

RESOLUTION 2013-211

RESOLUTION OF THE TOWNSHIP OF BANREGAT, COUNTY OF OCEAN, STATE OF NEW JERSEY IN SUPPORT OF S1896/A1503 SHARING THE BURDEN OF PROPERTY ASSESSMENT APPEAL REFUNDS

WHEREAS, when County Tax Board Appeals are granted, the municipality must reimburse the property taxpayer 100% of the appealed tax levy, which includes the municipal, school, county and any special districts tax; and

WHEREAS, the municipal tax collector makes the adjustment from the appeal as a credit on the 4th quarter tax bill resulting in the municipality's fund balance for the preceding year to diminish, if not completely depleted; and

WHEREAS, a League of Municipalities' survey measured the extent to which residents have filed and won tax appeals in 2010; and

WHEREAS, one hundred fifty (150) municipalities, representing both large and small municipalities in all 21 counties, that participated in the survey reported property value declines of more than \$87,900,000 which resulted from 19,788 tax appeals filed in 2010; and

WHEREAS, those responding to the survey indicated that 13,760 appeals were filed in 2009, compared to 19,788 in 2010, representing an increase of 43.7%; and

WHEREAS, a municipality often experiences an increase in tax appeals because it has conducted a revaluation, however, only 5 of the 150 municipalities which participated in our survey, indicated that their 2010 appeals resulted from revaluations; and

WHEREAS, as a way of comparison, 23 of the participating municipalities conducted revaluations in 2009, when fewer tax appeals were presented to the County Tax Boards; and

WHEREAS, the 2010 spike in appeals should be attributed to the economic down-turn, which lowered property values and placed increased stress on the income of homeowners, all around our Garden State; and

WHEREAS, the survey also indicated that in 2010 the various County Tax Boards have granted average property value reductions of close to \$5,000, per appeal; and

WHEREAS, fifty-six percent of those responding indicated that the successful tax appeals would have an impact on fund balances and place additional pressures on local officials during 2011; and

WHEREAS, although the Township of Barnegat Tax Assessor has been adjusting valuations to homes damaged by Super Storm Sandy, the Township of Barnegat expects further appeals due to the damage wreaked by this Super Storm; and

WHEREAS, the reductions, which were granted by County Tax Boards in 2010, likely had a multiplier in subsequent years when neighbors learned of their neighbor's tax reduction; and

WHEREAS, successful tax appeals have a three-fold negative impact on municipal budgets. First, the municipality, as the collector of taxes for the school district, county and special districts, must fund the full cost of the legal defense of the assessment. Second, since state law guarantees to the county and the school district 100% of their levies, the municipality bears the full cost of any reimbursements

resulting from the appeal (as well as the full burden for any uncollected taxes). Third, the end result will be a further decline in the property tax base used to support municipalities, county governments and school systems; and

WHEREAS, in light of the revenue limitations that have been placed on all levels of local government by the Legislature (2% cap), such declining values will compound and add additional stress to local public officials, as they grapple with the issues confronting the tax paying public; and

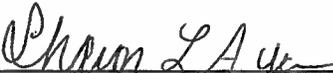
WHEREAS, Senator Bucco, Assemblyman Carroll and Assemblyman Bucco, District 25, have recently introduced S1896/A1503, which requires fire districts, school districts and county governments to share in burden of property assessment appeal refunds;

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Township of Barnegat, County of Ocean, State of New Jersey do hereby urge the swift passage and signing of S1896/A1503; and

BE IT FURTHER RESOLVED that copies of this resolution be forwarded to Governor Chris Christie, all members of the New Jersey State Legislature, to all Ocean County Mayors and the New Jersey State League of Municipalities.

CERTIFICATION

I, Sharon L. Auer, Acting Municipal Clerk of the Township of Barnegat, County of Ocean, State of New Jersey do hereby certify that the foregoing Resolution was duly adopted by the Township Committee at their regular meeting held on the 6th day of May 2013, in the Municipal Courtroom, 900 W. Bay Avenue, Barnegat NJ 08005.



Sharon L. Auer
Acting Municipal Clerk