

54:1-35

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS OF: 1999 **CHAPTER:** 208

NJSA: 54:1-35 (Tax Court—various changes)

BILL NO: S673

SPONSOR(S): Inverso

DATE INTRODUCED: February 23, 1998

COMMITTEE: **ASSEMBLY:** Judiciary
 SENATE: Judiciary

AMENDED DURING PASSAGE:

DATE OF PASSAGE: **ASSEMBLY:** June 10, 1999
 SENATE: June 21, 1999

DATE OF APPROVAL: September 17, 1999

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: 1st Reprint
(Amendments during passage denoted by superscript numbers)

SPONSORS STATEMENT: (Begins on page 10 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** [Yes](#)
 SENATE: [Yes](#)

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: [Yes](#)

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 102 or refdesk@njstatelib.org

REPORTS: Yes

974.90 New Jersey. Supreme Court.
C866 Report... Trenton.
1998 [taken from 2-16-98 New Jersey Law Journal]

HEARINGS: No

NEWSPAPER ARTICLES: No

§8 - C.54:4-63.11a
§10 - C.54:4-63.39a
§18 - Note to §§1-17
§19 - Repealer
§20 - Note to §§2-5,
7-10, 13, 16 &
17

P.L. 1999, CHAPTER 208, *approved September 17, 1999*
Senate, No. 673 (*First Reprint*)

1 AN ACT concerning certain Tax Court procedures, amending various
2 sections of the statutory law, and supplementing Title 54 of the
3 Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. R.S.54:1-35 is amended to read as follows:

9 54:1-35. The **commissioner** Director of the Division of Taxation
10 shall prepare an abstract of the total ratables of the State, as returned
11 by the county boards of taxation and corrected or confirmed by him in
12 accordance with the State equalization table, and transmit a certified
13 copy thereof to the **State Board of Tax Appeals** Tax Court, the
14 county boards of taxation and the State Comptroller, who shall
15 apportion the State school tax, State tax or State moneys, as provided
16 by law, upon the ratables as shown in such abstract, which shall take
17 the place for all such purposes of the annual abstracts heretofore filed
18 by county boards of taxation in the office of the Comptroller under the
19 provisions of section 54:4-52 of this Title.
20 (cf: P.L.1938, c.279, s.1.)
21

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

23 54:3-21. A taxpayer feeling aggrieved by the assessed valuation of
24 **his** the taxpayer's property, or feeling **that he is** discriminated
25 against by the assessed valuation of other property in the county, or a
26 taxing district which may feel discriminated against by the assessed
27 valuation of property in the taxing district, or by the assessed valuation
28 of property in another taxing district in the county, may on or before
29 April 1, or 45 days from the date the bulk mailing of notification of
30 assessment is completed in the taxing district, whichever is later,
31 appeal to the county board of taxation by filing with it a petition of
32 appeal; provided, however, that any such taxpayer or taxing district
33 may on or before April 1, or 45 days from the date the bulk mailing of
34 notification of assessment is completed in the taxing district,
35 whichever is later, file a complaint directly with the **tax court** Tax

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AJU committee amendments adopted January 7, 1999.

1 Court, if the assessed valuation of the property subject to the appeal
2 exceeds \$750,000.00. Within ten days of the completion of the bulk
3 mailing of notification of assessment, the assessor of the taxing district
4 shall file with the county board of taxation a certification setting forth
5 the date on which the bulk mailing was completed. If a county board
6 of taxation completes the bulk mailing of notifications of assessment,
7 the tax administrator of the county board of taxation shall within ten
8 days of the completion of the bulk mailing prepare and keep on file a
9 certification setting forth the date on which the bulk mailing was
10 completed. A taxpayer shall have 45 days to file an appeal upon the
11 issuance of a notification of a change in assessment. An appeal to the
12 Tax Court by one party in a case in which the Tax Court has
13 jurisdiction shall establish jurisdiction over the entire matter in the Tax
14 Court. All appeals to the **【tax court】** Tax Court hereunder shall be in
15 accordance with the provisions of the State **【Tax】** Uniform Tax
16 Procedure Law, R.S.54:48-1 et seq.

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

23 (cf: P.L.1991, c.75, s.28.)

24

25 3. R.S.54:3-26 is amended to read as follows:

26 54:3-26. The county board of taxation shall hear and determine all
27 such appeals within 3 months after the last day for filing such appeals,
28 and shall keep a record of its judgments thereon in permanent form,
29 and shall transmit a written memorandum of its judgments to the
30 assessor of the taxing district and to the taxpayer, setting forth the
31 reasons on which such judgment was based, and in all cases where the
32 amount of tax to be paid shall be changed as the result of an appeal,
33 to the collector of the taxing district. The Director of the Division of
34 Taxation shall prescribe such procedures and forms for the setting
35 forth of such written memorandums of judgments as may be necessary.

36 Whenever any review is sought of the determination of the county
37 board of taxation, the complaint shall contain a copy of the
38 memorandum of judgment of the county board.

39 Where no request for review is taken to the Tax Court to review
40 the action or determination of the county board involving real property
41 the judgment of the county board shall be conclusive and binding upon
42 the municipal assessor and the taxing district for the assessment year,
43 and for the 2 assessment years succeeding the assessment year,
44 covered by the judgment, except as to changes in value of the property
45 occurring after the assessment date. **【Where such changes are alleged**
46 the petition of appeal shall specifically set forth the nature of the

1 changes relied upon as the basis for such appeal. However, the **】** The
2 conclusive and binding effect of such judgment shall terminate with the
3 tax year immediately preceding the year in which a program for a
4 complete revaluation or complete reassessment of all real property
5 within the district has been put into effect. If as of October 1 of the
6 pretax year, the property in question has been the subject of an
7 addition qualifying as an added assessment, a condominium or
8 cooperative conversion, a subdivision or a zoning change, the
9 conclusive and binding effect of such judgment shall terminate with
10 said pretax year.

11 If the assessor increases the assessment or fails to reflect on the tax
12 duplicate a county board of taxation or Tax Court judgment issued
13 prior to the final preparation of the tax duplicate in either of the two
14 years following the year for which the judgment of the county board
15 was rendered, and if said judgment is a final judgment not further
16 appealed, the burden of proof shall be on the taxing district to
17 establish that the assessor acted reasonably in increasing the
18 assessment. If the county board finds that the assessor did not act
19 reasonably in increasing the assessment or failed to reflect said
20 judgment on the tax duplicate, the county board shall award to the
21 taxpayer reasonable counsel fee, appraisal costs and other costs which
22 shall be paid by the taxing district.

23 (cf: P.L.1979, c.499, s.13)

24

25 4. Section 1 of P.L.1976, c.114 (C.54:3-26.1) is amended to read
26 as follows:

27 1. In the event a county board of taxation cannot hear and
28 determine any one or more appeals within the time prescribed in
29 R.S.54:3-26, it may at any time apply to the **】** Director of
30 the Division of Taxation for **】** an order to extend **】** extension of the time
31 within which the appeal or appeals may be heard and determined. The
32 application shall be granted upon a showing by the board that the
33 number of appeals before it is disproportionate to the number of
34 members hearing said appeals**】**, **】** or that the number of appeals has
35 increased sufficiently to warrant an extension of time or for other good
36 cause shown. **】** The court shall include in its order **】** If the application
37 is granted, the Director of the Division of Taxation shall indicate the
38 amount of tax, if any, a taxpayer shall pay during the period of such
39 extension.

40 (cf: P.L.1983, c.36, s.14)

41

42 5. R.S.54:3-27 is amended to read as follows:

43 54:3-27. A taxpayer who shall file an appeal from an assessment
44 against him shall pay to the collector of the taxing district no less than
45 the total of all taxes and municipal charges due, up to and including
46 the first quarter of the taxes and municipal charges assessed against

1 him for the current tax year in the manner prescribed in R.S.54:4-66.

