

ADVERTISEMENT



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How Much You Pay in Real Estate Taxes Matters

Have you been paying too much in real estate taxes on your commercial, industrial, residential, and/or investment property? If so, you should be reviewing your 2019 assessment to determine if an appeal should be filed.

On or before February 1st, the municipal tax assessor is required by law to give notice to each taxpayer of the real property tax assessment imposed against his or her property. While this notice will tell you what the assessment will be for 2019, you must also know your municipality's "average ratio" of assessed value to true value to determine the value which the municipality is really placing on your property. For example, property which is assessed at \$850,000.00 in a municipality which has an average ratio of 77% means that the property has an implied fair market value of \$1,103,896.10.

Filing Deadline

The deadline for filing an appeal to challenge a tax assessment for 2019 is Monday, April 1, 2019*. It is strongly recommended that all appeals be filed as early as possible to avoid missing the deadline. The postmark transmitting your appeal to the Tax Court of New Jersey or the County Board of Taxation does not satisfy the filing deadline. Your appeal must actually be received by the Court or the County Board by the filing deadline.

*In taxing districts which have implemented town-wide reassessments or revaluations, the filing deadline is May 1, 2019.

Should You File an Appeal

Beattie Padovano, LLC has successfully filed, litigated and negotiated settlements of tax appeals on retail, commercial, industrial, vacant land, rental and residential properties before the County Tax Board, Tax Court and Appellate Division. Our efforts have secured significant refunds, the payment of interest and lower tax payments for our clients. We can help you in determining whether you should file a tax appeal. Once an appeal is filed, we work closely with you and your real estate appraiser presenting your appeal to the municipality, County Tax Board and the Tax Court.

If you believe that you are paying too much, use the worksheet in this newsletter or call for a free consultation to discuss whether you can lower your property taxes.

Do Not Wait for Your Tax Bill, Estimate Your 2019 Tax Payments

Even though your appeal must be filed on or before April 1, 2019, your 2019 tax bill may not be received until after July 1st. Waiting to receive your tax bill to decide whether or not to file an appeal is not possible. If you wait to receive your tax bill, it is very likely that you will be precluded from filing a challenge to your 2019 assessment. To estimate your 2019 tax bill, multiply the assessed value identified in the Notice of Assessment received from the local assessor by your municipality's current (your actual 2019 tax bill is likely to be higher; typically, the actual 2019 rate is not available until after July 1st) tax rate.

