.1**

**N.J.A.C. 18:17-2.4, 18:17-2.5**

**104.5 Office of Assessor An Appointed Position.** Assessor appointments are usually made by the governing body or chief executive officer of the municipality. However, by law, where no qualified person holds office of assessor on October first, the Governor shall notify the mayor or other Chief Executive Officer of the governing body that ten days after service of notice he will appoint an assessor. If, after ten days, the vacancy still exists, the Governor is authorized to appoint an assessor to perform the duties of office.

**REFERENCES:**

**N.J.S.A. 40A:9-148, 40A:9-149**

**104.6 Length of Term of Office and Filling Vacancies.** All assessors, including deputy assessors, are appointed for four-year terms of office beginning July 1 following their selection. For example: A term which began July 1, 1996 would end on June 30, 2000. Where a vacancy occurs in the office of assessor, other than at the expiration of a term, the vacancy is filled by appointment for the unexpired portion of the term.

**Expired Term Example**

A retiring assessor leaves office at the end of his four year term on June 30, 1996. July 1, 1996, the position is vacant and a new assessor is not hired until September 15, 1996. Even though the new assessor is

employed by the municipality from September 15, 1996 to June 30, 1997, the four year term begins July 1, 1997 and continues through June 30, 2001. If reappointed to a second four year term commencing July 1, 2001, tenure would be obtained.

Unexpired Term Example

A nontenured assessor is hired for a four year term beginning July 1, 1993 through June 30, 1997, but dies in office on April 20, 1995. A new assessor is appointed May 15, 1995, and completes the deceased assessor's term which ends June 30, 1997. His first full four year term begins July 1, 1997 and ends June 30, 2001. If reappointed to a second four year term beginning July 1, 2001, tenure would be obtained.

REFERENCES:

N.J.S.A. 40A:9-146, 40A:9-146.3, 40A:9-148.

- 104.7 **Tenure.** Assessors and deputy assessors possessing a Tax Assessor's Certificate, who have served four continuous years in office immediately prior to the reappointment, acquire tenure with such reappointment.

REFERENCES:

N.J.S.A. 54:1-35.31, 54:1-35.32

N.J.A.C. 18:17-3.2, 18:17-3.5

- 104.8 **Multiple Positions and Residency.** Recent law provides that a municipal assessor may be appointed in more than one taxing district, as long as the multiple appointments do not interfere with the proper discharge of statutory duties nor conflict with obligations to the respective municipalities in which he serves. Earlier statute provided that a taxing district, by resolution or ordinance, may have required its officers or employees appointed after June 30, 1978 to be domiciliary residents of the municipality. However, such an ordinance or resolution must have included a provision that whenever the governing body or hiring authority determined special skills for certain positions were not likely to be found among residents of the municipality, then the residency requirements were to be inoperative. The taxing district then advertised for other qualified applicants, and considered and appointed

applicants in the following order: (1) residents of the county in which the municipality was located; (2) residents of counties contiguous to the county in which the municipality was located; (3) other residents of the State; (4) all other applicants.

- 104.9 Compensation.** The assessor's salary, as well as funds to operate the office, are determined by municipal officials and provided for in the municipal budget. An assessor's salary may be increased, decreased or altered but may not be reduced during his term of office. The compensation of an assessor appointed in more than one municipality is not to be reduced. Also, increases in compensation are not to be denied any individual because of service in more than one municipality.

**REFERENCES:**

**Attorney General's Opinion 91-0046, Assessor Salary Reduction**  
**N.J.S.A. 40A:9-1.3, 40A:9-1.6, 40A:9-1.7, 40A:9-146.4, 40A:9-165**  
**Association of Municipal Assessors of N.J. v. Mullica Twp., 225 N.J. Super. 475, 542 and 970 (L.1988)**

- 104.10 Tax Assessor Certification Program.** Realizing New Jersey's property tax was a major source of local revenue, was likely to remain important in the foreseeable future, and that competent, equitable administration and levying of the property tax required the original assessment be made by a well qualified individual, the Legislature passed a tax assessor qualification, examination and tenure law. Possession of a valid Tax Assessor Certificate is, in effect, a license to practice as an assessor in New Jersey.

- 104.11 Administration of the Certification Program.** The Director of the Division of Taxation is responsible for the tax assessor certification program. The Director, via Property Administration Branch/Policy and Planning Section, reviews all applications for admission to assessor certification exams, and admits only those persons qualified in accordance with the law.

**REFERENCES:**

**N.J.S.A. 54:1-35.25**  
**N.J.A.C. 18:17-1.1(a)-(c)**

**104.12 Qualification for Admission to C.T.A. Exam.** To qualify for admission to a certification exam an applicant must:

- (1) File a written application with the Director of the Division of Taxation not less than 30 days before an examination;
- (2) Be at least 21 years of age;
- (3) Be a citizen of the United States;
- (4) Be of good health and free from physical and mental disabilities;
- (5) Be of good moral character;
- (6) Have obtained a diploma from an approved high school or have received an academic education accepted by the Commissioner of Education as fully equivalent;
- (7) Have graduated from a four-year course at a college of recognized standing:
  - (a) An applicant who does not meet the college education requirement may substitute full-time real estate appraisal work or experience in property tax assessment work on a year-for-year basis.

**NOTE:** Market analysis appraisals used by realtors for listings does not constitute appraisal experience.

**REFERENCES:**

**N.J.S.A. 54:1-35.25, & .25a**

**N.J.A.C. 18:17-1.3**

**104.13 C.T.A. Exam.** To obtain a Tax Assessor Certificate a candidate must pass a written examination. The exam is divided into two parts - the first half covers property tax administration, property tax assessment law, practices and procedures, and the second half covers real property appraisal principles, techniques and practical applications. The C.T.A. examination is held twice a year usually on Saturdays in March and September with a scheduled completion time of six hours:

**104.14 Application for Admission to a C.T.A. Exam.** Application forms and filing instructions may be obtained from Property Administration, Local Property Branch, CN 251, Trenton, New Jersey 08646-0251. Telephone No. (609) 292-7975. A check or money order in the amount of \$10, payable to the State Treasurer, must

accompany the application. The completed application together with all required proofs and the \$10 application fee must be returned to Property Administration no later than 30 days prior to the announced date of an examination.

