COMPLIANCE PLAN

N.J.S.A. 54:4 –23 as amended by Chapter 101, Public Laws of 2001; Chapter 251, Public Laws of 2009

TO BE FILED WITH COUNTY BOARD OF TAXATION

This form is to be used for filing compliance plans. Assessors must submit FORM CP to the County Tax Board. Filing deadline is **November 15** of the pretax year for the tax year following.

County_____ Taxing District _____Compliance Plan filed for tax year 20_____

SECTION – GENERAL INFORMATION

Compliance Plan to be completed and filed on or before **November 15** of the pretax year for the tax year following.
All values placed on property will be as of **October 1** of the pretax year for the tax year following.

1. Year of Last Revaluation
2. Year of Last Reassessment
3. Director's **October 1** Pretax Year Average Ratio
4. General Coefficient of Deviation (published October 1 pretax year)
5. Total No. of line items for current tax year

Breakdown of line items by class			
Class 1		Class 4A	
Class 2		Class 4B	
Class 3A		Class 4C	
Class 3B			

SECTION II – SPECIFIC INFORMATION

6. Total number of neighborhoods in municipality _____.
7. Total number of neighborhoods reviewed must be **100%.**
8. Total number of neighborhoods changed _____
9. List neighborhoods where assessments need adjustments in the chart below:

ID No., VCS, Neighborhood etc.	No. of Line Items In Neighborhood	Ratio of Neighborhood	General Coefficient of Deviation of Neighborhood	No. of Sales in Neighborhood	If other than current two year sampling period, specify time period	Percent of Proposed Change in Total Valuation by Neighborhood

****** If additional lines are needed, please attach another sheet to this application.

SECTION III – CERTIFICATION AND ACKNOWLEDGMENT

I hereby declare as tax assessor that the supporting data for the compliance plan on this report is accurate for the foregoing neighborhoods.

_____ DATE

_____ MUNICIPAL ASSESSOR

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I attest that the _____ County Board of Taxation at a meeting held on _____, 20____ has reviewed the proposed compliance plan and has **(APPROVED/DENIED)** it.

_____ DATE

_____ COUNTY TAX ADMINISTRATOR

Form CP, Rev. 2025

This form is prescribed by the New Jersey Division of Taxation, as required by law, and may be reproduced for distribution, but may not be altered without prior approval.

Chapter 101, P.L. 2001, Chapter 251, P.L. 2009

AN ACT concerning reassessment, and amending R.S. 54:4-23.

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

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

Assessment of real property; conditions for reassessment.

54:4-23 "…and provided further however, that when the assessor has reason to believe that property comprising all or part of a taxing district has been assessed at a value lower or higher than is consistent with the purpose of securing uniform taxable valuation of property according to law for the purpose of taxation, or that the assessment of property comprising all or part of a taxing district is not in substantial compliance with the law and that the interests of the public will be promoted by a reassessment of such property, the assessor shall, after due investigation, make a reassessment of the property in the taxing district that is not in substantial compliance, provided that (1) the assessor has first notified, in writing, the mayor, the municipal governing body, the county board of taxation, and the county tax administrator of the basis of the assessor's determination that a reassessment of that property in the taxing district is warranted and (2) the assessor has submitted a copy of a compliance plan to the county board of taxation for approval. Following a reassessment of a portion of the taxing district pursuant to an approved compliance plan, the assessor shall certify to the county board of taxation, through such sampling as the county board of taxation deems adequate, that the reassessment is in substantial compliance with the portions of the taxing district that were not reassessed. For the purposes of reassessment, the assessor shall compute and determine the taxable value of such real property at the level established for the county pursuant to law.

2. This act shall take effect immediately."

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GENERAL INSTRUCTIONS:

Filing of the Form

This form must be filed with the county board of taxation if you intend to make a property assessment change due to change in valuation. This change in assessment must be documented by a study of sales in a particular part (neighborhood) of your municipality and valued and assessed by the same standards as other property in your municipality (the Director's Average Ratio is often used as a guide.) Attach all other pertinent information to this plan which justifies these proposed assessment changes.

In addition to filing this compliance plan, you must also notify, in writing, the mayor and the municipal governing body of your reasons for reassessing a part of your municipality that is not in substantial compliance with the rest of the municipality. This notification must be made prior to reassessing the part of your municipality that is not in substantial compliance.

Submission of Form CP does not pertain to those districts with an approved reassessment application or approved revaluation contract. Similarly, however, municipalities filing Form AFR must notify the mayor and local governing body regarding the reassessment in advance of its implementation.

County Board of Taxation guidelines for use of Form CP are:

- The municipality must have a Director's Ratio greater than 70 percent and a general coefficient of deviation lower than 15 percent.
- Any and all neighborhoods that fall outside of the common level range must be included in the compliance plan.
- Ordinary neighborhoods with average weighted ratios within the common level range should not be reassessed unless that neighborhood's general coefficient of deviation is over 15 percent.
- The same standard for selecting areas to be included in the compliance plan must be uniformly applied.
- Assessment maintenance cannot be used to perform a piecemeal district-wide reassessment or revaluation.
- No part of a municipality can be arbitrarily selected for adjustment pursuant to assessment maintenance.
- When using a compliance plan **less than** 50% of the line items should be changed.
- **Sales Other Than Current Two-Year Sampling Period** must be justified and documented. Please attach supporting documents.
- **REMINDER: Page 8 Formula is not applicable for Compliance Plan use. There is no recognition of valuation change (positive or negative) in the ratio used for the equalization process.**

For additional information see the NJ regulation N.J.A.C. 18:12A-1.14.

Percent of Proposed Change in Total Valuation by Neighborhood

Example:Assessed valuation of neighborhood #1		Proposed assessed valuation of neighborhood #1		
prior to compliance		*after compliance*		
$20,000,000	-	$22,000,000	=	$2,000,000
Difference	(divided by)	Assessed valuation prior to compliance		
$2,000,000		$20,000,000	=	10% is the proposed change in total valuation for neighborhood #1

Response Deadline & Approvals/Denials

County board of taxation approvals or denials must be received within 45 days of receipt of application. If a Compliance Plan is denied, the proposed action cannot be undertaken by the assessor.

Documentation of Results

Please note that after implementation of reassessment the assessor is required to certify to the county board of taxation that the reassessment is in substantial compliance with the portions that were not reassessed. The County Board of Taxation/County Tax Administrator has the right to request from the assessor such sampling as they deem adequate to verify uniformity of assessment, ie., Revaluation Comparison Report, Revaluation Impact Report, or other comparable report.

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