

CHAPTER 136
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AN ACT concerning the assessment of real property and amending various parts of the statutory law.

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

1. Section 10 of P.L.2017, c.306 (C.54:4-23b) is amended to read as follows:

C.54:4-23b Inspections of real property for purposes of reassessment.

10. a. Regarding inspections of real property for purposes of a municipal-wide reassessment pursuant to R.S.54:4-23, in the case of a municipality located in a county wherein the county board of taxation is participating in the demonstration program established in section 4 of the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-104), in the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and in the case of a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), the assessor shall make three good-faith attempts to physically inspect the interior of each of the properties in the municipality not later than December 31 of the year immediately preceding the year of the implementation of the proposed district-wide reassessment. Such inspections may be performed in an ongoing assessment cycle. If, after the third attempt to inspect the interior of the premises, access to the interior of the premises has not been granted by the property owner, the assessor shall assess the property using other observations and sources, including information on the property record card maintained by the assessor.

As used in this section, "good-faith attempt to physically inspect" shall mean that the assessor, an employee of the municipality acting on behalf of the assessor, or a representative of a revaluation company or other company hired by the municipality to provide internal inspection services, shall physically arrive at the parcel of real property and request entry to the interior of the property. If that person is unable to gain entry to the property to perform an interior inspection, the person shall complete the exterior inspection and shall leave a notice affixed to the front door of the property stating that an attempt was made to inspect the interior of the property, with the appropriate contact information prominently displayed on the notice.

b. Notwithstanding the provisions of this section, in any municipality implementing a revaluation program approved by the Director of the Division of Taxation pursuant to P.L.1971, c.424 (C.54:1-35.35 et seq.), district-wide reassessment program, compliance plan, or other form of municipal-wide assessment review that requires the revision of all property assessments to current market value, that is approved by the county board of taxation at the taxpayer's discretion, the assessor may perform the internal inspections described in subsection a. of this section in a virtual manner, utilizing smartphone technology and protocols adopted by the county board of taxation. No such video recordings may be retained by the assessor. This virtual internal inspection alternative shall be available to all assessment function inspections within the county, including, but not limited to, revaluations, reassessments, the annual reassessment, and inspections related to added or omitted assessments.

2. R.S.54:3-21 is amended to read as follows:

Appeal by taxpayer or taxing district; petition; complaint; exception.

54:3-21. a. (1) Except as provided in subsection b. of this section a taxpayer feeling aggrieved by the assessed valuation or exempt status of the taxpayer's property or a taxing district which may feel discriminated against by the assessed valuation or exempt status of property in the taxing district, or by the assessed valuation or exempt status of property in another taxing district in the county, may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever is later, appeal to the county board of taxation by filing with it a petition of appeal; provided, however, that any such taxpayer or taxing district may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever is later, file a complaint directly with the Tax Court, if the assessed valuation of the property subject to the appeal exceeds \$1,000,000. In a taxing district where a municipal-wide revaluation or municipal-wide reassessment has been implemented, a taxpayer or a taxing district may appeal before or on May 1 to the county board of taxation by filing with it a petition of appeal or, if the assessed valuation of the property subject to the appeal exceeds \$1,000,000, by filing a complaint directly with the State Tax Court. Within ten days of the completion of the bulk mailing of notification of assessment, the assessor of the taxing district shall file with the county board of taxation a certification setting forth the date on which the bulk mailing was completed. If a county board of taxation completes the bulk mailing of notification of assessment, the tax administrator of the county board of taxation shall within ten days of the completion of the bulk mailing prepare and keep on file a certification setting forth the date on which the bulk mailing was completed. A taxpayer shall have 45 days to file an appeal upon the issuance of a notification of a change in assessment. An appeal to the Tax Court by one party in a case in which the Tax Court has jurisdiction shall establish jurisdiction over the entire matter in the Tax Court. All appeals to the Tax Court hereunder shall be in accordance with the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

If a petition of appeal or a complaint is filed on April 1 or during the 19 days next preceding April 1, a taxpayer or a taxing district shall have 20 days from the date of service of the petition or complaint to file a cross-petition of appeal with a county board of taxation or a counterclaim with the Tax Court, as appropriate.