**REFERENCES:**

**N.J.S.A. 54:1-35.25**

**104.15 Rutgers Training Courses.** Rutgers University training courses for assessors-Property Tax Administration I; Fundamentals of Real Property Appraisal; and Income Approach to Valuation are recommended as preparation for the certification exam. Information concerning the training courses may be obtained from: Center for Government Services, Rutgers University, 33 Livingston Avenue, Suite 200, New Brunswick, New Jersey 08901-1979. Ask for Assessment Administration. Telephone No. (732) 932-3640 Fax No. (732) 932-3586

**104.16 Issuance of a Tax Assessor Certificate.** An applicant who successfully completes a certification exam is issued a Tax Assessor Certificate upon his payment of a \$25 certificate fee to the State Treasurer.

**REFERENCES:**

**N.J.S.A. 54:1-35.26, 54:1-35.28**

**104.17 Removal of Tax Assessor Certificate.** The Director of the Division of Taxation may revoke or suspend an individual's Tax Assessor Certificate for dishonest practices, or willful or intentional failure, neglect or refusal to comply with the N.J. Constitution and laws relating to the assessment and collection of taxes, or for any good cause. Revocation or suspension of a certificate may occur only after a hearing before the Director or his designee after due notice. When a Tax Assessor Certificate is revoked, the individual is to be removed from office as assessor, and is not eligible to hold that office for five years from the date of removal.

**REFERENCES:**

**N.J.S.A. 54:1-35.29**

**N.J.A.C. 18:17-2.2**

**104.18 Removal from Office Non-Civil Service.** Upon complaint of the county tax board after hearing with due notice, the Director, Division of Taxation, may remove an assessor from office for willful failure, neglect, or refusal to comply with the N. J. Constitution and statutes relating to the assessment and collection of taxes. The county board of taxation may remove an assessor for failure to file the Assessment List and Duplicate as required by law. Upon complaint by the Director, the Superior Court may remove an assessor. The Director himself may revoke an individual's tax assessor certificate after a hearing with due notice.

**REFERENCES:**

**N.J.S.A. 54:1-36, 54:1-37, 54:4-37**

**104.19 Forfeiture of Office.** Any person, including an assessor, holding public office, either elective or appointive, in State government or any of its political subdivisions or agencies who is convicted of or pleads guilty to an offense involving dishonesty, or a crime of the third degree or higher, or an offense touching upon the office, forfeits office as of the date of conviction or guilty plea. If the conviction is later reversed, the individual may be restored to office with all rights and wages or salary from the date of forfeiture.

**REFERENCES:**

**N.J.S.A. 2C:51-2**

**104.20 Civil Service.** Any municipality in New Jersey, by action of the voters, may adopt the Civil Service System for its public employees. The New Jersey Department of Personnel, formerly Civil Service, provides personnel services for municipalities under this system.

**REFERENCES:**

**N.J.S.A. 11A:9-2**

**104.21 Standardized Classifications for Assessing Positions.** Standardized classifications (titles) have been established by the Department of Personnel for positions in a municipal assessor's office under the Civil Service System. For each

title classification, a job specification defines the position, gives examples of work, and states the minimum requirements applicants must meet. Job specifications may be obtained from the Department of Personnel, Trenton, New Jersey 08625.

**104.22 Classification.** Each position in a municipality is examined and assigned to either the classified or unclassified service.

- (1) **Unclassified service** includes positions filled by election and appointment such as department heads. The office of municipal tax assessor is in the unclassified service.
- (2) **Classified service** includes competitive and non-competitive positions. Competitive positions are those for which the Merit System Board considers testing appropriate to determine the qualifications of applicants. Most positions in an assessor's office fall within this category. Non-competitive positions include those which are difficult to fill, such as janitorial or service occupations.

**REFERENCES:**

**N.J.S.A. 11A:1.1 et seq., 11A:3-5 et seq., 11:22-1 et seq.**

**104.23 Other Personnel Services.** In addition to classifying assessing positions, the Department of Personnel conducts examinations, certifies job applicants, and enforces the laws and regulations in municipalities operating under the Civil Service System.

**104.24 Removal Under Civil Service.** Once an employee has satisfactorily completed a probationary period and obtained permanent status under Civil Service, he may be removed if incompetent, insubordinate, unfit for duty, a hazard to other employees or public services, charged with a crime of the first, second, third or fourth degree when job related, guilty of misconduct or other sufficient cause. The employee must be notified in writing of dismissal or discipline, the reasons for it, and within 30 days have an opportunity for a hearing before the appointing authority. The employee has twenty days in which to appeal to the Merit System Board. The Board may refer the

matter to the Office of Administrative Law. The Board may thereafter adopt, reject or modify the decision of the Administrative Law Judge.

**REFERENCES:**

**N.J.S.A. 11A:2-6, 11A:2-13 through 11A:2-22**

**104.25 Dual Titles for Assessors (Non-Civil Service, Civil Service).**

A person appointed to the position of municipal assessor may also hold a Civil Service position. For example, a person might be the appointed assessor, a position requiring reappointment after four years continuous service in order to acquire tenure, and chief assistant assessor under the Civil Service Act, a position from which he may be removed only for reasons such as described in the foregoing Section.

**104.26 Assessors' Responsibilities to the Citizens.** The assessor is responsible to the citizens of the taxing district for the fair assessment of all property in order that the tax burden be distributed equitably. In the interest of good public relations, it is desirable that the assessor keep the public well-informed on tax assessment matters.

**REFERENCES:**

**N.J.A.C. 18:17-3.3 Assessor Qualification Law**

**104.27 Assessors' Responsibilities to the Municipality.** The assessor is responsible to the municipality for proper expenditure of funds allotted to carry out the work of his office. The assessor is also responsible and subject to municipal control for maintaining regular office hours during which he or a member of his staff is to be available to the general public.