2 A taxpayer who shall file an appeal from an added or omitted
3 assessment shall, in order to maintain an action contesting the added
4 or omitted assessment, pay to the collector of the taxing district all
5 unpaid prior years' taxes and all of the taxes for the current year as
6 said taxes become due and payable, exclusive of the taxes imposed
7 under the added or omitted assessment.

8 If an appeal involves Class 3B (Farm Qualified) or Classes 15A, B,
9 C, D, E and F (Exempt Property as defined in R.S.54:4-52) and the
10 subject of the appeal is statutory qualification, the taxpayer shall not
11 be required to meet the payment requirements specified herein.

12 The collector shall accept such amount, when tendered, give a
13 receipt therefor and credit the taxpayer therewith, and the taxpayer
14 shall have the benefit of the same rate of discount on the amount paid
15 as he would have on the whole amount.

16 Notwithstanding the foregoing, the county board of taxation may
17 relax the tax payment requirement and fix such terms for payment of
18 the tax as the interests of justice may require. ¹If the county board of
19 taxation refuses to relax the tax payment requirement and that decision
20 is appealed, the tax court may hear all issues without remand to the
21 county board of taxation as the interests of justice may require.¹

22 The payment of part or all of the taxes upon any property, due for
23 the year for which an appeal from an assessment upon such property
24 has been or shall hereafter be taken, or of taxes for subsequent years,
25 shall in nowise prejudice the status of the appeal or the rights of the
26 appellant to prosecute such appeal, before the county board of
27 taxation, the **【tax court】** Tax Court, or in any court to which the
28 judgment arising out of such appeal shall be taken, except as may be
29 provided for in R.S.54:51A-1.

30 (cf: P.L.1991, c.75, s.30.)

31

32 6. Section 5 of P.L.1971, c.370 (C.54:4-3.3e) is amended to read
33 as follows:

34 5. In the event of any dispute between the owner and the State or
35 State agency, or such authority, as the case may be, in respect to the
36 apportionment and payment of the said taxes or proportion thereof,
37 the **【Superior Court】** Tax Court shall have jurisdiction to determine
38 the matter in a summary manner on the application of either the owner
39 or of the State, State agency, or authority, as the case may be, and
40 make any order as may be required and appropriate to carry out the
41 court's determination.

42 (cf: P.L.1971, c.370, s.5)

43

44 7. Section 11 of P.L.1941, c.397 (C.54:4-63.11) is amended to
45 read as follows:

46 11. Appeals from added assessments **【shall】** may be made to the

1 county board of taxation on or before December 1 of the year of levy,
2 or 30 days from the date the collector of the taxing district completes
3 the bulk mailing of tax bills for added assessments, whichever is later,
4 and the county board of taxation shall hear and determine all such
5 appeals within 1 month after the last day for filing such appeals;
6 provided, however, that appeals from added assessments may be made
7 directly to the Tax Court on or before December 1 of the year of levy,
8 or 30 days from the date the collector of the taxing district completes
9 the bulk mailing of tax bills for added assessments, whichever is later,
10 if the aggregate assessed valuation of the property exceeds
11 \$750,000.00. Within ten days of the completion of the bulk mailing
12 of tax bills for added assessments, the collector of the taxing district
13 shall file with the county board of taxation a certification setting forth
14 the date on which the bulk mailing was completed. Appeals to the
15 **[tax court]** Tax Court from the judgment of the county board of
16 taxation shall be made within 45 days from the date fixed for final
17 decisions by the county board of taxation on appeals from added
18 assessments. In all other respects such appeals shall be governed by
19 the laws concerning appeals from real property assessments.
20 (cf: P.L.1983, c.36, s.18.)

21

22 8. (New section) In the event a county board of taxation cannot
23 hear and determine any one or more appeals from assessor's added
24 assessments within the time prescribed in section 11 of P.L.1941,
25 c.397 (C.54:4-63.11), it may at any time apply to the Director of the
26 Division of Taxation for an extension of the time within which the
27 appeal or appeals may be heard and determined. The application shall
28 be granted upon a showing by the board that the number of appeals
29 before it is disproportionate to the number of members hearing said
30 appeals or that the number of appeals has increased sufficiently to
31 warrant an extension of time or for other good cause shown.

32

33 9. Section 9 of P.L.1968, c.184 (C.54:4-63.39) is amended to read
34 as follows:

35 9. Appeals from assessor's omitted assessments **[shall]** may be
36 made to the county board of taxation on or before December 1 of the
37 year of levy or 30 days from the date the collector of the taxing district
38 completes the bulk mailing of tax bills for omitted assessments,
39 whichever is later, and the county board shall hear and determine all
40 such appeals within 1 month after the last day for filing such appeals,
41 provided, however, that appeals from assessor's omitted assessments
42 may be made directly to the Tax Court on or before December 1 of the
43 year of levy, or 30 days from the date the collector of the taxing
44 district completes the bulk mailing of tax bills for omitted assessments,
45 whichever is later, if the aggregate assessed valuation of the property
46 exceeds \$750,000.00. Within ten days of completion of the bulk

1 mailing of tax bills for omitted assessments, the collector of the taxing
2 district shall file with the county board of taxation a certification
3 setting forth the date on which the bulk mailing was completed.
4 Appeals to the **【tax court】 Tax Court** from the judgment of the county
5 board of taxation shall be made within 45 days from the date fixed for
6 final decisions by the county board of taxation on appeals from
7 assessor's omitted assessments. In all other respects such appeals shall
8 be governed by the laws concerning appeals from real and personal
9 property assessments.
10 (cf: P.L.1983, c.36, s.20)

11
12 10. (New section) In the event a county board of taxation cannot
13 hear and determine any one or more appeals from assessor's omitted
14 assessments within the time prescribed in section 9 of P.L.1968, c.184
15 (C.54:4-63.39), it may at any time apply to the Director of the
16 Division of Taxation for an extension of the time within which the
17 appeal or appeals may be heard and determined. The application shall
18 be granted upon a showing by the board that the number of appeals
19 before it is disproportionate to the number of members hearing said
20 appeals or that the number of appeals has increased sufficiently to
21 warrant an extension of time or for other good cause shown.

22
23 11. Section 1 of P.L.1944, c.220 (C.54:38A-1) is amended to read
24 as follows:

25 1. Where the **【State Tax Commissioner】 Director of the Division**
26 of Taxation claims that a decedent was domiciled in this State at the
27 time of death and the taxing authorities of another State or States
28 make a similar claim with respect to their State or States, and
29 investigation discloses a reasonable doubt regarding domicile, the
30 **【State Tax Commissioner】 Director** may, in his discretion, enter into
31 a written agreement with such taxing authorities and the executor,
32 administrator or trustee, fixing the sum acceptable to this State in full
33 settlement of the transfer inheritance tax imposable under chapters
34 thirty-three to thirty-six, inclusive, of Title 54 of the Revised Statutes;
35 provided, that said agreement also fixes the sum acceptable to such
36 other State or States in full settlement of the death taxes imposable by
37 such State or States; and provided further, that said agreement has the
38 approval of **【the ordinary of this State】 a judge of the Tax Court of**
39 New Jersey. If the aggregate amount payable under such agreement
40 to the States involved is less than the maximum sum allowable as a
41 credit to the estate against the Federal estate tax imposed thereon,
42 then the executor, administrator or trustee shall also pay to the **【State**
43 **Tax Commissioner】 Director** so much of the difference between such
44 aggregate amount and the amount of such credit as the amount
45 payable to the **【State Tax Commissioner】 Director** under the
46 agreement bears to such aggregate amount, and the agreement

1 aforesaid shall so provide. Payment of the sum or sums fixed by said
2 agreement shall be accepted by the **【State Tax Commissioner】**
3 Director in full satisfaction of this State's claim for transfer inheritance
4 and estate taxes which would otherwise be chargeable under subtitle
5 five of Title 54 of the Revised Statutes, and the executor,
6 administrator or trustee is hereby empowered to enter into the
7 agreement provided for herein.