(2) With respect to property located in a county participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104), a property located in a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), or a property located in a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), and except as provided in subsection b. of this section, a taxpayer feeling aggrieved by the assessed valuation or exempt status of the taxpayer's property or a taxing district which may feel discriminated against by the assessed valuation or exempt status of property in the taxing district, or by the assessed valuation or exempt status of property in another taxing district in the county, may on or before January 15, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever date is later, appeal to the county board of taxation by filing with it a petition of appeal; provided, however, that any such taxpayer, or taxing district, may on or before April 1, or 45 days from the date the bulk mailing of notification of assessment is completed in the taxing district, whichever date is later, file a complaint directly with the Tax Court, if the assessed valuation of the property subject to the appeal exceeds \$1,000,000.

If a petition of appeal is filed on January 15 or during the 19 days next preceding January 15, or a complaint is filed with the Tax Court on April 1 or during the 19 days next preceding

April 1, a taxpayer or a taxing district shall have 20 days from the date of service of the petition or complaint to file a cross-petition of appeal with a county board of taxation or a counterclaim with the Tax Court, as appropriate.

Within 10 days of the completion of the bulk mailing of notification of assessment, the assessor of the taxing district shall file with the county board of taxation a certification setting forth the date on which the bulk mailing was completed. If a county board of taxation completes the bulk mailing of notification of assessment, the tax administrator of the county board of taxation shall within 10 days of the completion of the bulk mailing prepare and keep on file a certification setting forth the date on which the bulk mailing was completed. A taxpayer shall have 45 days to file an appeal upon the issuance of a notification of a change in assessment. An appeal to the Tax Court by one party in a case in which the Tax Court has jurisdiction shall establish jurisdiction over the entire matter in the Tax Court. All appeals to the Tax Court hereunder shall be in accordance with the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

b. No taxpayer or taxing district shall be entitled to appeal either an assessment or an exemption or both that is based on a financial agreement subject to the provisions of the "Long Term Tax Exemption Law" under the appeals process set forth in subsection a. of this section.

c. In the case of a municipality located in a county wherein the county board of taxation is participating in the demonstration program established in section 4 of the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-104), absent good cause, a property owner shall not be entitled to appeal an assessment on a parcel of real property if the assessor's or the county board of taxation's request to internally inspect the property, made after the appeal is filed, has been refused by the property owner.

3. R.S.54:3-22 is amended to read as follows:

Hearing of appeals; witnesses; evidence; revision of taxable value; grounds; computation.

54:3-22. a. The board shall thereupon make such order respecting the time and manner for hearing the appeal as it may deem just, and shall summarily hear and determine the appeal, and revise and correct the assessment in accordance with the value prescribed by law. All appeals filed pursuant to the provisions of chapter 3 of Title 54 of the Revised Statutes shall be heard and determined by the board. It may compel the attendance of witnesses, the production of books and papers before it, examine witnesses or cause witnesses to be examined under oath before it, which oath may be administered by a member of the board.

b. In any proceedings before the board where deeds or other instruments of conveyance do not state the true consideration or sale price of the property, which is the subject of appeal, the realty transfer fee paid upon the recording of such deeds or instruments as well as an affidavit of consideration attached to and filed with any such deed or instrument shall be admitted as prima facie evidence of the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid for such transfer of realty.

c. Whenever the county board of taxation is satisfied by the proofs that the ratio of the assessed valuation of the subject property to its true value exceeds the upper limit or falls below the lower limit of the common level range, it shall revise the taxable value of the property by applying the average ratio to the true value of the property except as hereinafter provided.

d. If the average ratio is below the county percentage level and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the county

board of taxation shall reduce the taxable value of the property by applying the average ratio to the true value of the property.

e. If both the average ratio and the ratio of the assessed value of the subject property to its true value exceed the county percentage level, the county board of taxation shall revise the taxable value of the property by applying the county percentage level to the true value of the property.