**REFERENCES:**

***Rules for County Board of Taxation, N.J.A.C. 18:12A-1.3(1)***  
***Arace v. Town of Irvington, 75 N.J. Super. 258 (1962)***  
***Joseph C. Horner v. Twp. of Ocean, 175 N.J. Super. 533 (1980)***

**104.28 Assessors' Responsibilities to the Director of the Division of Taxation.** The Director of the Division of Taxation is empowered to investigate, review, revise and equalize assessments so as to conform with the law and to generally oversee the

activities of local tax officials. The assessor is responsible to the Director for following prescribed procedures and using officially promulgated forms. The Division of Taxation's Property Administration, Local Property Branch serves as the administrative agency through which the Director contacts the local assessor regarding required actions and provides advice and assistance where necessary.

**REFERENCES:**

**N.J.S.A. 54:1-1 et seq.**

- 104.29 Assessors' Responsibilities To the County Tax Administrator.** The assessor is accountable to the County Tax Administrator, under supervision and control of the county board of taxation, in making assessments in the taxing district.

**REFERENCES:**

**N.J.S.A. 54:3-16**

***Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3(k), (i)***

- 104.30 Assessors to Notify County Tax Administrator When Assuming Office.** Any newly appointed assessor must notify the County Tax Administrator of his appointment within 30 days and provide him with a copy of the resolution of appointment. Notice to the Administrator must include whether the assessor is serving in a full or part-time capacity, in more than one municipality and the names of the municipalities, if multiple, and the hours served in each. Notice must also include hours the assessor's office is open to the public and the hours devoted to field and office duties. It is advisable for the new assessor to meet with the County Tax Administrator to become personally acquainted and to learn what is expected of him by the Administrator and the county board of taxation.

**REFERENCES:**

***Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3(k)***

- 104.31 Assessor to Notify County Tax Administrator When Terminating Position.** An assessor intending to terminate his position must, within 30 days of the termination date, notify the County Tax Administrator. A departing assessor should inform the Administrator of the status of the assessor's office and the administration

of the property tax in the municipality. The assessor should do everything possible to assure that his departure is orderly and to facilitate the transition to the incoming assessor.

**104.32 Assessors to Furnish County Tax Administrator With Schedule of Hours.**

All assessors must furnish the County Tax Administrator with a schedule of hours annually prior to January 15 as to when they report to the municipality, including office and field hours, and when they or their staff will be available to the public. The County Tax Administrator must summarize the schedule of hours and forward the summary to the Director of the Division of Taxation prior to February 15 annually. The summary, organized in district order, must separately indicate hours of field and office time and hours open to the public.

**REFERENCES:**

*Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3(l) 1-4*  
*Joseph C. Horner vs. Twp. of Ocean et als. 175 N.J. Super. 533 (1980)*

**104.33 Conflict of Interest**

(1) **Assessors' Outside Activities.** Many assessors' positions are not full-time. Certain outside occupations for assessors otherwise employed have been proscribed under the *Rules for County Boards of Taxation*. No assessor may appear before a county board of taxation as an expert witness against another assessor or taxing district within the State, except to defend the assessment of his own taxing district. The assessor should avoid work activities outside his position as assessor from which a strong presumption of conflict of interest could be drawn.

**REFERENCES:**

*Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.9(l),*  
*18:12A-1.18, 18:12-4.5(a)1*  
*Attorney General's Opinion 96-0103, Assessor & Real Estate Activities,*  
*July 1996*

(2) **Assessor Placing a Value on Property in Which He Has an Interest.**

The assessor is required to value each parcel of property in the taxing district. This sometimes means the assessor must value a property in which he has a financial interest, creating a potential conflict of interest. One way to avoid this would be for the municipality to employ an outside appraiser. Another means to ensure objectivity would be for the county board of taxation, which by law reviews the assessments of all properties in the county, to direct particular attention to properties owned by the assessors under their jurisdiction. Also, if any taxpayer disagrees with the value an assessor has placed upon his own or any other property in the county, the taxpayer may appeal to the county board of taxation for a revision of the assessment.

**REFERENCES:**

**N.J.S.A. 54:3-21**

**Ltr. to Benjamin Jager, Sussex County Tax Administrator from Deputy Attorney General Harry Haushalter, July 30, 1982**

**105. Joint Municipal Tax Assessor**

**105.1** New Jersey statutes provide for the establishment of joint municipal assessor offices. By law, the governing bodies of any two or more municipalities may, by adopting similar ordinances within six months of each other, create and maintain the office of joint municipal assessor.

**REFERENCES:**

**N.J.S.A. 40:48B-14**

**105.2** **Agreement of Conditions of Operation.** The agreement adopted by the governing bodies of participating municipalities must provide for the appointment of a joint municipal assessor for a term of four years; for the appointment of other necessary personnel; for the apportionment of office operating costs, and expenses among the participating municipalities; for the addition of other municipalities in the same

county and any other terms and conditions necessary for the establishment and maintenance of the joint tax assessor office.

**REFERENCES:**

**N.J.S.A. 40:48B-15, 40:48B-16**

- 105.3 **Approval of Agreement.** The agreement must be approved by resolution of the governing bodies of the participating municipalities prior to its execution. Copies of pertinent ordinances, resolutions, agreements, as well as any amendments, must be filed with both the Director of the Division of Taxation, Department of the Treasury and the Director of the Division of Local Government Services, Department of Community Affairs.

**REFERENCES:**

**N.J.S.A. 40:48B-15**

- 105.4 **Apportionment of Costs.** Costs and expenses of a joint municipal assessor's office may be based on the apportionment valuations of each participating municipality as per the county abstract of ratables at N.J.S.A. 54:4-49. Costs may also be apportioned using the number of taxable properties, population, budgets and any other factors in the agreement establishing the joint office.

**REFERENCES:**

**N.J.S.A. 40:48B-15**

- 105.5 **Personnel.** The joint municipal assessor's office should consist of an assessor and such subordinate personnel needed to carry out the assessment function properly in accordance with the law. Any assessor with tenure of office in a municipality entering into a joint municipal assessor arrangement is to be employed on the same basis as a member of the staff of the joint municipal assessor providing they were tenured as of July 27, 1967 the effective date of the Act. The salary of said assessor member may not be less than he was receiving at the time the joint agreement took effect. By law, all employees of a joint assessor's office are to be employees of the

municipality having the largest apportionment valuation of those participating in the joint arrangement.

