

**RESOLUTION SUPPORTING S-1896/A-1503 SHARING THE BURDEN OF  
PROPERTY ASSESSMENT APPEAL REFUNDS**

**WHEREAS**, when County Tax Board appeals are successful, 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 must then adjust the taxpayer's fourth quarter tax bill, resulting in the municipality's fund balance for the preceding year being diminished, if not completely depleted; and

**WHEREAS**, in recent years, municipalities have experienced a large spike in tax appeals caused by the economic down-turn, which lowered property values and placed increased stress on the income of homeowners all around our Garden State; and

**WHEREAS**, successful tax appeals have a four-fold negative impact on municipal budgets; first by requiring the municipality, as the collector of taxes for the School district, county and special districts, to fund the full cost of the legal defense of the assessment; and

**WHEREAS**, the second negative impact on municipal budgets results from State law, which guarantees to the county and the school district 100% of their levies, hence forcing the municipality to bear the full cost of any reimbursements resulting from the appeal, as well as the full burden for any uncollected taxes; and

**WHEREAS**, the third negative impact on municipal budgets ensues because the refunds and credits negatively impact the municipality's tax collection rate, resulting in a State required increase in the appropriation for the Reserve for Uncollected Taxes (a non-exempt from cap budget expenditure); and

**WHEREAS**, fourth, the end result is a further decline in the property tax base used to support municipalities, county governments, school systems and any fire or other special purpose districts, which will necessitate tax rate increases to raise the same amount of revenue; 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.

**WHEREAS**, Senator Anthony R. Bucco, Assemblyman Michael Patrick Carroll and Assemblyman Anthony M. Bucco have recently introduced Senate Bill S-1896/Assembly Bill A-1503, which requires fire districts, school districts, and county governments to share in burden of property assessment appeal refunds;

**NOW, THEREFORE, BE IT RESOLVED**, by the (*INSERT NAME OF THE GOVERNING BODY*) of the (*INSERT NAME OF MUNICIPALITY*) hereby urge the swift passage and signing of S-1896/A-1503; and

**BE IT FURTHER RESOLVED**, that copies of this Resolution be forwarded to New Jersey Governor Christopher Christie, to Senate President Stephen Sweeney, to Assembly Speaker Sheila Oliver, to our State Senator, to our two Representatives in the General Assembly, and to the New Jersey League of Municipalities.

## **DISTRIBUTION LIST**

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