f. The provisions of this section shall not apply to any appeal from an assessment of real property taken with respect to the tax year in which the taxing district shall have completed and put into operation a district-wide revaluation program approved by the Director of the Division of Taxation pursuant to P.L.1971, c.424 (C. 54:1-35.35 et seq.), district-wide reassessment program, compliance plan, or other form of municipal-wide assessment review that requires the revision of all property assessments to current market value, that is approved by the county board of taxation pursuant to R.S.54:4-23.

g. At the property owner's written request submitted at the time of filing, the county board of taxation may proceed with a full evidentiary hearing based on the evidence submitted at least seven full days prior to the original appeal hearing date, without the attendance of the property owner. The ability to proceed based on the evidence timely submitted is at the sole discretion of the property owner. The attendance of the author of any expert appraisal or report submitted as evidence in the appeal, if otherwise required, shall not be waived by the taxpayer's decision not to attend the appeal hearing.

h. At the property owner's written request submitted at the time of filing, assessment appeal hearings conducted by the county board of taxation may be conducted virtually, using conference call technology and protocols adopted by the county board of taxation. The county board of taxation may relax the requirement of the time of the taxpayer's appeal as the needs of justice allow.

4. R.S.54:51A-6 is amended to read as follows:

Judgment revising taxable value of property; reduction of value; applicability of section.

54:51A-6. a. Whenever the tax court is satisfied by the proofs that the ratio of the assessed valuation of the subject property to its true value exceeds the upper limit or falls below the lower limit of the common level range, it shall enter judgment revising the taxable value of the property by applying the average ratio to the true value of the property except as hereinafter provided.

b. If the average ratio is below the county percentage level and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the tax court shall enter judgment revising the taxable value of the property by applying the average ratio to the true value of the property.

c. If both the average ratio and the ratio of the assessed value of the subject property to its true value exceed the county percentage level, the tax court shall enter judgment revising the taxable value of the property by applying the county percentage level to the true value of the property.

d. The provisions of this section shall not apply to any proceeding to review an assessment of real property taken with respect to the tax year in which the taxing district shall have completed and put into operation a district-wide revaluation program approved by the Director of the Division of Taxation pursuant to P.L.1971, c. 424 (C. 54:1-35.35 et seq.), district-wide reassessment program, compliance plan, or other form of municipal-wide

assessment review that requires the revision of all property assessments to current market value, that is approved by the county board of taxation pursuant to R.S.54:4-23.

5. R.S.54:4-38 is amended to read as follows:

Public inspection notice; advertisement; appeals.

54:4-38. a. Except as provided in subsection b. of this section, every assessor, at least ten days before filing the complete assessment list and duplicate with the county board of taxation, and before annexing thereto his affidavit as required in section 54:4-36 of this title, shall notify each taxpayer of the current assessment and preceding year's taxes and give public notice by advertisement in at least one newspaper circulating within his taxing district of a time and place when and where the assessment list may be inspected by any taxpayer for the purpose of enabling the taxpayer to ascertain what assessments have been made against him or his property and to confer informally with the assessor as to the correctness of the assessments, so that any errors may be corrected before the filing of the assessment list and duplicate. Thereafter, the assessor shall notify each taxpayer by mail within 30 days of any change to the assessment. This notification of change of assessment shall contain the prior assessment and the current assessment. Any notice issued by the assessor shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type.

b. In the case of a municipality located in a county where the county board of taxation is participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104), in the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and in the case of a municipality located in a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), every assessor, before filing the preliminary assessment list with the county board of taxation pursuant to subsection b. of R.S.54:4-35, shall notify each taxpayer of the preliminary assessment and preceding year's taxes and give public notice by advertisement in at least one newspaper circulating within his taxing district of a time and place when and where the assessment list may be inspected by any taxpayer for the purpose of enabling the taxpayer to ascertain what assessments have been made against the taxpayer or the taxpayer's property. Thereafter, the assessor shall notify each taxpayer by mail within 30 days of any change to the assessment. This notification of change of assessment shall contain the prior assessment and the current assessment. Any notice issued by the assessor shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type.