**REFERENCES:**

**N.J.S.A. 40:48B-16, 40:48B-17, 40:48B-18**  
**Attorney General's Opinion 96-0153, November 8, 1996, Joint Assessor Tenure**

- 105.6 Tenure for Joint Municipal Assessor.** A joint municipal assessor serves for a four year term. If reappointed after serving four years as joint assessor, he then acquires tenure and holds his position during good behavior and efficiency, and may not be removed except for good cause after a hearing before the Director of the Division of Taxation.

**REFERENCES:**

**N.J.S.A. 40:48B-16**

- 105.7 Records to be Maintained Separately.** The assessment function for the jointly participating municipalities is to be performed in the same manner and extent that it was for each municipality separately. The Tax List and Duplicate, Property Record Cards and all other records for each participating municipality must be maintained separately by the joint assessor.

**REFERENCES:**

**N.J.S.A. 40B-19**

- 105.8 Termination of the Joint Agreement.** Joint arrangements may be ended by resolution of the governing body of one of two participating municipalities or by 2/3's of the governing bodies of more than two participating municipalities. Ordinarily termination of the office of joint municipal assessor may not take effect sooner than June 30 following the expiration of 12 full calendar months after the adopting of the resolution by the last of the required number of municipalities. A joint municipal assessor's office may be terminated sooner only by unanimous agreement of the participating municipalities.

**REFERENCES:**

**N.J.S.A. 40:48B-20**

## 106. County Boards of Taxation

106.1 Each of New Jersey's 21 counties has a county board of taxation to supervise the work of the County Tax Administrator, the municipal assessors and to perform other administrative functions relative to property taxation.

106.2 **Composition of the Boards.** County boards of taxation in counties of the first class, in counties of the second class with population of more than 550,000, and in counties of the fifth class with population of more than 400,000, are composed of five members. In all other counties, the board consists of three members. Members are appointed by the Governor with the advice and consent of the N.J. Senate. In five member counties no more than three, and in all other counties no more than two members of the board may be of the same political party.

### REFERENCES:

N.J.S.A. 54:3-2; as amended P.L. 1995, c. 30

106.3 **Officers of the Board.**

**President** - Each county board of taxation selects one of its members as president.

**County Tax Administrator** - The board also appoints a County Tax Administrator and with the approval of the governing body of the county other clerical assistants as necessary.

106.4 **Length of Terms of Offices.** The term of office for members of county boards of taxation is five years in first class counties, in second class counties with a population of more than 550,000 and in fifth class counties with a population of more than 400,000 and three years in other counties. A County Tax Administrator's term is three years. All County Tax Administrators who are appointed to two consecutive terms of office gain tenure and may be removed only for incapacity,

misconduct, or disobedience of rules and regulations established by the Director, Division of Taxation.

**REFERENCES:**

**N.J.S.A. 54:3-3; 54:3-5; 54:3-7; 54:3-9**

- 106.5 **Salaries.** The minimum salaries of county tax board members and County Tax Administrators are fixed by law. The salaries of board members are paid by the State of New Jersey. The salaries of all other personnel, including the administrator, together with other funds to be used by the board, are set by the governing body of the county and are paid from county funds.

**REFERENCES:**

**N.J.S.A. 54:3-6, 54:3-8, 54:3-31**

- 106.6 **Qualifications of Board Members.** By law, county tax board members are chosen because of their special qualifications, knowledge and experience in matters concerning the valuation and taxation of property. All county board of taxation members must, within 24 months of their appointment, furnish proof of successful completion of Rutgers training courses. The training courses cover the areas of property tax administration, basics of real property appraisal, and income approach to value. An exception is made for any commissioner having a Tax Assessor Certificate, or obtaining one within 24 months of appointment. County tax board members who do not satisfy these requirements must be reported by the County Tax Administrator to the President of the County Board of Taxation and the Director of the Division of Taxation. The Director would then declare the position vacant and notify the Governor that a vacancy exists.

**REFERENCES:**

**N.J.S.A. 54:3-2**

- 106.7 **Responsibilities of the President of the County Board of Taxation.** Within 60 days of the last date the county tax board is authorized to hear appeals, the President of the County Board of Taxation must report information

and statistics regarding all appeals filed with the Board, other than for added and omitted assessments, to the Director of the Division of Taxation. The President of the County Board of Taxation oversees the writing of memoranda of judgments. Each memorandum must be under his signature, as well as the signature of any other member of the board who participated in rendering the judgment on the appeal.

**REFERENCES:**

**N.J.S.A. 54:3-5; 54:3-5.1**

**N.J.A.C. 18:12A-1.2**

- 106.8 **Qualifications of the County Tax Administrator.** After January 1, 1980, no person may be newly appointed as a County Tax Administrator unless he has a Tax Assessor Certificate. After 1988, no person may be newly appointed as a County Tax Administrator without four years experience in property tax administration at the State, county or municipal level and having completed Rutgers training program in tax board administration within 24 months of appointment.

**REFERENCES:**

**N.J.S.A. 54:3-7, 54:1-35.25**

**Rules for County Boards of Taxation, N.J.A.C. 18:12A-1.3**

- 106.9 **Responsibilities of the County Tax Administrator.**

A County Tax Administrator is generally to devote full time to his duties and be available during applicable working hours. The County Tax Administrator, under supervision of the county board of taxation, is responsible for the administrative functions of the board. The administrator directs all officers charged with the duty of making assessments in accordance with any rules and orders issued by the county board of taxation. The County Tax Administrator must develop a county equalization table as prescribed by law, and submit it on or before March 1 annually to the county board of taxation for review. The County Tax Administrator may

appoint clerical assistants as necessary, subject to the personnel policies of the county governing body.

**REFERENCES:**

**N.J.S.A. 54:3-7a; 54:3-16 to 54:3-17**

**N.J.A.C. 18:12A-1.3**

**106.10 Responsibilities of the Board.** The responsibilities of the county board of taxation fall into two major categories: administrative and appellate.

**106.101 Administrative Duties.** The county board of taxation performs seven major administrative functions:

- (1) **Supervision** - The County Tax Administrator and the county board directly supervise municipal assessors in the performance of their duties. The board may remove an assessor from office for failure to file his Tax List and Duplicate; it may request his removal by the Director of the Division of Taxation in other cases.