8 (cf: P.L.1944, c.220, s.1)

9

10 12. R.S.54:48-1 is amended to read as follows:

11 54:48-1. This subtitle may be cited as the State **【Tax】** Uniform
12 Tax Procedure Law.

13 (cf: P.L.1983, c.36, s.46)

14

15 13. R.S.54:51A-1 is amended to read as follows.

16 54:51A-1. Review of judgment, action or determination of county
17 board of taxation. a. Any party who is dissatisfied with the judgment,
18 action or determination of the county board of taxation may seek
19 review of that judgment, action or determination in the **【tax court】**
20 Tax Court by filing a complaint in the **【tax court】** Tax Court, pursuant
21 to rules of court.

22 b. At the time that a complaint has been filed with the **【tax court】**
23 Tax Court seeking review of judgment of county tax boards, all taxes
24 or any installments thereof then due and payable for the year for which
25 review is sought must have been paid. **【No interest shall be due and**
26 **payable by the appellant for the period from November 1 of the**
27 **current tax year to the date of filing the complaint.】** Notwithstanding
28 the foregoing, the Tax Court may relax the tax payment requirement
29 and fix such terms of payments as the interests of justice may require.

30 c. If the **【tax court】** Tax Court shall determine that the appeal to
31 the county board of taxation has been (1) withdrawn at the hearing,
32 or previously thereto in writing by the appellant or his agent; (2)
33 dismissed because of appellant's failure to prosecute the appeal at a
34 hearing called by the county tax board; (3) settled by mutual consent
35 of the taxpayer and assessor of the taxing district, there shall be no
36 review. This provision shall not preclude a review by the **【tax court】**
37 Tax Court in the event that the appeal was "dismissed without
38 prejudice" by the county board of taxation.

39 (cf: R.S.54:51A-1)

40

41 14. R.S.54:51A-2 is amended to read as follows:

42 54:51A-2. Direct appeal to tax court in certain cases. Where any
43 taxpayer or taxing district shall file a direct appeal to the **【tax court】**
44 Tax Court pursuant to R.S.54:3-21, a copy of the complaint shall also
45 be filed with the assessor and the clerk of the taxing district, who shall

1 forthwith notify the collector and all other municipal officials as the
2 governing body shall direct of the content thereof. **【The tax court**
3 **may, on or after April 1 next following the filing of the complaint,**
4 **proceed to hear and determine all issues raised therein.】**

5 (cf: R.S.54:51A-2)

6

7 15. R.S.54:51A-3 is amended to read as follows:

8 54:51A-3. Exemption of Class 3B (Farm Qualified) and **【Calss】**
9 Class 15D, E and F (Exempt Property) from provisions of subsection
10 b. of R.S.54:51A-1. Class 3B (Farm Qualified) and **【Class 15】**
11 Classes 15A, B, C, D, E and F (Exempt Property as defined in
12 R.S.54:4-52) in appeal where a statutory qualification is the subject of
13 the appeal are exempt from those provisions contained in subsection
14 b. of R.S.54:51A-1.

15 (cf: R.S.54:51A-3)

16

17 16. R.S.54:51A-8 is amended to read as follows:

18 54:51A-8. Conclusiveness of judgment; changes in value; effect of
19 revaluation program. Where a **【final】** judgment not subject to further
20 appeal has been rendered by the **【tax court】** Tax Court involving real
21 property, the judgment shall be conclusive and binding upon the
22 municipal assessor and the taxing district, parties to the proceeding,
23 for the assessment year and for the 2 assessment years succeeding the
24 assessment year covered by the final judgment, except as to changes
25 in the value of the property occurring after the assessment date.
26 **【Where those changes are alleged, the complaint shall specifically set**
27 **forth the nature of the changes relied upon as the basis for the appeal.**
28 **However, the】** The conclusive and binding effect of the judgment
29 shall terminate with the tax year immediately preceding the year in
30 which a program for a complete revaluation or complete reassessment
31 of all real property within the district has been put into effect. If as
32 of October 1 of the pretax year, the property in question has been the
33 subject of an addition qualifying as an added assessment, a
34 condominium or cooperative conversion, a subdivision or a zoning
35 change, the conclusive and binding effect of such judgment shall
36 terminate with said pretax year.

37 If the assessor increases the assessment or fails to reflect on the tax
38 duplicate a county board of taxation or Tax Court judgment issued
39 prior to the final preparation of the tax duplicate in either of the two
40 years following the year for which the judgment of the Tax Court was
41 rendered and if said judgment is a final judgment not subject to further
42 appeal, the burden of proof is on the taxing district to establish that
43 the assessor acted reasonably in increasing the assessment. If the Tax
44 Court finds that the assessor did not act reasonably in increasing the
45 assessment or failed to reflect said judgment on the tax duplicate, the
46 Tax Court shall award to the taxpayer reasonable counsel fees.

1 appraisal costs and other costs which shall be paid by the taxing
2 district.

3 (cf: R.S.54:51A-8)

4

5 17. R.S.54:51A-9 is amended to read as follows:

6 54:51A-9. Time for taking real property tax cases to tax court.

7 a. Except as otherwise provided in this section, a complaint
8 seeking review of adjudication or judgment of the county board of
9 taxation shall be filed within 45 days of the service of the judgment.

10 b. Direct appeals to the ~~tax court~~ Tax Court of assessments of
11 property with an assessed valuation ~~of property~~ in excess of
12 \$750,000.00 as provided in R.S.54:3-21 shall be filed on or before
13 ~~August 15~~ April 1 of the tax year or 45 days from the date the bulk
14 mailing of notifications of assessment is completed for the taxing
15 district, whichever is later, or with regard to added or omitted
16 assessments, on or before December 1 of the year of levy, or 30 days
17 from the date the collector of the taxing district completes the bulk
18 mailing of tax bills for added assessment or omitted assessments,
19 whichever is later.

20 c. All real property tax cases not provided for herein shall be taken
21 in the manner and time prescribed for such appeals by the rules of the
22 tax court.

23 (cf: R.S.54:51A-9)

24

25 18. The Director of the Division of Taxation is authorized to
26 promulgate any rules or regulations necessary to implement the
27 provisions of P.L. , c. (now pending before the Legislature as this
28 bill.)

29

30 19. Sections 1 and 2 of P.L.1973, c.69 (C.54:3-21.4 and C.54:3-
31 21.5) are repealed.

32

33 20. This act shall take effect immediately ¹provided however, that
34 the provisions of sections 2, 3, 4, 5, 7, 8, 9, 10, 13, 16 and 17 shall
35 apply to tax assessments for years commencing on and after January
36 1 of the year next following the year of enactment¹.

37

38

39

40

41 Adopts series of amendments dealing with Tax Court proceedings.

SENATE, No. 673

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED FEBRUARY 23, 1998

Sponsored by:

Senator PETER A. INVERSO

District 14 (Mercer and Middlesex)

SYNOPSIS

Adopts series of amendments dealing with Tax Court proceedings.

CURRENT VERSION OF TEXT

As introduced.



S673 INVERSO

2

1 AN ACT concerning certain Tax Court procedures, amending various
2 sections of the statutory law, and supplementing Title 54 of the
3 Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. R.S.54:1-35 is amended to read as follows:

9 54:1-35. The **commissioner** Director of the Division of Taxation
10 shall prepare an abstract of the total ratables of the State, as returned
11 by the county boards of taxation and corrected or confirmed by him in
12 accordance with the State equalization table, and transmit a certified
13 copy thereof to the **State Board of Tax Appeals** Tax Court, the
14 county boards of taxation and the State Comptroller, who shall
15 apportion the State school tax, State tax or State moneys, as provided
16 by law, upon the ratables as shown in such abstract, which shall take
17 the place for all such purposes of the annual abstracts heretofore filed
18 by county boards of taxation in the office of the Comptroller under the
19 provisions of section 54:4-52 of this Title.
20 (cf: P.L.1938, c.279, s.1.)