TABLE A

<u>MUNICIPALITY</u>	<u>2019 AVG. RATIO</u>	<u>2018* TAX RATE</u>	<u>MUNICIPALITY</u>	<u>2019 AVG. RATIO</u>	<u>2018* TAX RATE</u>	<u>MUNICIPALITY</u>	<u>2019 AVG. RATIO</u>	<u>2018* TAX RATE</u>
<u>BERGEN COUNTY</u>			Saddle Brook	93.36	2.537	Chatham (Borough)	77.47	2.045
Allendale	95.34	2.297	Saddle River	104.57	0.906	Chatham (Township)	88.28	1.833
Alpine	89.31	0.776	South Hackensack	94.27	2.759	Chester (Borough)	104.18	2.626
Bergenfield	87.73	3.238	Teaneck	86.37	3.173	Chester (Township)	95.40	2.341
Bogota	81.41	3.920	Tenafly	87.19	2.532	Denville	93.01	2.463
Carlstadt	69.97	1.922	Teterboro	103.34	1.155	Dover	94.57	2.577
Cliffside Park	85.17	2.438	Upper Saddle River	82.14	2.361	East Hanover	75.40	2.275
Closter	97.95	2.226	Waldwick	96.13	2.679	Florham Park	96.39	1.511
Cresskill	90.04	2.399	Wallington	87.42	2.952	Hanover	90.47	1.799
Demarest	82.20	2.545	Washington Twp.	90.15	2.363	Harding	88.64	1.130
Dumont	81.70	3.594	Westwood	89.88	2.483	Jefferson Township	97.81	2.705
East Rutherford	90.78	1.778	Woodcliff Lake	103.29	2.073	Kinnelon	98.60	2.533
Edgewater	72.55	1.833	Wood Ridge	88.28	2.683	Lincoln Park	96.12	2.689
Elmwood Park	90.23	2.923	Wyckoff	100.49	1.782	Madison	82.69	1.923
Emerson	91.73	2.717	<u>ESSEX COUNTY</u>			Mendham (Borough)	93.62	2.215
Englewood	88.06	2.722	Belleville	94.10	4.010	Mendham (Twp.)	97.82	2.117
Englewood Cliffs	94.75	1.043	Bloomfield	84.89	3.964	Mine Hill	96.96	2.615
Fair Lawn	82.67	3.308	Caldwell	89.25	2.717	Montville	90.53	2.368
Fairview	75.66	3.366	Cedar Grove	87.85	2.396	Morris (Township)	96.25	1.813
Fort Lee	91.09	2.298	East Orange	75.18	5.333	Morris Plains	87.21	2.266
Franklin Lakes	95.15	1.625	Essex Fells	102.73	1.972	Morristown	75.39	2.845
Garfield	84.46	2.841	Fairfield	82.56	2.186	Mountain Lakes	88.73	2.628
Glen Rock	89.61	2.887	Glen Ridge	78.61	3.689	Mount Arlington	86.85	2.629
Hackensack	91.98	3.413	Irvington	89.12	5.701	Mount Olive	94.44	3.173
Harrington Park	90.18	2.832	Livingston	84.96	2.581	Netcong	107.16	2.753
Hasbrouck Heights	94.51	2.852	Maplewood	91.46	3.143	Parsippany Troy Hills	83.40	2.883
Haworth	86.30	2.867	Millburn	92.31	1.902	Passaic (Long Hill)	94.08	2.376
Hillsdale	90.08	2.801	Montclair	90.23	3.094	Pequannock	86.57	2.295
HoHoKus	88.71	2.132	Newark	69.38	3.693	Randolph	95.16	2.562
Leonia	85.95	2.946	North Caldwell	89.33	2.359	Riverdale	92.12	1.883
Little Ferry	93.39	3.301	Nutley	85.42	3.511	Rockaway (Borough)	96.41	3.057
Lodi	79.12	3.246	Orange	85.53	5.230	Rockaway (Twp.)	95.04	2.899
Lyndhurst	82.42	2.976	Roseland	80.72	2.254	Roxbury	62.58	4.310
Mahwah	94.60	1.815	South Orange Village	94.10	3.150	Victory Gardens	94.37	2.576
Maywood	80.38	3.043	Verona	81.33	3.159	Washington	97.64	2.554
Midland Park	85.58	2.987	West Caldwell	83.81	2.528	Wharton	95.85	2.856
Montvale	90.34	2.334	West Orange	87.74	4.038	<u>PASSAIC COUNTY</u>		
Moonachie	97.12	2.423	<u>HUDSON COUNTY</u>			Bloomingtondale	89.04	4.295
New Milford	82.87	3.450	Bayonne	34.13	8.458	Clifton	53.28	5.423
North Arlington	94.59	2.914	East Newark	80.42	2.557	Haledon	85.78	4.620
Northvale	86.72	2.840	Guttenberg	72.01	3.727	Hawthorne	47.13	5.847
Norwood	92.84	2.442	Harrison	33.60	7.215	Little Falls	91.55	3.160
Oakland	87.66	2.833	Hoboken	67.19	1.580	North Haledon	86.21	2.864
Old Tappan	99.27	2.021	Jersey City	101.02	1.488	Passaic	77.86	3.598
Oradell	88.36	2.745	Kearny	27.11	10.561	Paterson	78.12	4.326
Palisades Park	79.78	1.979	North Bergen	39.50	5.636	Pompton Lakes	99.68	3.605
Paramus	81.00	1.833	Secaucus	46.44	3.610	Prospect Park	82.26	5.125
Park Ridge	86.44	2.767	Union City	36.69	6.964	Ringwood	85.63	3.740
Ramsey	98.27	2.397	Weehawken	104.06	1.651	Totowa	106.90	2.383
Ridgefield	80.66	2.417	West New York	29.27	7.527	Wanaque	85.50	3.830
Ridgefield Park	75.28	3.848	<u>MORRIS COUNTY</u>			Wayne	51.00	5.465
Ridgewood	85.63	2.565	Boonton (Town)	94.81	2.949	West Milford	90.68	3.752
River Edge	79.16	3.395	Boonton (Township)	90.70	2.254	Woodland Park	93.89	3.161
River Vale	100.58	2.525	Butler	77.37	3.607	<u>SUSSEX COUNTY</u>		
Rochelle Park	94.38	2.460				Hardyston	96.48	2.795
Rockleigh	89.08	0.946				Vernon	105.68	2.693
Rutherford	91.54	2.701						

*The tax rates listed above are for the tax year 2018. The 2019 rates must be used for making an actual determination. The average ratios were provided by the State of New Jersey, Department of Treasury, Division of Taxation, certification of Average Ratios and Common Level Ranges. In taxing districts where a townwide reassessment or revaluation is implemented for 2019, 100% should be used and not the ratio listed above.