**REFERENCES:**

**N.J.S.A. 54:1-36, 54:3-16, 54:4-37**

- (2) **Assessment** - The county board of taxation, by resolution, establishes the percentage of true value at which all real property in the county must be assessed, i.e., county percentage level. In addition, the county board may upon its own initiative act as assessor, inspecting properties, and revising and correcting assessments. Once the Tax List is filed with the county board of taxation by the assessor, only the county board or the assessor under the direction of the board may make corrections or alterations to the List. If a county board of taxation determines that a taxing district needs a revaluation or reassessment it may, with the approval of the Director of the Division of Taxation, order the municipality to undertake one.

**REFERENCES:**

**N.J.S.A. 54:3-15, 54:3-16, 54:4-2.25 to 54:4-2.27, 54:4-46**

- (3) **Equalization** - The County Tax Administrator ascertains the level of assessment in each taxing district and apportions or distributes the costs of county government equitably among the taxing districts in the county. The County Tax Administrator works in cooperation with the assessor and the Division of Taxation. The work is subject to review by the county board of taxation. The county board of taxation initiates all SR-1A forms and reviews all SR-3A forms, monitors their data input by local assessors and forwards the completed forms to Property Administration's Local Property Branch of the Division of Taxation.

*NOTE:* About four counties are not computer-automated and manually process SR-1A forms.

**REFERENCES:**

**N.J.S.A. 54:3-17**

**N.J.A.C. 18:12A-1.17**

- (4) **Calculation of Tax Rates** - The county tax board prepares a Table of Aggregates (county abstract of ratables) annually and calculates the tax rate for each taxing district.

**REFERENCES:**

**N.J.S.A. 54:4-52**

- (5) **Electronic Data Processing** - Under the MOD IV New Jersey Property Tax System, the County Tax Administrator designates the dates for submitting electronic data processing program data. The county tax board receives copies of all data changes used for the construction of the tax rolls and satellite reports. Each board may adopt procedures it considers necessary to implement

the specifications in the E.D.P. program as adopted by the Director, Division of Taxation.

**REFERENCES**

**New Jersey Property Tax System MOD IV (Computer Applications in Tax Administration), January, 1983.**

**N.J.A.C. 18:12A-1.16(f)(g)**

- (6) **Certifications** - In addition to certifying the county equalization table, the county board of taxation must by June 15 certify to the Director of the Division of Taxation the amounts of veterans and real property tax deductions allowed by all municipalities in the county, as well as to certify each January to the chief financial officer of the county, the apportionment valuation of all new construction and partial assessments in the county multiplied by the preceding year's county tax rate.

**REFERENCES:**

**N.J.S.A. 54:3-17, 18, 19; 54:4-8.52, 54A:10-3**

**Joint Directive, Implementation of Chapter 68, Laws of 1976, Director, Division of Taxation, and Director, Division of Local Government Services, November 27, 1995.**

- (7) **Annual Report** - Within 60 days of the last date the county tax board is authorized to hear appeals, each county board of taxation must file an annual report with the Director of the Division of Taxation for his review. The Director prescribes the form of the annual report which must contain: the total number of appeals filed with the county board; the disposition of the appeals; the character of the appeals filed with regard to property classification; the total of assessments involved in the appeals; the number of appeals in each filing fee category; and the total

amount of reductions and increases of assessed valuation granted by the tax board.

**REFERENCES:**  
**N.J.S.A. 54:3-5.1**

**106.102 Appellate Duties.** The county board of taxation hears appeals from taxpayers and taxing districts and directs adjustments to assessments where warranted. Memoranda of judgments rendered are to be in writing and are to set forth the reasons on which the judgment was based, with copies sent to the assessor, the taxpayer, and also the collector where amount of tax is revised. The county board of taxation may record all proceedings involving tax appeals, and if recorded, must furnish a transcript of the proceedings to any party to that appeal who requests it upon the payment of a reasonable fee.

**REFERENCES:**  
**N.J.S.A. 54:3-14, 54:3-21 to 27**  
**N.J.A.C. 18:12A-1.6, 18:12A-1.11, 18:12A-1.12**

**106.11 Conflicts of Interest.** The Executive Commission on Ethical Standards, as advised by the Attorney General, has held that county boards of taxation are State agencies. Therefore, members of county boards of taxation are subject to the New Jersey Conflicts of Interest Law. This law requires every State agency to adopt a code of ethics to guide and govern the conduct of officers and employees in the agency.

**REFERENCES:**  
**N.J.S.A. 40A:9-22.1 et seq.**  
**N.J.A.C. 18:124.5(a)1**  
**N.J.A.C. 18:12A-1.18**  
**Executive Commission on Ethical Standards, Advisory Opinion No. 38, September 17, 1975.**  
**Attorney General's Opinion 96-0101, County Tax Administrator also Tax Assessor, July 1996.**

**106.12 Code of Ethics.** General standards set forth in the Conflicts of Interest Law must be met for any code of ethics adopted by any branch or agency of State government.

Each code of ethics must be reviewed by the Attorney General for compliance with the Conflicts of Interest Law and must also be approved by the Executive Commission on Ethical Standards. The code of ethics adopted by county boards of taxation is shown as Exhibit I-3.

**REFERENCES:**  
**N.J.S.A. 54:3-3**

106.13 **Rules.** Through legislation enacted in 1973, all 21 county boards of taxation operate under a uniform set of rules first promulgated by the Director of the Division of Taxation on April 13, 1974. In drafting the *Rules For County Boards of Taxation*, the Director received the assistance of the Association of County Tax Board Commissioners and County Tax Administrators, the New Jersey Association of Municipal Assessors, and the New Jersey Bar Association. The rules cover such areas as employment requirements, organization, petitions of appeal, commercial and industrial or multi-dwelling appeals, filing fees, subpoenas, revaluation and assessments, tax lists and duplicates, SR-1A and SR-3A forms and conflict of interest. These rules help to ensure uniform operation of the boards and treatment of taxpayers.