21

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

23 54:3-21. A taxpayer feeling aggrieved by the assessed valuation of
24 **his** the taxpayer's property, or feeling **that he is** discriminated
25 against by the assessed valuation of other property in the county, or a
26 taxing district which may feel discriminated against by the assessed
27 valuation of property in the taxing district, or by the assessed valuation
28 of property in another taxing district in the county, may on or before
29 April 1, or 45 days from the date the bulk mailing of notification of
30 assessment is completed in the taxing district, whichever is later,
31 appeal to the county board of taxation by filing with it a petition of
32 appeal; provided, however, that any such taxpayer or taxing district
33 may on or before April 1, or 45 days from the date the bulk mailing of
34 notification of assessment is completed in the taxing district,
35 whichever is later, file a complaint directly with the **tax court** Tax
36 Court, if the assessed valuation of the property subject to the appeal
37 exceeds \$750,000.00. Within ten days of the completion of the bulk
38 mailing of notification of assessment, the assessor of the taxing district
39 shall file with the county board of taxation a certification setting forth
40 the date on which the bulk mailing was completed. If a county board
41 of taxation completes the bulk mailing of notifications of assessment,
42 the tax administrator of the county board of taxation shall within ten
43 days of the completion of the bulk mailing prepare and keep on file a

EXPLANATION - Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

S673 INVERSO

1 certification setting forth the date on which the bulk mailing was
2 completed. A taxpayer shall have 45 days to file an appeal upon the
3 issuance of a notification of a change in assessment. An appeal to the
4 Tax Court by one party in a case in which the Tax Court has
5 jurisdiction shall establish jurisdiction over the entire matter in the Tax
6 Court. All appeals to the **【tax court】** Tax Court hereunder shall be in
7 accordance with the provisions of the State **【Tax】** Uniform Tax
8 Procedure Law, R.S.54:48-1 et seq.

9 If a petition of appeal or a complaint is filed on April 1 or during
10 the 19 days next preceding April 1, a taxpayer or a taxing district shall
11 have 20 days from the date of service of the petition or complaint to
12 file a cross-petition of appeal with a county board of taxation or a
13 counterclaim with the **【clerk of the tax court】** Tax Court, as
14 appropriate.

15 (cf: P.L.1991, c.75, s.28.)

16

17 3. R.S.54:3-26 is amended to read as follows:

18 54:3-26. The county board of taxation shall hear and determine all
19 such appeals within 3 months after the last day for filing such appeals,
20 and shall keep a record of its judgments thereon in permanent form,
21 and shall transmit a written memorandum of its judgments to the
22 assessor of the taxing district and to the taxpayer, setting forth the
23 reasons on which such judgment was based, and in all cases where the
24 amount of tax to be paid shall be changed as the result of an appeal,
25 to the collector of the taxing district. The Director of the Division of
26 Taxation shall prescribe such procedures and forms for the setting
27 forth of such written memorandums of judgments as may be necessary.

28 Whenever any review is sought of the determination of the county
29 board of taxation, the complaint shall contain a copy of the
30 memorandum of judgment of the county board.

31 Where no request for review is taken to the Tax Court to review
32 the action or determination of the county board involving real property
33 the judgment of the county board shall be conclusive and binding upon
34 the municipal assessor and the taxing district for the assessment year,
35 and for the 2 assessment years succeeding the assessment year,
36 covered by the judgment, except as to changes in value of the property
37 occurring after the assessment date. **【Where such changes are alleged**
38 **the petition of appeal shall specifically set forth the nature of the**
39 **changes relied upon as the basis for such appeal. However, the】** The
40 conclusive and binding effect of such judgment shall terminate with the
41 tax year immediately preceding the year in which a program for a
42 complete revaluation or complete reassessment of all real property
43 within the district has been put into effect. If as of October 1 of the
44 pretax year, the property in question has been the subject of an
45 addition qualifying as an added assessment, a condominium or
46 cooperative conversion, a subdivision or a zoning change, the

S673 INVERSO

1 conclusive and binding effect of such judgment shall terminate with
2 said pretax year.

3 If the assessor increases the assessment or fails to reflect on the tax
4 duplicate a county board of taxation or Tax Court judgment issued
5 prior to the final preparation of the tax duplicate in either of the two
6 years following the year for which the judgment of the county board
7 was rendered, and if said judgment is a final judgment not further
8 appealed, [and] the burden of proof shall be on the taxing district to
9 establish that the assessor acted [reasonable] reasonably in increasing
10 the assessment. If the county board finds that the assessor did not act
11 reasonably in increasing the assessment or failed to reflect said
12 judgment on the tax duplicate, the county board shall award to the
13 taxpayer reasonable counsel fee, appraisal costs and other costs which
14 shall be paid by the taxing district.

15 (cf: P.L.1979, c.499, s.13)

16

17 4. Section 1 of P.L.1976, c.114 (C.54:3-26.1) is amended to read
18 as follows:

19 1. In the event a county board of taxation cannot hear and
20 determine any one or more appeals within the time prescribed in
21 R.S.54:3-26, it may at any time apply to the **[tax court]** Director of
22 the Division of Taxation for **[an order to extend]** extension of the time
23 within which the appeal or appeals may be heard and determined. The
24 application shall be granted upon a showing by the board that the
25 number of appeals before it is disproportionate to the number of
26 members hearing said appeals**[,]** or that the number of appeals has
27 increased sufficiently to warrant an extension of time or for other
28 good cause shown. **[The court shall include in its order]** If the
29 application is granted, the Director of the Division of Taxation shall
30 indicate the amount of tax, if any, a taxpayer shall pay during the
31 period of such extension.

32 (cf: P.L.1983, c.36, s.14)

33

34 5. R.S. 54:3-27 is amended to read as follows:

35 54:3-27. A taxpayer who shall file an appeal from an assessment
36 against him shall pay to the collector of the taxing district no less than
37 the total of all taxes and municipal charges due, up to and including
38 the first quarter of the taxes and municipal charges assessed against
39 him for the current tax year in the manner prescribed in R.S.54:4-66.

40 A taxpayer who shall file an appeal from an added or omitted
41 assessment shall, in order to maintain an action contesting the added
42 or omitted assessment, pay to the collector of the taxing district all
43 unpaid prior years' taxes and all of the taxes for the current year as
44 said taxes become due and payable, exclusive of the taxes imposed
45 under the added or omitted assessment.

46 If an appeal involves Class 3B (Farm Qualified) or Classes 15A, B,

S673 INVERSO

1 C, D, E and F (Exempt Property as defined in R.S.54:4-52) and the
2 subject of the appeal is statutory qualification, the taxpayer shall not
3 be required to meet the payment requirements specified herein.

4 The collector shall accept such amount, when tendered, give a
5 receipt therefor and credit the taxpayer therewith, and the taxpayer
6 shall have the benefit of the same rate of discount on the amount paid
7 as he would have on the whole amount.

8 Notwithstanding the foregoing, the county board of taxation may
9 relax the tax payment requirement and fix such terms for payment of
10 the tax as the interests of justice may require.

11 The payment of part or all of the taxes upon any property, due for
12 the year for which an appeal from an assessment upon such property
13 has been or shall hereafter be taken, or of taxes for subsequent years,
14 shall in nowise prejudice the status of the appeal or the rights of the
15 appellant to prosecute such appeal, before the county board of
16 taxation, the **【tax court】 Tax Court**, or in any court to which the
17 judgment arising out of such appeal shall be taken, except as may be
18 provided for in R.S.54:51A-1.

19 (cf: P.L.1991, c.75, s.30.)

20
21 6. Section 5 of P.L.1971, c.370 (C.54:4-3.3e) is amended to read
22 as follows:

23 5. In the event of any dispute between the owner and the State or
24 State agency, or such authority, as the case may be, in respect to the
25 apportionment and payment of the said taxes or proportion thereof,
26 the **【Superior Court】 Tax Court** shall have jurisdiction to determine
27 the matter in a summary manner on the application of either the owner
28 or of the State, State agency, or authority, as the case may be, and
29 make any order as may be required and appropriate to carry out the
30 court's determination.