The notification required by this section shall satisfy any notice requirement to a property owner in a municipality located in a county wherein the county board of taxation is participating in the "Real Property Assessment Demonstration Program" established in section 4 of P.L.2013, c.15 (C.54:1-104) concerning the assessment of that property owner's preliminary assessment value for the tax year.

6. Section 32 of P.L.1991, c.75 (C.54:4-38.1) is amended to read as follows:

C.54:4-38.1 Notice of current assessment, preceding year's taxes, changed assessments; deadline for appeal.

32. a. Except as provided in subsection b. of this section, every assessor, prior to February 1, shall notify by mail each taxpayer of the current assessment and preceding year's

taxes. Thereafter, the assessor or county board of taxation shall notify each taxpayer by mail within 30 days of any change to the assessment. This notification of change of assessment shall contain the prior assessment and the current assessment. The director shall establish the form of notice of assessment and change of assessment. Any notice issued by the assessor or county board of taxation shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type.

b. In the case of a municipality located in a county where the county board of taxation is participating in the demonstration program established in section 4 of P.L.2013, c.15 (C.54:1-104), in the case of a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.) and in the case of a municipality located in a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), every assessor, on or before November 15 of the pretax year, shall notify by mail each taxpayer of the preliminary assessment and preceding year's taxes. Thereafter, the assessor or county board of taxation shall notify each taxpayer by mail within 30 days of any change to the assessment which has occurred as the result of a municipal-wide revaluation or reassessment of real property within the municipality. This notification of change of assessment shall contain the prior assessment and the current assessment. The director shall establish the form of notice of assessment and change of assessment. Any notice issued by the assessor or county board of taxation shall contain information instructing taxpayers on how to appeal their assessment along with the deadline to file an appeal, printed in boldface type. The notification required by this section shall satisfy any notice requirement to a property owner in a municipality located in a county wherein the county board of taxation is participating in the "Real Property Assessment Demonstration Program" established in section 4 of P.L.2013, c.15 (C.54:1-104) concerning the assessment of that property owner's preliminary assessment value for the tax year.

c. The county board of taxation of the county participating in the real property assessment program established in section 4 of the "Real Property Assessment Demonstration Program," P.L.2013, c.15 (C.54:1-104) shall make the preliminary data electronically accessible to the public by posting the data in searchable form on the county's website not later than 15 business days after the submission of the preliminary data.

7. Section 1 of P.L.1945, c.260 (C.54:4-35.1) is amended to read as follows:

C.54:4-35.1 Material depreciation of structure; determination of value.

1. a. When any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, either intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty, which depreciation of value occurred after October 1 in any year and before January 1 of the following year, the assessor shall, upon notice thereof being given to him by the property owner prior to January 10 of that year, and after examination and inquiry, determine the value of such parcel of real property as of that January 1, and assess the same according to such value.

b. (1) In the case of a county participating in the demonstration program established by section 4 of P.L.2013, c.15 (C.54:1-104), a county operating under the "Property Tax Assessment Reform Act," P.L.2009, c.118 (C.54:1-86 et seq.), and a county that has adopted, by resolution, the provisions of section 1 of P.L.2018, c.94 (C.54:1-105), when any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, either

intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty, which depreciation of value occurred after October 1 in any year and before May 1 of the following year, the assessor shall, upon notice thereof being given to him by the property owner prior to May 3 of that year, and after examination and inquiry, determine the value of the parcel of real property as of that May 1, and assess the same according to such value within the final tax list delivered to the county board of taxation on or before May 5 of that year.

(2) To properly capture the value of the building or structure from January 1 to the date of the depreciation of the building or structure, the assessor's added assessment list shall include an improvement value that reflects the prorated value of the building or structure as of January 1 for the number of days prior to the date of the depreciation of the building or structure.

8. This act shall take effect immediately.

Approved June 30, 2021.