106.14 **The Open Public Meeting Act.** This Act, commonly known as the "Sunshine Law," affects meetings and deliberations of public bodies. "Public bodies" are defined as those organized by law and empowered as a multi-member voting body to spend funds or affect peoples' rights. County boards of taxation are organized under the law and since their power to affect assessments of property for taxation affects the rights of persons, such boards are subject to the Open Public Meeting Act.

**REFERENCES:**  
**N.J.S.A. 10:4-1 et seq., 10:4-6 thru 10:4-21**

106.15 **Notice of Meetings Required.** Adequate notice is required for the public body's regular and special meetings. Normally 48 hours advance notice must be given by prominent posting, filed with an officer of the public body and provided to two newspapers. Publication of a legal notice is not required. An exception is made to

the 48 hour advance notice requirement in situations where the matters to be discussed are of such urgency that waiting to give notice would result in substantial harm to the public interest. Even in these situations a three-fourth vote of the members present is required to initiate such a meeting.

**REFERENCES:**

**N.J.S.A. 10:4-9**

- 106.16 **Statement of Adequate Notice.** A publicly announced statement is required at every meeting confirming that adequate notice of the meeting was provided. If adequate notice was not provided, a statement of explanation is required.

**REFERENCES:**

**N.J.S.A. 10:4-10**

- 106.17 **Meetings Are to be Open to the Public.** No public body is to fail to invite any of its membership to a meeting. All meetings are to be open to the public with the following exceptions: the public may be excluded from that portion of a meeting at which the public body discusses: (1) a matter which by Federal or State law or rule of the court is rendered confidential; (2) a matter in which release of information would impair a right to receive funds from the U. S. Government; (3) disclosure of any material which constitutes an unwarranted invasion of individual privacy; (4) any collective bargaining agreement or negotiation; (5) any matter involving the purchase or acquisition of real property with public funds or investment of public funds where the discussion of the matter could hurt the public interest; (6) any tactics and techniques utilized in protecting the safety and property of the public if their disclosure would impair protection; (7) any investigations of violations or possible violations of the law; (8) any pending or anticipated litigation or contract negotiation in which the public body might become a party; (9) any matter involving the employment, appointment conditions or termination, evaluation or disciplining of any public officer or employee, unless such public officer or employee requests in writing that the matter be discussed at a public meeting; (10)

any deliberations of a public body after a public hearing that may result in a specific civic penalty upon the responding party.

**REFERENCES:**  
**N.J.S.A. 10:4-12**

- 106.18     **Resolution Required For Closed Meeting.** To exclude the citizenry from a meeting for the purpose of discussing any matters described in the foregoing paragraph, the public body must first adopt a resolution at a publicly attended meeting. The resolution must indicate the general nature of the subject to be discussed and include a statement as to when the circumstances of the closed session can be made public.

**REFERENCES:**  
**N.J.S.A. 10:4-13**

- 106.19     **Minutes of Meetings to be Kept.** Minutes of all meetings of a public body are to be maintained showing the time and place, the members present, the subjects considered, the actions taken, the vote of each member and any other information required by law to be shown in the minutes.

**REFERENCES:**  
**N.J.S.A. 10:4-14**

- 106.20     **Notice of Regularly Scheduled Meetings to be Posted.** At least once a year, within seven days following the annual reorganization meeting, or if there is no reorganization meeting then not later than January 10th of each year, every public body must post in at least one public place and keep posted throughout the year a schedule of its regular meetings. The meeting schedule must also be mailed to at least two newspapers which are most likely to inform the public in the area affected, and must be filed with the clerk of the county (in the case of county boards of taxation).

**REFERENCES:**  
**N.J.S.A. 10:4-18**

**106.21 Contents of the Schedule of Meetings.** The schedule of meetings must give the location, time and date of each meeting. If a schedule is revised the public body, within seven days, must post, mail and file any revision in the manner described above.

**REFERENCES:**  
**N.J.S.A. 10:4-18**

**106.22 Schedules to be Made Available Upon Request.** The public body must, upon request of any person, mail copies of the regular meeting schedule and any revisions. If a person requests it, the public body must mail written advance notice of all its meetings. A charge may be fixed by resolution of the public body to cover the cost of providing notices.

**REFERENCES:**  
**N.J.S.A. 10:4-19**

## **107. The Tax Court of New Jersey**

**107.1** The Tax Court was established by legislation in 1978, and became operational July 1, 1979. The Tax Court replaced the Division of Tax Appeals and assumed jurisdiction over the hearing of appeals filed by taxpayers and taxing districts from rulings and judgments of county boards of taxation concerning assessments and equalization tables. For properties where the assessed value exceeds \$750,000 a complaint may be made directly with the Tax Court bypassing appeal to the county tax board. The Tax Court also hears complaints from rulings and determinations of the Director of the Division of Taxation, other state officials, and county recording officers with regard to realty transfer fee matters.

**REFERENCES:**  
**N.J.S.A. 2B:13-1, 2B:13-2, 2B:13-14, 54:3-21**  
**Rules of the Tax Court, 8:3-4(b), (c), (d)**

**107.2 Operation of the Tax Court.** The Tax Court is subject to rules of the Supreme Court. It is a court of record. Decisions of the Tax Court are to be published as

directed by the Supreme Court. The Tax Court operates in a "de novo" fashion hearing all issues of fact and law that come before it. That is, both previously presented evidence and new evidence may be accepted.

**REFERENCES:**

**N.J.S.A. 2B:13-1b, 2B:13-3**

**107.3 Small Claims Division.** The Small Claims Division of the Tax Court has jurisdiction in the following types of cases:

- (1) A proceeding for refund for any year for which the refund amount claimed does not exceed \$2,000, exclusive of interest and penalties;
- (2) A proceeding to set aside additional taxes assessed or taxes assessed in any year where the disputed amount does not exceed \$2,000, exclusive of interest and penalties.

**107.4 Appeals From Decisions of the Tax Court.** Appeals from decisions of the Tax Court are to be made to the Appellate Division of the Superior Court.

**REFERENCES:**

**N.J.S.A. 2B:13-4**

**107.5 Composition of the Tax Court.** The Tax Court consists of not less than six nor more than twelve judges who are appointed by the governor with the advice and consent of the State Senate. Each judge must have been admitted to practice law in the State at least ten years prior to his appointment. Judges are chosen for their special qualifications, knowledge and experience in matters of taxation.