31 (cf: P.L.1971, c.370, s.5)

32
33 7. Section 11 of P.L.1941, c.397 (C.54:4-63.11) is amended to
34 read as follows:

35 11. Appeals from added assessments **【shall】 may** be made to the
36 county board of taxation on or before December 1 of the year of levy,
37 or 30 days from the date the collector of the taxing district completes
38 the bulk mailing of tax bills for added assessments, whichever is later,
39 and the county board of taxation shall hear and determine all such
40 appeals within 1 month after the last day for filing such appeals;
41 provided, however, that appeals from added assessments may be made
42 directly to the Tax Court on or before December 1 of the year of levy,
43 or 30 days from the date the collector of the taxing district completes
44 the bulk mailing of tax bills for added assessments, whichever is later,
45 if the aggregate assessed valuation of the property exceeds
46 \$750,000.00. Within ten days of the completion of the bulk mailing

S673 INVERSO

1 of tax bills for added assessments, the collector of the taxing district
2 shall file with the county board of taxation a certification setting forth
3 the date on which the bulk mailing was completed. Appeals to the
4 **【tax court】 Tax Court** from the judgment of the county board of
5 taxation shall be made within 45 days from the date fixed for final
6 decisions by the county board of taxation on appeals from added
7 assessments. In all other respects such appeals shall be governed by
8 the laws concerning appeals from real property assessments.
9 (cf: P.L.1983, c.36, s.18,)

10

11 8. (New section) In the event a county board of taxation cannot
12 hear and determine any one or more appeals from assessor's added
13 assessments within the time prescribed in section 11 of P.L.1941,
14 c.397 (C.54:4-63.11), it may at any time apply to the Director of the
15 Division of Taxation for an extension of the time within which the
16 appeal or appeals may be heard and determined. The application shall
17 be granted upon a showing by the board that the number of appeals
18 before it is disproportionate to the number of members hearing said
19 appeals or that the number of appeals has increased sufficiently to
20 warrant an extension of time or for other good cause shown.

21

22 9. Section 9 of P.L.1968, c.184 (C.54:4-63.39) is amended to read
23 as follows:

24 9. Appeals from assessor's omitted assessments **【shall】** may be
25 made to the county board of taxation on or before December 1 of the
26 year of levy or 30 days from the date the collector of the taxing district
27 completes the bulk mailing of tax bills for omitted assessments,
28 whichever is later, and the county board shall hear and determine all
29 such appeals within 1 month after the last day for filing such appeals,
30 provided, however, that appeals from assessor's omitted assessments
31 may be made directly to the Tax Court on or before December 1 of the
32 year of levy, or 30 days from the date the collector of the taxing
33 district completes the bulk mailing of tax bills for omitted assessments,
34 whichever is later, if the aggregate assessed valuation of the property
35 exceeds **【\$75,000.00】** \$750,000.00. Within ten days of completion of
36 the bulk mailing of tax bills for omitted assessments, the collector of
37 the taxing district shall file with the county board of taxation a
38 certification setting forth the date on which the bulk mailing was
39 completed. Appeals to the **【tax court】 Tax Court** from the judgment
40 of the county board of taxation shall be made within 45 days from the
41 date fixed for final decisions by the county board of taxation on
42 appeals from assessor's omitted assessments. In all other respects such
43 appeals shall be governed by the laws concerning appeals from real
44 and personal property assessments.
45 (cf: P.L.1983, c.36, s.20)

S673 INVERSO

1 10. (New section) In the event a county board of taxation cannot
2 hear and determine any one or more appeals from assessor's omitted
3 assessments within the time prescribed in section 9 of P.L.1968, c.184
4 (C.54:4-63.39), it may at any time apply to the Director of the
5 Division of Taxation for an extension of the time within which the
6 appeal or appeals may be heard and determined. The application shall
7 be granted upon a showing by the board that the number of appeals
8 before it is disproportionate to the number of members hearing said
9 appeals or that the number of appeals has increased sufficiently to
10 warrant an extension of time or for other good cause shown.

11

12 11. Section 1 of P.L.1944, c.220 (C.54:38A-1) is amended to read
13 as follows:

14 1. Where the **【State Tax Commissioner】** Director of the Division
15 of Taxation claims that a decedent was domiciled in this State at the
16 time of death and the taxing authorities of another State or States
17 make a similar claim with respect to their State or States, and
18 investigation discloses a reasonable doubt regarding domicile, the
19 **【State Tax Commissioner】** Director may, in his discretion, enter into
20 a written agreement with such taxing authorities and the executor,
21 administrator or trustee, fixing the sum acceptable to this State in full
22 settlement of the transfer inheritance tax imposable under chapters
23 thirty-three to thirty-six, inclusive, of Title 54 of the Revised Statutes;
24 provided, that said agreement also fixes the sum acceptable to such
25 other State or States in full settlement of the death taxes imposable by
26 such State or States; and provided further, that said agreement has the
27 approval of **【the ordinary of this State】** a judge of the Tax Court of
28 New Jersey. If the aggregate amount payable under such agreement
29 to the States involved is less than the maximum sum allowable as a
30 credit to the estate against the Federal estate tax imposed thereon,
31 then the executor, administrator or trustee shall also pay to the **【State**
32 **Tax Commissioner】** Director so much of the difference between such
33 aggregate amount and the amount of such credit as the amount
34 payable to the **【State Tax Commissioner】** Director under the
35 agreement bears to such aggregate amount, and the agreement
36 aforesaid shall so provide. Payment of the sum or sums fixed by said
37 agreement shall be accepted by the **【State Tax Commissioner】**
38 Director in full satisfaction of this State's claim for transfer inheritance
39 and estate taxes which would otherwise be chargeable under subtitle
40 five of Title 54 of the Revised Statutes, and the executor,
41 administrator or trustee is hereby empowered to enter into the
42 agreement provided for herein.

43 (cf: P.L.1944, c.220, s.1)

44

45 12. R.S.54:48-1 is amended to read as follows:

46 54:48-1. This subtitle may be cited as the State **【Tax】** Uniform

S673 INVERSO

1 Tax Procedure Law.

2 (cf: P.L.1983, c.36, s.46)

3

4 13. R.S.54:51A-1 is amended to read as follows.

5 54:51A-1. Review of judgment, action or determination of county
6 board of taxation. a. Any party who is dissatisfied with the judgment,
7 action or determination of the county board of taxation may seek
8 review of that judgment, action or determination in the **【tax court】**
9 Tax Court by filing a complaint in the **【tax court】** Tax Court, pursuant
10 to rules of court.

11 b. At the time that a complaint has been filed with the **【tax court】**
12 Tax Court seeking review of judgment of county tax boards, all taxes
13 or any installments thereof then due and payable for the year for which
14 review is sought must have been paid. **【No interest shall be due and**
15 **payable by the appellant for the period from November 1 of the**
16 **current tax year to the date of filing the complaint.】** Notwithstanding
17 the foregoing, the Tax Court may relax the tax payment requirement
18 and fix such terms of payments as the interests of justice may require.

19 c. If the **【tax court】** Tax Court shall determine that the appeal to
20 the county board of taxation has been (1) withdrawn at the hearing,
21 or previously thereto in writing by the appellant or his agent; (2)
22 dismissed because of appellant's failure to prosecute the appeal at a
23 hearing called by the county tax board; (3) settled by mutual consent
24 of the taxpayer and assessor of the taxing district, there shall be no
25 review. This provision shall not preclude a review by the **【tax court】**
26 Tax Court in the event that the appeal was "dismissed without
27 prejudice" by the county board of taxation.

