

SENATE, No. 245

STATE OF NEW JERSEY

INTRODUCED MARCH 2, 1931

By Mr. ABELL,

Referred to Committee on Judiciary

AN ACT to establish a State Board of Tax Appeals and to define its powers and duties, and vesting therein all the powers and duties now devolved by law upon the State Board of Taxes and Assessment relating to the review, hearing and determination of all appeals concerning the assessment, collection, apportionment or equalization of taxes.

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

1 1. There is hereby established a board to be known as the "State Board of Tax
2 Appeals", hereinafter referred to as the "Board".

1 2. The board shall consist of five members, who shall be citizens of the State, not
2 more than three of whom shall belong to the same political party and at least one
3 of whom shall be a counsellor-at-law. One of the appointees shall be designated by
4 the Governor as president of the board and shall so act during his term of office.
5 The president shall be a counsellor-at-law. Each member appointed shall, before en-
6 tering upon the performance of his duties, file with the Secretary of State an oath
7 taken before a justice of the Supreme Court that he will faithfully discharge the duties
8 of his office, and that he is not directly or indirectly interested in any railroad, canal
9 or other public utility company whatsoever. Each of the members of this board
10 shall receive compensation at the rate of four thousand five hundred dollars per an-
11 num, except the president who shall receive compensation at the rate of six thou-
12 sand five hundred dollars per annum. Any member of the board may be removed by
13 the Governor for inefficiency, neglect of duty, or malfeasance in office, but for no
14 other reason. The board shall have a seal which shall be judicially noticed. No mem-

15 ber of the board shall be permitted to practice before the board for a period of two
16 years after leaving office.

17 The first members of the board shall, without further appointment or confirma-
18 tion, be the members of the State Board of Taxes and Assessment in office at the
19 time this act shall become effective. The Governor shall forthwith designate one of
20 said first members to hold office for a five-year term, one for a four-year term, one
21 for a three-year term, one for a two-year term, and one for a one-year term. Each
22 respective term shall begin from the day this act becomes effective and shall continue
23 during the time respectively designated by the Governor as aforesaid. Annually there-
24 after members shall be appointed by the Governor, by and with the advice and con-
25 sent of the Senate, for a term of five years. Vacancies shall be filled for unexpired
26 terms.

27 Said board shall do and perform all acts now required by any law to be done and
28 performed by the State Board of Taxes and Assessment relative to the hearing and
29 determination of tax appeals.

1 3. All books, blanks, papers, documents and other records whatsoever, relating to
2 the review, hearing and determination of pending tax appeals, in the possession or
3 custody of the State Board of Taxes and Assessment, shall, on demand, be delivered
4 and transferred to the State Board of Tax Appeals, and thereafter remain in the
5 charge and custody of the last mentioned board.

1 4. The board shall succeed to and exercise exclusively all the powers and per-
2 form all the duties concerning the review, hearing and determination of appeals con-
3 cerning the assessment, collection, apportionment, or equalization of taxes which are
4 now exercised or performed by or conferred and charged upon the State Board of
5 Taxes and Assessment by virtue of any existing law or laws. All tax appeals pend-
6 ing before the State Board of Taxes and Assessment shall continue before and be
7 determined by the board hereby established; and the said State Board of Tax Ap-
8 peals shall have such other and further powers and perform such other and further
9 duties in connection with the hearing and determination of tax appeals, as may be
10 conferred or imposed upon it, from time to time.

1 5. A majority of the members of the board shall constitute a quorum for the
2 transaction of the business of the board. A vacancy in the board shall not impair

3 the powers nor affect the duties of the board, nor of the remaining members of the
4 board.

1 6. Hearings before the board shall be open to the public. The proceedings of
2 the board shall be conducted in accordance with such rules of evidence and pro-
3 cedure as the board from time to time may prescribe. It shall be the duty of the
4 board to reduce to writing its findings of fact and its decision in each case. Such
5 findings and decision shall be entered of record and a copy furnished to the appel-
6 lant and to the State Tax Department. If the amount of tax in controversy is more
7 than five thousand dollars, the testimony shall be taken stenographically and reduced
8 to writing. All findings, decisions and reasons therefor of the board, including the
9 transcript of testimony, if any, shall be public records and open to the inspection of
10 the public.

1 7. The principal office of the board shall be at the State House in Trenton, but
2 the board may sit at any place within the State of New Jersey. The times and places
3 of the meetings of the board shall be prescribed by the president with a view to se-
4 curing reasonable opportunity to appellants to appear before the board, with as little
5 inconvenience and expense as is practicable.

1 8. For the efficient administration of the functions vested in the board, each
2 member of the board shall have power to administer oaths, examine witnesses, and
3 shall have the same power as the Court of Common Pleas to issue subpoenas to
4 compel the attendance of witnesses and the production of all necessary reports, books,
5 papers, documents, correspondence, and other evidence, at any designated place of
6 hearing. Such subpoenas shall be authenticated by the seal of the State Board of Tax
7 Appeals, and either party to any proceeding before said board may secure subpoenas,
8 without charge, from said board. Misconduct on the part of any person attending a
9 hearing, or the failure of any witness, when duly subpoenaed to attend, give testimony
10 or produce any records shall be punishable by the Court of Common Pleas in the same
11 manner as such failure is punishable by such court in a case therein pending. Any
12 person who, having been sworn or affirmed as a witness in any such proceeding, shall
13 willfully give false testimony, shall be guilty of perjury. The fees for the attendance
14 of witnesses shall be such as are now provided for the attendance of witnesses in

15 other civil cases, and shall be paid by the party arranging for the attendance of such
16 witnesses.

1 9. The board is authorized and empowered to appoint such clerical, technical
2 and other assistants as may be necessary, including a secretary, fix their compensa-
3 tion and prescribe their duties, subject to the provisions of the civil service act, chap-
4 ter one hundred and fifty-six of the laws of nineteen hundred and eight as supple-
5 mented and amended, and appropriations made therefor. The first secretary of the
6 board shall be the present secretary of the State Board of Taxes and Assessment.

1 10. The board is hereby empowered and charged with the duty to review, hear
2 and determine all appeals by any person, firm, corporation, taxing district, municipal-
3 ity or county aggrieved by any act, proceeding, ruling, decision or determination of
4 the State Tax Department or of the State Tax Commissioner and to make reasonable
5 rules regulating the manner, form, time, terms and conditions of such appeals and
6 to make such orders upon the final determination of such appeals as will effectuate
7 said final determination according to law.

1 11. All acts and parts of acts inconsistent with this act are hereby repealed and
2 this act shall be liberally construed and shall take effect on the first day of July, nine-
3 teen hundred and thirty-one.

STATEMENT

The purpose of this act is to create an independent Board of Tax Appeals to discharge all appellate duties now imposed on the State Board of Taxes and Assessment, as recommended by State Audit and Finance Commission.