**REFERENCES:**

**N.J.S.A. 2B:13-6**

**107.6 Presiding Judge Appointed.** The Chief Justice of the New Jersey Supreme Court appoints a presiding judge from one of the judges of the Tax Court. The presiding judge is responsible for the administration of the Tax Court and works under the

supervision of the Chief Justice and the Administrative Director of the New Jersey Courts.

**REFERENCES:**  
**N.J.S.A. 2B:13-10**

**107.7 Annual Report.** Yearly, the presiding judge is to present a written report to the Chief Justice of the Supreme Court. The nature of the contents of the report is set forth by law.

**REFERENCES:**  
**N.J.S.A. 2B:13-11**

**107.8 Term of Office.** Judges of the Tax Court are initially appointed for seven-year terms. Upon reappointment, a judge holds office during good behavior. Tax Court judges are to be retired upon reaching 70 years of age.

**REFERENCES:**  
**N.J.S.A. 2B:13-7**

**107.9 Removal.** Judges of the Tax Court are subject to impeachment, and removal from office by the Supreme Court for the same causes judges of the Superior Court would be removed. In cases of a Tax Court judge's incapacitation and if the Supreme Court certifies to the Governor, the Governor is to appoint a commission of three persons to inquire into the circumstances. Upon recommendation of this commission, the Governor may retire the judge from office on pension.

**REFERENCES:**  
**N.J.S.A. 2B:13-9 a & b**

**107.10 Clerk Appointed.** The Supreme Court has the responsibility of appointing the Clerk and Deputy Clerk of the Tax Court to serve at its pleasure. The Clerk of the Tax Court assigns cases to the Small Claims Division of the Tax Court based on

examination of the complaint (petition of appeal) to determine jurisdiction.

**REFERENCES:**

**N.J.S.A. 2B:13-14, 2B:13-15**

# EXHIBITS

HANDBOOK FOR NEW JERSEY ASSESSORS

**CERTIFICATION OF NEW CONSTRUCTION/IMPROVEMENTS/PARTIAL ASSESSMENTS**  
(Chapter 68, P.L. 1976, as amended)

MUNICIPALITY \_\_\_\_\_ COUNTY \_\_\_\_\_

**FILE THIS REPORT WITH THE COUNTY TAX BOARD BY JANUARY 10 OF TAX YEAR**

1. Total of New Construction and Improvements to existing construction included in the preceding added assessment list. (Enter the full amount prior to proration.) \_\_\_\_\_ (1)

2. Total of New Construction and New Partial assessments included in the current year tax list, except amounts included on the added assessment list. (If a revalued or reassessed district this current tax year, enter the amount on line 3(a) below rather than line 2.) \_\_\_\_\_ (2)  
(Non Reval./Reass.)

3. **FOR COMPLETION BY REVALUED OR REASSESSED DISTRICT ONLY:**  
(a) Amount computed in #2 \_\_\_\_\_  
(b) Director's 10/1 Ratio x \_\_\_\_\_  
(c) Pretax year equated value \_\_\_\_\_ (3)  
(Enter on line 3) (Reval./Reass. Only)

Increase in valuations based on New Construction and Improvements (Revalued and Reassessed District add lines 1 and 3, all others add lines 1 and 2.) \_\_\_\_\_ (4)

5. Prior year Local Municipal Purpose Tax Rate \_\_\_\_\_ (5)

6. Amount of Permitted Revenue Increase (N.J.S.A. 40A:4-45.2a) \$ \_\_\_\_\_ (6)

\_\_\_\_\_  
DATE

\_\_\_\_\_  
TAX ASSESSOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
COUNTY TAX ADMINISTRATOR

**FOR TAX BOARD USE ONLY**

Line 4 \_\_\_\_\_ ÷ \_\_\_\_\_ %\* = \_\_\_\_\_  
County Equalized Ratio Apportionment Value

19\_\_ COUNTY TAX RATE (Year prior to current) x \_\_\_\_\_

COUNTY PORTION OF PERMITTED REVENUE INCREASE = \$ \_\_\_\_\_

\* Ratio established for district in year prior to current pursuant to N.J.S.A. 54:5-18

## INSTRUCTIONS FOR ASSESSORS COMPLETING FORM JDC-1

1. The total on line 1 is the full valuation (not prorated as listed on your October 1 Added Assessment List) minus the total of any added assessment tax appeal reductions. **DO NOT** include Omitted Added Assessments, Prior Year Added Assessments, Omitted Assessments, or property transferred from exempt to the taxable list. Also, do not include any land, subdivided or not, on this form.
- 2.a) The total entered on line 2 or 3a, depending on whether or not a revalued or reassessed district, should reflect new partial assessments, and new construction completed by October 1 which failed to make the added assessment list. In the case of partial assessments, the incremental addition made to property subject to a partial assessment in the previous year should be included.
- b) Construction completed after October 1 and prior to January 1 cannot be placed on the current year regular tax list. Statute provides that it shall be placed on the upcoming added assessment list filed in October for the prior year; therefore, such construction would not be reflected on this form.
- c) If the current year tax list reflects a revaluation or reassessment, leave line 2 blank and enter the amount on line 3(a).
- d) If an entry is made in line 2 or 3a, please complete Form JDC-2 (Supplemental Breakdown Listing) and submit it along with this form.
3. The purpose of line 3 is to convert the total of any new construction and partial assessments to a value that would have been equivalent in the year prior to the revaluation or reassessment.
4. The amount on line 4 represents the sum total of new construction and improvement valuations as prescribed in N.J.S.A. 40A:4-45.2a. In the case of revalued or reassessed districts the sum total of lines 1 and 3 are to be entered. In all other municipalities line 4 must be the sum total of lines 1 and 2.
5. The actual local municipal purpose tax rate is to be entered as certified by the county board of taxation for the tax year immediately preceding the current tax year.
6. Line 6 is the result of multiplying line 4 by line 5.

### DISPOSITION OF FORMS

The original and two copies of Forms JDC-1 and JDC-2 must be filed with the county tax administrator by **January 10 of each tax year**. (Copies of these 4 ply forms shall be supplied by the county tax board.) Even if there are no added assessments, partial assessments and new construction to report, the forms must nevertheless be filed with the word "None" entered.