28 (cf: R.S.54:51A-1)

29

30 14. R.S.54:51A-2 is amended to read as follows:

31 54:51A-2. Direct appeal to tax court in certain cases. Where any
32 taxpayer or taxing district shall file a direct appeal to the **【tax court】**
33 Tax Court pursuant to R.S.54:3-21, a copy of the complaint shall also
34 be filed with the assessor and the clerk of the taxing district, who shall
35 forthwith notify the collector and all other municipal officials as the
36 governing body shall direct of the content thereof. **【The tax court**
37 **may, on or after April 1 next following the filing of the complaint,**
38 **proceed to hear and determine all issues raised therein.】**

39 (cf: R.S.54:51A-2)

40

41 15. R.S.54:51A-3 is amended to read as follows:

42 54:51A-3. Exemption of Class 3B (Farm Qualified) and **【Calss】**
43 Class 15D, E and F (Exempt Property) from provisions of subsection
44 b. of R.S.54:51A-1. Class 3B (Farm Qualified) and **【Class 15】**
45 Classes 15A, B, C, D, E and F (Exempt Property as defined in

S673 INVERSO

1 R.S.54:4-52) in appeal where a statutory qualification is the subject of
2 the appeal are exempt from those provisions contained in subsection
3 b. of R.S.54:51A-1.
4 (cf: R.S.54:51A-3)

5
6 16. R.S.54:51A-8 is amended to read as follows:

7 54:51A-8. Conclusiveness of judgment; changes in value; effect of
8 revaluation program. Where a **【final】** judgment not subject to further
9 appeal has been rendered by the **【tax court】** Tax Court involving real
10 property, the judgment shall be conclusive and binding upon the
11 municipal assessor and the taxing district, parties to the proceeding,
12 for the assessment year and for the 2 assessment years succeeding the
13 assessment year covered by the final judgment, except as to changes
14 in the value of the property occurring after the assessment date.
15 **【Where those changes are alleged, the complaint shall specifically set**
16 **forth the nature of the changes relied upon as the basis for the appeal.**
17 **However, the】** The conclusive and binding effect of the judgment
18 shall terminate with the tax year immediately preceding the year in
19 which a program for a complete revaluation or complete reassessment
20 of all real property within the district has been put into effect. If as
21 of October 1 of the pretax year, the property in question has been the
22 subject of an addition qualifying as an added assessment, a
23 condominium or cooperative conversion, a subdivision or a zoning
24 change, the conclusive and binding effect of such judgment shall
25 terminate with said pretax year.

26 If the assessor increases the assessment or fails to reflect on the tax
27 duplicate a county board of taxation or Tax Court judgment issued
28 prior to the final preparation of the tax duplicate in either of the two
29 years following the year for which the judgment of the Tax Court was
30 rendered and if said judgment is a final judgment not subject to further
31 appeal, the burden of proof is on the taxing district to establish that
32 the assessor acted reasonably in increasing the assessment. If the Tax
33 Court finds that the assessor did not act reasonably in increasing the
34 assessment or failed to reflect said judgment on the tax duplicate, the
35 Tax Court shall award to the taxpayer reasonable counsel fees,
36 appraisal costs and other costs which shall be paid by the taxing
37 district.

38 (cf: R.S.54:51A-8)

39
40 17. R.S.54:51A-9 is amended to read as follows:

41 54:51A-9. Time for taking real property tax cases to tax court.

42 a. Except as otherwise provided in this section, a complaint
43 seeking review of adjudication or judgment of the county board of
44 taxation shall be filed within 45 days of the service of the judgment.

45 b. Direct appeals to the **【tax court】** Tax Court of assessments of
46 property with an assessed valuation **【of property】** in excess of

S673 INVERSO

1 \$750,000.00 as provided in R.S.54:3-21 shall be filed on or before
2 **【August 15】** April 1 of the tax year or 45 days from the date the bulk
3 mailing of notifications of assessment is completed for the taxing
4 district, whichever is later, or with regard to added or omitted
5 assessments, on or before December 1 of the year of levy, or 30 days
6 from the date the collector of the taxing district completes the bulk
7 mailing of tax bills for added assessment or omitted assessments,
8 whichever is later.

9 c. All real property tax cases not provided for herein shall be taken
10 in the manner and time prescribed for such appeals by the rules of the
11 tax court.

12 (cf: R.S.54:51A-9)

13

14 18. The Director of the Division of Taxation is authorized to
15 promulgate any rules or regulations necessary to implement the
16 provisions of P.L. , c. (now pending before the Legislature as this
17 bill.)

18

19 19. Sections 1 and 2 of P.L.1973, c.69 (C.54:3-21.4 and C.54:3-
20 21.5) are repealed.

21

22 20. This act shall take effect immediately.

23

24

25

STATEMENT

26

27 This bill would implement a series of recommendations promulgated
28 by the Supreme Court's Committee on the Tax Court. The following
29 is a summary of the bill's provisions.

30 1. N.J.S.A.54:3-21 provides that a taxpayer has up to April 1 to file
31 an appeal with the county tax board. The bill would extend the
32 deadline if there is a bulk mailing of assessment notices to 45 days
33 from completion of the mailing or April 1 whichever is later.

34 2. The bill would add language to N.J.S.54:3-21 providing that an
35 appeal to the Tax Court by one party establishes jurisdiction over the
36 entire matter in the Tax Court.

37 3. The bill would repeal N.J.S.A.54:3-21.4 and N.J.S.A.54:3-21.5
38 which authorize county boards of taxation to extend time for appeal
39 with the approval of Director, Division of Taxation where the assessor
40 fails to deliver notice of assessment or notice of change of assessment.

41 4. The term "Freeze Act" refers to several statutes which provide
42 that if a taxpayer successfully appeals an assessment, the assessment
43 on that property cannot be raised for a period of three years. The bill
44 would provide that the "Freeze Act" shall apply to a judgment only
45 when the time periods for all appeals from the county tax board
46 judgment or the Tax Court judgment have expired; to provide that the

1 “Freeze Act” shall not apply for a year in which a complete
2 reassessment of taxing district is adopted; and to provide that the
3 “Freeze Act” shall not apply to a property which has been the subject
4 of an addition qualifying as an added assessment, a condominium or
5 cooperative conversion, a subdivision or a zoning change. The bill
6 would eliminate the requirement that a taxing district file a protective
7 appeal if it wishes to increase an assessment in a year subsequent to a
8 successful appeal. In its place, the bill would substitute a provision
9 that if the assessor increases an assessment in the subsequent year, the
10 taxing district has the burden of proving the reasonableness of the
11 increase, and if the county tax board or the Tax Court finds that the
12 increase is unreasonable, it shall award the taxpayer reasonable counsel
13 fees, appraisal costs and other costs.

14 5. The bill would amend several sections of Title 54 to provide that
15 the Director of the Division of Taxation may extend the time within
16 which a county board of taxation may hear assessment appeals.

17 6. The bill would amend N.J.S.A.54:3-27, N.J.S.A.54:4-66 and
18 N.J.S.A.54:51A-1 to provide for a uniform procedure with respect to
19 the requirement for payment of taxes to maintain an appeal to the
20 county board of taxation and the Tax Court for both regular
21 assessments and added or omitted assessments; to provide that the
22 county board of taxation and the Tax Court may relax the tax payment
23 requirement and fix such terms of payment as the interests of justice
24 may require, and to eliminate the provision in R.S.54:51A-1(b) which
25 excuses the taxpayer from paying interest on unpaid taxes from
26 November 1 to the date of the filing of the complaint.

27 7. The bill amend three sections of Title 54 to authorize the county
28 board of taxation and the Tax Court to extend time to appeal added or
29 omitted assessments to on or before December 1 or 30 days from
30 mailing of tax bills, whichever is later, and to provide that added and
31 omitted assessments can be appealed directly to the Tax Court if the
32 aggregate assessment exceeds \$750,000.

33 8. The bill amends N.J.S.A.54:38A-1 to provide that approval of
34 agreements among the Director of the Division of Taxation, the taxing
35 authority of another state and the executor, administrator or trustee in
36 settlement of a transfer inheritance tax matter shall be approved by a
37 judge of the Tax Court.

