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September 2, 2010

Re: County Tax Board Appeals Survey

Dear Mayor:

Recently a town reported the results of their County Tax Board appeals. The town experienced 2,700 tax appeals which will require \$5 million in order to accommodate the appeals. Another community saw its bond rating decline because of limited surplus funds being available to deal with the financial emergency which may arise.

All Mayors understand when County Tax Board appeals are granted the municipality must reimburse 100% of the appealed tax levy. This includes the Municipal, School, County and any Special Districts tax. The Tax Collector makes this adjustment as a credit on the 4th quarter tax billing. The results are towns available fund balance for the preceding year is diminished, if not completely depleted. We must make certain funding over three years is permitted by the Local Finance Board for credit adjudicated by the County Tax Board in the same manner as permitted for refunds to tax payers following a Tax Court judgment.

Property values across the State have declined from a high point in 2008. Many appeals are before either the State Tax Court or County Tax Boards. There is no collective summary the impact said appeals are having on municipalities. Therefore I am asking you to respond to this letter by answering the following questions. Doing so will allow us to collect a database to present to the Administration in Trenton. Mayors must deal with the County tax appeals funding problems confronting local governments.

1. How many County Tax Board appeals has your town experienced in 2010? _____

2. How many County Tax Board appeals did your town experience in 2009? _____

3. If you conducted a revaluation during either 2010 or 2009 the results of Questions 1 and 2 may be skewed. Please indicate if a revaluation caused the appeals. _____

4. What is the total adjustment which must be granted in the 4th quarter based upon County Tax Board appeals in 2010? _____

5. What was the total adjustment which was granted in the 4th quarter based upon County Tax Board appeals in 2009? _____

6. Will the results of County Tax Board appeals have an impact on the available fund balance for utilization in the 2011 budget? _____

7. Has your town experienced an increasing number of State Court tax appeals in 2010? If so, please compare with the prior two years (2009 & 2008). _____

8. Has your town considered funding tax appeals with Emergency Appropriations and authorizing bond financing to smooth the impact over the course of three years? If, yes will you be presenting an application for approval to the Local Finance Board in October or November? _____

Name of respondent _____ Title _____

Municipality _____ County _____

E-mail address or phone number _____

Thank you for responding to this survey. Without your input there will be no collective data available on a state wide basis. Your assistance in completing this survey will be most helpful. Please respond to me at bdressel@njslom.com

Very truly yours,

William G. Dressel, Jr.
Executive Director