The county tax administrator shall, by January 30th of the tax year, forward one copy to the municipal financial officer and one copy to the Director of Local Government Services.





## EXHIBIT I-2

# ASSOCIATION OF MUNICIPAL ASSESSORS OF NEW JERSEY

## CODE OF ETHICS

The function of the assessing officer and other members of AMANJ are professional in character. This Code of Ethics is a set of dynamic principles guiding the members' conduct. Each member of AMANJ agrees that he will abide by this Code of Ethics.

### Relations with other assessing officers:

1. It is the duty of every assessing officer to cooperate fully with other assessing officers in all matters affecting his official duties.
2. Information concerning persons or their property, obtained by an assessing officer in his official capacity, should be treated as confidential except for lawfully authorized uses. It is proper for assessing officers of different jurisdictions to exchange factual information concerning persons or their property to aid either or both in the assessment of property legally subject to taxation.
3. Every assessing officer shall cooperate with the AMANJ and its officers in all matters, including, but not limited to the investigation, censure, discipline or expulsion of members who by their conduct prejudice their professional status or the reputation of the AMANJ.
4. Every assessing officer shall protect the professional reputation of other members of AMANJ who subscribes to and abide by this Code of Ethics.
5. It is unprofessional for any assessing officer, in any writing or speech, to use the material contained in the writings or speeches of other assessors, persons or agencies, unless full credit is given to the original author.
6. It is unethical for an assessing officer to represent a taxpayer at any level of appeal procedure involving the determination of assessments.

### Relations with other public officials:

1. The assessing officer has a duty to cooperate with other public officials to improve the efficiency and economy of public administration.
2. It is improper for an assessing officer, charged by law with the responsibility for determining assessments of property, to permit judgment of values to be influenced by other public officials for any reasons other than those directly concerned with the value of the property.

3. It is the duty of the assessing officer always to maintain an attitude of respect and cooperation towards other public officials and agencies to whom the law has assigned official duties relating to the work of the assessing officer.

**Relations with the public and taxpayers:**

1. It is the duty of every assessing officer to maintain at all times a courteous and respectful attitude in his relations with taxpayers and the public generally, and it is his further duty to compel a similar attitude on the part of his subordinates.
2. It is improper for an assessing officer to accept any gift where it is clear that such gift is made solely because he is an assessing officer.
3. The assessing officer should give full faith and allegiance to his oath of office.
4. Every assessing officer shall perform his assessment duties in a manner consistent with statutory requirements without advocacy for accommodation or any particular interests, being factual, objective, unbiased and honest in his conclusion.
5. Every assessing officer shall conform in all respects to this Code of Ethics. The Standards of Professional Conduct and the Constitution of the AMANJ as the same may be amended from time to time.

Re-Approved July 1, 1976

## EXHIBIT I-3

### COUNTY BOARDS OF TAXATION

#### CODE OF ETHICS

1. **Declaration of Policy**

Recognizing that Commissioners and Employees have the same rights and responsibilities as private citizens, it is imperative to realize that such employees function in a position of public trust. Therefore, to assure the proper conduct of County Board of Taxation business, while maintaining the confidence of citizens of New Jersey, a code of ethics is presented to govern and guide The Board of Taxation commissioners and employees in the performance of their duties and responsibilities. In all respects the employees shall be generally guided by the principle that they shall avoid any situation that appears to be, or is in fact, incompatible with the interests of an employee and his obligations to the public good in the performance of his Tax Board duties and responsibilities.

2. **Authority**

Department of the Treasury

3. **Definitions**

- A. **Commissioner** shall mean a member of the County Tax Board appointed by the Governor with the advice and consent of the Senate.
- B. **Employee** shall mean any person holding office or employed in the County Board of Taxation office.
- C. **Business** shall mean any association, firm, partnership, corporation, or other business enterprise, club or organization, whether or not said association, firm, partnership, corporation or other business, enterprise, club or organization is organized for profit or not.

4. **Code of Ethics For Commissioners and Employees**

- A. No commissioner or employee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest.
- B. No commissioner or employee should engage in any particular business, profession, trade or occupation which is subject to licensing or regulation by a specific agency of State Government without promptly filing notice of such activity with the Executive Commission on Ethical Standards.
- C. No commissioner or employee should use or attempt to use his official position to secure unwarranted privileges or advantages for himself or others.

- D. No commissioner or employee should act in his official capacity in any matter wherein he has a direct or indirect personal financial interest that might reasonably be expected to impair his objectivity or independence of judgment.
- E. No commissioner or employee should undertake any employment or service, whether compensated or not, which might reasonably be expected to impair his objectivity and independence of judgment in the exercise of his official duties.
- F. No commissioner or employee should accept any gift, favor, service or other thing of value under circumstances from which it might be reasonably inferred: that such gift, service or other thing of value was given or offered for the purpose of influencing him in the discharge of his official duties.
- G. No commissioner or employee should knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public having knowledge of his acts that he may be engaged in conduct violative of his trust as a Commissioner or employee.
- H. Rules of conduct adopted pursuant to these principles should recognize that under our democratic form of government commissioners and employees should be drawn from all of our society, that citizens who serve in government cannot and should not be expected to be without any personal interest in the decisions and policies of government; that citizens who are government officials and employees have a right to private interests of a personal, financial and economic nature; that standards of conduct should separate those conflicts of interest which are unavoidable in a free society from those conflicts of interest which are substantial and material, or which bring government into disrepute.
- I. No commissioner or employee shall willfully disclose to any person, whether or not for pecuniary gain, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties. No commissioner or employee, shall use for the purpose of pecuniary gain, whether directly or indirectly, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties.
- J. The following examples are inclusive of but not exclusive of other types of circumstances under which a tax commissioner should disqualify himself from hearing a particular appeal.
1. The petitioning taxpayer, the municipal assessor, the attorney for the taxpayer, or the attorney for the municipality is a client of his firm.
  2. The assessor of the responding municipality is his second cousin or is more closely related.
  3. The assessor, the municipal attorney, the taxpayer, or the attorney for the taxpayer is a business associate.
  4. The taxpayer is a personal friend.