38 9. The bill amends N.J.S.A.54:48-1 to change the name of the State
39 Tax Uniform Procedure Law to State Uniform Tax Procedure Law.

40 10. The bill amends N.J.S.A.54:51A-9 to provide that the Tax Court
41 may extend the time for appeal in added and omitted assessment cases
42 when the tax bill containing the added or omitted assessment is not
43 delivered to the taxpayer before December 1 of the tax year and
44 provide that any extension of time granted by the Tax Court shall act
45 as an extension of time for all such appeals filed with respect to
46 property located in that taxing district.

47 11. The bill changes “Superior Court” to “Tax Court” in

S673 INVERSO

12

1 N.J.S.A.54:4-3.3e which relates to jurisdiction to determine disputes
2 between the owner and the State with respect to apportionment and
3 payment of taxes.

4 12. The bill amends N.J.S.A.54:51A-2 to delete the final sentence,
5 “The tax court may, on or after April 1 next following the filing of the
6 complaint, proceed to hear and determine all issues raised therein,” in
7 view of the enactment of P.L.1991, c.75, which provides for an April
8 1 filing deadline for direct appeals to the Tax Court.

9 13. The bill amends N.J.S.A.54:51A-9 to change the filing deadline
10 for direct appeals to the Tax Court from August 15 to April 1.

11 14. The bill amends N.J.S.A.54:1-35 to change “commissioner” to
12 “Director of the Division of Taxation” and to change “State Board of
13 Tax Appeals” to “Tax Court.”

ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

SENATE, No. 673

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 7, 1999

The Assembly Judiciary Committee reports favorably and with committee amendments Senate Bill No. 673.

This bill would implement a series of recommendations promulgated by the Supreme Court's Committee on the Tax Court. The following is a summary of the bill's provisions.

1. N.J.S.A.54:3-21 provides that a taxpayer has up to April 1 to file an appeal with the county tax board. The bill would extend the deadline if there is a bulk mailing of assessment notices to 45 days from completion of the mailing or April 1 whichever is later.

2. The bill would add language to N.J.S.A.54:3-21 providing that an appeal to the Tax Court by one party establishes jurisdiction over the entire matter in the Tax Court.

3. The bill would repeal N.J.S.A.54:3-21.4 and N.J.S.A.54:3-21.5 which authorize county boards of taxation to extend time for appeal with the approval of the Director, Division of Taxation where the assessor fails to deliver notice of assessment or notice of change of assessment.

4. The term "Freeze Act" refers to several statutes which provide that if a taxpayer successfully appeals an assessment, the assessment on that property cannot be raised for a period of three years. The bill would provide that the "Freeze Act" shall apply to a judgment only when the time periods for all appeals from the county tax board judgment or the Tax Court judgment have expired; further that the "Freeze Act" shall not apply for a year in which a complete reassessment of taxing district is adopted; and that the "Freeze Act" shall not apply to a property which has been the subject of an addition qualifying as an added assessment, a condominium or cooperative conversion, a subdivision or a zoning change. The bill would eliminate the requirement that a taxing district file a protective appeal if it wishes to increase an assessment in a year subsequent to a successful appeal. In its place, the bill would substitute a provision that if the assessor increases an assessment in the subsequent year, the taxing district has the burden of proving the reasonableness of the increase, and if the county tax board or the Tax Court finds that the

increase is unreasonable, it shall award the taxpayer reasonable counsel fees, appraisal costs and other costs.

5. The bill would amend several sections of Title 54 to provide that the Director of the Division of Taxation may extend the time within which a county board of taxation may hear assessment appeals.

6. The bill would amend N.J.S.A.54:3-27 and N.J.S.A.54:51A-1 to provide for a uniform procedure with respect to the requirement for payment of taxes to maintain an appeal to the county board of taxation and the Tax Court for both regular assessments and added or omitted assessments; to provide that the county board of taxation and the Tax Court may relax the tax payment requirement and fix such terms of payment as the interests of justice may require, and to eliminate the provision in R.S. 54:51A-1(b) which excuses the taxpayer from paying interest on unpaid taxes from November 1 to the date of the filing of the complaint.

7. The bill amends three sections of Title 54 to authorize the county board of taxation and the Tax Court to extend time to appeal added or omitted assessments to on or before December 1 or 30 days from mailing of tax bills, whichever is later, and to provide that added and omitted assessments can be appealed directly to the Tax Court if the aggregate assessment exceeds \$750,000.

8. The bill amends N.J.S.A.54:38A-1 to provide that approval of agreements among the Director of the Division of Taxation, the taxing authority of another state and the executor, administrator or trustee in settlement of a transfer inheritance tax matter shall be approved by a judge of the Tax Court.

9. The bill amends N.J.S.A.54:48-1 to change the name of the State Tax Uniform Procedure Law to State Uniform Tax Procedure Law.

10. The bill amends N.J.S.A.54:51A-9 to provide that the Tax Court may extend the time for appeal in added and omitted assessment cases when the tax bill containing the added or omitted assessment is not delivered to the taxpayer before December 1 of the tax year and provide that any extension of time granted by the Tax Court shall act as an extension of time for all such appeals filed with respect to property located in that taxing district.

11. The bill changes "Superior Court" to "Tax Court" in N.J.S.A.54:4-3.3e which relates to jurisdiction to determine disputes between the owner and the State with respect to apportionment and payment of taxes.

12. The bill amends N.J.S.A.54:51A-2 to delete the final sentence, "The tax court may, on or after April 1 next following the filing of the complaint, proceed to hear and determine all issues raised therein," in view of the enactment of P.L.1991, c.75, which provides for an April 1 filing deadline for direct appeals to the Tax Court.

13. The bill amends N.J.S.A.54:51A-9 to change the filing deadline for direct appeals to the Tax Court from August 15 to April 1.

14. The bill amends N.J.S.A.54:1-35 to change "commissioner" to "Director of the Division of Taxation" and to change "State Board of

Tax Appeals” to “Tax Court.”

The committee amended the bill to change the effective date to provide that a number of the sections shall take effect beginning on January 1 of the year next after the year of enactment. Sections which take effect immediately are the rule-making authority, the repealer and sections in which references are updated. The committee also adopted an amendment in section 5 of the bill amending R.S.54:3-27. This amendment provides that if the county board of taxation refuses to relax the tax payment requirement and that decision is appealed, the tax court may hear all issues without remand to the county board of taxation as the interests of justice may require.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

SENATE, No. 673

STATE OF NEW JERSEY

DATED: JUNE 4, 1998

The Senate Judiciary Committee reports favorably Senate Bill No. 673.

This bill would implement a series of recommendations promulgated by the Supreme Court's Committee on the Tax Court. The following is a summary of the S-673's provisions.

1. N.J.S.A.54:3-21 provides that a taxpayer has up to April 1 to file an appeal with the county tax board. The bill would extend the deadline if there is a bulk mailing of assessment notices to 45 days from completion of the mailing or April 1 whichever is later.

2. The bill would add language to N.J.S.A.54:3-21 providing that an appeal to the Tax Court by one party establishes jurisdiction over the entire matter in the Tax Court.

3. The bill would repeal N.J.S.A.54:3-21.4 and N.J.S.A.54:3-21.5 which authorize county boards of taxation to extend time for appeal with the approval of the Director, Division of Taxation where the assessor fails to deliver notice of assessment or notice of change of assessment.

4. The term "Freeze Act" refers to several statutes which provide that if a taxpayer successfully appeals an assessment, the assessment on that property cannot be raised for a period of three years. The bill would provide that the "Freeze Act" shall apply to a judgment only when the time periods for all appeals from the county tax board judgment or the Tax Court judgment have expired; further that the "Freeze Act" shall not apply for a year in which a complete reassessment of taxing district is adopted; and that the "Freeze Act" shall not apply to a property which has been the subject of an addition qualifying as an added assessment, a condominium or cooperative conversion, a subdivision or a zoning change. The bill would eliminate the requirement that a taxing district file a protective appeal if it wishes to increase an assessment in a year subsequent to a successful appeal. In its place, the bill would substitute a provision that if the assessor increases an assessment in the subsequent year, the taxing district has the burden of proving the reasonableness of the increase, and if the county tax board or the Tax Court finds that the increase is unreasonable, it shall award the taxpayer reasonable counsel fees, appraisal costs and other costs.