**WORKSHEET FOR DETERMINING WHETHER
YOU MIGHT BE ENTITLED TO A TAX REDUCTION**

The New Jersey Constitution requires that each municipality in the State assess real estate for tax purposes in accordance with a common standard of value. This requirement is intended to assure that each taxpayer pays only a fair share of municipal, school and county taxes.

The most successful, although not exclusive, basis for an appeal is usually unlawful discrimination. To determine whether there is a possibility of winning a discrimination appeal, complete this worksheet and discuss it with your attorney:

ARE YOU OVER ASSESSED?

- (1) What is your assessment? _____
- (2) What is the estimated true value of your property? _____
(Note, you will need a licensed expert to prove this on appeal)
- (3) Divide Line (1) by Line (2) and multiply by 100 _____
- (4) What is the average ratio for your town (See Table A) _____
- (5) Multiply Line (4) x 1.15 _____

If Line (5) is less than Line (3) or if Line (3) exceeds 100, you may be entitled to a reduction. If Line (5) is greater than Line (3) or if Line (3) does not exceed 100, then a successful appeal may be unlikely. If you may be entitled to a reduction, then continue.

HOW MUCH MIGHT YOU SAVE?

- (6) What is your assessment [Line (1)]? _____
- (7) Multiply the amount on Line (2) by the percentage on Line (4) _____
- (8) Subtract Line (7) from Line (6) _____
- (9) What is the estimated tax rate in your town (See Table A)?
(Note, these are 2018 figures and can only provide a basis to estimate for 2019) _____
- (10) Multiply Line (8) by Line (9) and divide by 100 _____

IS AN APPEAL WORTHWHILE?

If you have an amount on Line (10), you should consult an attorney who can advise you whether the filing fees, appraisal costs and estimated attorney's fees make an appeal worthwhile. Most attorneys will require you to advance the filing fees and appraisal costs. Arrangements for attorney fees for prosecuting tax appeals vary. However, many attorneys accept a percentage of the tax savings realized by the appeal or are compensated on an hourly basis. In any appeal, there is uncertainty as to whether your appraiser's value or the value placed on the property by the tax assessor will be accepted by the County Board or the Tax Court, so there is always the possibility that you will not get a reduction at all.

THIS WORKSHEET IS INTENDED ONLY AS A GUIDE AND DOES NOT CONSTITUTE LEGAL ADVICE. ONLY BY RETAINING AN ATTORNEY CAN YOU DETERMINE YOUR RIGHT TO TAX RELIEF.

The Benefits of an Appeal and the Freeze Act

A taxpayer who successfully appeals an assessment is entitled to a refund retroactive to January 1, 2019.

A successful tax appeal or settlement may also entitle you, by filing a single appeal, to tax relief for three years. The Freeze Act, N.J.S. 54:51A-8, “freezes” the assessment set as a result of the appeal or settlement for the tax year under appeal and two succeeding years.

There are some exceptions:

- Freeze Act relief is not available if, in future years, there is a change in circumstances (such as an addition or other improvement to the property).
- The Freeze Act does not apply in a year in which there has been a municipal wide reassessment or revaluation.
- The Freeze Act may not apply if the property has received certain types of land use approvals or permits.

Free Consultation

To discuss the possibility of filing a 2019 tax appeal, call Andy Del Vecchio at (201) 799-2149. If there is a basis for an appeal, we accept these types of cases on a contingency or an hourly basis. On a contingency basis you pay only a percentage of your tax savings plus costs.

Before making your choice of an attorney, you should give this matter careful thought. The selection of an attorney is an important decision. This newsletter is intended only as a guide and does not constitute legal advice. Only by retaining an attorney can you determine your right to tax relief.

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