5. The bill would amend several sections of Title 54 to provide that the Director of the Division of Taxation may extend the time within which a county board of taxation may hear assessment appeals.

6. The bill would amend N.J.S.A.54:3-27, N.J.S.A.54:4-66 and N.J.S.A.54:51A-1 to provide for a uniform procedure with respect to the requirement for payment of taxes to maintain an appeal to the county board of taxation and the Tax Court for both regular assessments and added or omitted assessments; to provide that the county board of taxation and the Tax Court may relax the tax payment requirement and fix such terms of payment as the interests of justice may require, and to eliminate the provision in R.S.54:51A-1(b) which excuses the taxpayer from paying interest on unpaid taxes from November 1 to the date of the filing of the complaint.

7. The bill amends three sections of Title 54 to authorize the county board of taxation and the Tax Court to extend time to appeal added or omitted assessments to on or before December 1 or 30 days from mailing of tax bills, whichever is later, and to provide that added and omitted assessments can be appealed directly to the Tax Court if the aggregate assessment exceeds \$750,000.

8. The bill amends N.J.S.A.54:38A-1 to provide that approval of agreements among the Director of the Division of Taxation, the taxing authority of another state and the executor, administrator or trustee in settlement of a transfer inheritance tax matter shall be approved by a judge of the Tax Court.

9. The bill amends N.J.S.A.54:48-1 to change the name of the State Tax Uniform Procedure Law to State Uniform Tax Procedure Law.

10. The bill amends N.J.S.A.54:51A-9 to provide that the Tax Court may extend the time for appeal in added and omitted assessment cases when the tax bill containing the added or omitted assessment is not delivered to the taxpayer before December 1 of the tax year and provide that any extension of time granted by the Tax Court shall act as an extension of time for all such appeals filed with respect to property located in that taxing district.

11. The bill changes "Superior Court" to "Tax Court" in N.J.S.A.54:4-3.3e which relates to jurisdiction to determine disputes between the owner and the State with respect to apportionment and payment of taxes.

12. The bill amends N.J.S.A.54:51A-2 to delete the final sentence, "The tax court may, on or after April 1 next following the filing of the complaint, proceed to hear and determine all issues raised therein," in view of the enactment of P.L.1991, c.75, which provides for an April 1 filing deadline for direct appeals to the Tax Court.

13. The bill amends N.J.S.A.54:51A-9 to change the filing deadline for direct appeals to the Tax Court from August 15 to April 1.

14. The bill amends N.J.S.A.54:1-35 to change "commissioner" to "Director of the Division of Taxation" and to change "State Board of Tax Appeals" to "Tax Court."

Office of the Governor
NEWS RELEASE

CONTACT: Gene Herman
609-777-2600

RELEASE: September 17, 1999

Gov. Christie Whitman today signed the following pieces of legislation:

S-947, sponsored by Senators William L. Gormley (R-Atlantic) and Wayne R. Bryant (D-Camden/Gloucester) and Assembly Members Kenneth C. LeFevre (R-Atlantic) and Tom Smith (R-Monmouth), adds the violation of a domestic violence restraining order to the list of aggravating factors for a jury to consider in the penalty phase of a murder case. The state's murder statute sets forth a list of aggravating factors, including that the murder was committed in an outrageously or wantonly vile manner, involved an aggravated assault, or was committed in the course of a robbery, burglary, sexual assault or other specified serious offense. A murder charge only may be tried as a death penalty case if the prosecutor gives notice to the defense near to the time of indictment that one or more of the statutory aggravating factors are present. Before a jury in such a case can consider imposing the death penalty, it must find that the state proved beyond a reasonable doubt at least one of the aggravating factors.

S-1388, sponsored by Senator Martha W. Bark (R-Atlantic/Burlington/Camden) and Assembly Member Francis L. Bodine (R-Atlantic/Burlington/Camden), amends the Long Term Tax Exemption Law to permit the assignment of long term tax abatements from urban renewal entities to owners in fee simple. Owners in fee simple own their housing units, which are not a part of a condominium. The law allows urban renewal entities, which are non-profit corporations established to rehabilitate urban housing for resale to qualified individuals, to receive such abatements for improvements made to urban housing developments. Previous law expressly permitted owners of condominium units to sell their property along with tax abatements.

S-1959, sponsored by Senator Robert E. Littell (R-Sussex/Hunterdon/Morris) and Assembly Members Guy R. Gregg (R-Sussex/Hunterdon/Morris) and E. Scott Garrett (R-Sussex/Hunterdon/Morris), appropriates \$5 million to the Department of Environmental Protection from the Natural Resources Bond Act of 1980 for a grant to Hopatcong Borough for a clean water project. The grant will be used to install sewers for residents that reside near Lake Hopatcong. The \$5 million grant is the state's share of the project, which is projected to cost \$20 million. The appropriation will leverage \$8.7 million in federal funds.

S-1515, sponsored by Senator Robert J. Martin (R-Essex/Morris/Passaic) and Assembly Members Carol J. Murphy (R-Essex/Morris/Passaic) and Neil M. Cohen (D-Union), authorizes the regulation of viatical agreements by the Commissioner of Banking and Insurance. A viatical agreement is an agreement to sell a life insurance policy by a person who typically is ill and in immediate need of money. The bill is intended to protect particularly vulnerable persons from aggressive or fraudulent business tactics. The bill requires licensure as a viatical settlement provider for any person who is involved in three or more agreements in the period of one year.

The regulatory aspects of the bill include permitting alterations to viatical agreements, tax implications, rights of rescission, and Medicaid issues. The viatical agreement must contain several consumer protection provisions as set forth in the bill. Among other things, the viatical settlement provider must disclose to consumers possible alternatives to the contract, the need for professional tax advice, the effect of receiving a lump sum of money on pending claims by creditors, and the person's eligibility for government benefits.

The Commissioner of Banking and Insurance is given broad discretion to suspend, revoke or refuse to review licenses. Licensees are required to file annual statements containing information that the Commissioner may require by regulation. The Commissioner has the right to examine the business activities of any licensee.

S-673, sponsored by Senator Peter A. Inverso (R-Mercer/Middlesex), implements a series of recommendations made by the Supreme Court Committee on the Tax Court to amend the laws dealing with property tax appeals and certain Tax Court matters. The amendments are primarily procedural in nature and are designed to increase uniformity, efficiency and flexibility in key areas of the administration of property tax appeals, such as filing deadlines, the Freeze Act and tax payment requirement. The Freeze Act freezes the property assessment for three years when a taxpayer is successful in a tax appeal. The bill also contains several technical amendments, such as incorporating gender neutral language and updating references to judicial bodies and governmental entities.

S-1977 provides for continuity of legal representation through the Office of the Public Defender (OPD) for children and indigent parents in child abuse and termination of parental proceedings. The bill specifically directs that, where practicable, the same attorney will represent a parent or child in each of these types of matters. The continuity is intended to increase the overall effectiveness and efficiency of the legal system in its handling of termination of parental rights cases. The state's recently enacted Adoption and Safe Families Act (AFSA) provided the framework for continuity of legal representation by granting the OPD the authority to represent parents and children in termination of parental rights matters. Prior to AFSA, the OPD was statutorily authorized to provide legal counsel in abuse and neglect matters, but not termination matters. In such termination matters, the courts appointed pro-bono counsel to represent indigent parents and children. The bill was sponsored by Senators William L. Gormley (R-Atlantic) and Edward T. O'Connor, Jr. (D-Hudson) and Assembly Members Richard H. Bagger (R-Middlesex/Morris/Somerset/Union) and Rose Marie Heck (R-Bergen).