



Morristown Revaluation 2022 FAQ

BASICS OF A REVALUATION

Why is Morristown doing a revaluation of properties?

Morristown, at the urging of neighboring towns, was mandated by the Morris County Tax Board to revalue all properties. The town has no option but to complete this process.

What is a revaluation?

A municipality undertakes a revaluation to appraise all real property within a town to determine its full and fair value and ensure property assessments are in line with market values. This ensures that everyone is paying their fair share of taxes.

When was the last revaluation in Morristown?

The last revaluation in Morristown was done eighteen years ago, in 2004. Thus many of the current assessments are outdated, this causes inequities in tax liability.

Why is a revaluation necessary?

A revaluation program, which is supposed to be done periodically, seeks to more accurately reflect market conditions and spread the tax responsibility equitably within a municipality. However, since market conditions change and assessments change over time, the relationship between assessments and market values become more distant and must be brought into line.

Real property must be assessed at the same standard of value to ensure that every property owner pays a fair share of the property tax.

For example, if the market value of your home is \$300,000, it should be assessed at \$300,000; if you have a market value of \$600,000, your home should be assessed at \$600,000.

What is involved in a revaluation?

A revaluation consists of two parts: an exterior and interior inspection. The exterior inspection includes exterior measurements and photographs of your property. An interior inspection then needs to be made for assessment accuracy. As part of the interior inspection, inspectors will record things such as the number of bathrooms, verify measurements, interior finishes, the property's age, and more. All information believed to influence value will be reviewed and analyzed to determine each property's full and fair value.

What is the purpose of the inspection?

The purpose of the inspection is to gather proper information on each property so that the appraisal process (and resulting tax distribution) is fair and uniform. Please note: the inspectors are not appraisers and are not appraising your home. The inspectors are simply data collectors and return the data to this office where the reassessment process is done.

PROPERTY TAXES 101

Where do my taxes go?

County, municipal and school budget costs determine the amount of property tax to be collected. So while you pay your bill to the town, the town is required to provide the county and the school district with whatever funding they raise in their budget. In fact, approximately 50.3% of your property taxes collected go to the school district, 11.4% of your property taxes go to the County of Morris and 1.5% of your taxes go to the library. Only 36.8% comes to Morristown.

Over the past five years, the municipal tax levy has only increased on average 1.67%.

What is a tax assessment?

Please be mindful that the assessment function is focused on the uniformity and accuracy of the assessments, not the resulting tax responsibility. When the assessments are set to the same standard (market value) in a uniform way, the tax levy will be distributed fairly in accordance with the NJ Constitution.

REVALUATION AND MY TAXES

Will a revaluation result in more money for Morristown?

No. Revaluations are revenue-neutral, meaning the budget is pre-set, and a change in property valuations throughout the town will not increase revenue for Morristown.

Will a revaluation automatically result in a tax increase?

No. In fact, as stated, Morristown as a municipality will not collect any additional taxes as a result of this revaluation. A common misconception is that a revaluation is done to increase property taxes. This is simply not true. Typically, a revaluation will increase property assessment (value), but it does not mean that all property taxes will increase.

If my assessment goes up, does that mean I will pay MORE taxes? Conversely, if my assessment goes down, does that mean I will pay LESS taxes?

Not necessarily. The assessment function does not create revenue for the municipality. The assessment function is only a distribution mechanism of the separately determined tax levy. In strict adherence with the NJ Constitution, this apportionment is to be based on the value of property. Your assessment (compared to the rest of the assessments in the town) will not determine your taxes, but will determine your apportionment of taxes. A change to your apportionment is not only dependent on how your assessment changes, but also how everyone else's assessments change.

MORRISTOWN'S 2022 REVALUATION PROCESS

Who will do the revaluation inspection of my home?

Morristown has entered into a contract with Appraisal Systems, Inc. (ASI) to conduct the revaluations.

When will the revaluation start?

Fieldwork for commercial properties will start during the first week of August. Residential fieldwork will start at the end of September and last into December. Appraisal Systems Inspectors will visit homes between 9:00 a.m. and 5:00 p.m.

What safety protocols will be implemented when letting inspectors onto my property?

All inspectors have undergone a thorough background check. Appraisal Systems, Inc. representatives will carry photo identification and their names will be registered with the Morristown Bureau of Police and the Town Assessor's Office. Every inspector will have their ID posted to the company's website as well as the make and model of their vehicles. Please do not allow anyone to enter your home without proper identification.

Due to the ongoing COVID-19 concerns, all inspectors will be required to wear face masks while performing inspections. For those who may feel uncomfortable letting in an inspector during this time, virtual interior inspections are also a possibility.

What happens if I'm not home at the time of my first inspection visit?

If you are absent at the first visit, the inspector will leave an interior inspection card with further instructions on how to schedule an inspection by calling Appraisal Systems, Inc. at (201) 493-8530. Representatives from Appraisal Systems will also make an unscheduled second visit if they do not hear from you.

Owners of rental properties should notify all tenants of the rental units that an inspection will be forthcoming by the firm and coordinate the interior inspection option with them.

Why should I make adjustments to let an inspector into my home?

If the ASI inspectors are unable to conduct an interior inspection of your home, the inspectors will make certain assumptions based on exterior conditions and neighborhood characteristics. This can lead to a higher assessment on your property. Should you feel uncomfortable letting an inspector into your home, virtual interior inspections are also a possibility.

I was not home for the inspection. What should I do?

If the inspector did not gain access to the interior of your property, they likely estimated the interior room counts and conditions. You should contact the Assessor's office and request a copy of your Property Record Card (PRC) to be sure that all of the physical characteristics listed on the record are accurate. If you find any issues on the PRC, you should consult with the Assessor immediately to determine what remedies are available.

How is the revaluation process completed?

After the inspection data is returned, the revaluation firm reviews all recent sales data and synchronizes the mass appraisal modeling in each market and submarket to target current market value. When the assessments are set to the same standard (market value) in a uniform way, the tax levy will be distributed fairly. Remember, the assessment function is focused on the uniformity and accuracy of the assessments NOT the resulting tax responsibility.

Will taxpayers be informed of their proposed assessment?

Yes. After the evaluations have been completed, every property owner will be provided with their new assessment as well as procedures to review the assessment with a representative from ASI, if requested. The entire town-wide revaluation is a lengthy process so be sure to monitor the town's website for status updates along the way.

WHERE CAN I GET ADDITIONAL INFORMATION?

You will receive a brochure prepared by Appraisal Systems, Inc. as part of the letter sent to you regarding revaluation details. You may also visit the ASI website at www.asinj.com for more information on the revaluation process.

Please call ASI with any questions regarding the revaluation process at **(201) 493-8530**.

For tax assessment questions in general please contact the Morristown Tax Assessor, Kevin M. Esposito, at k-esposito@TOWNOFMORRISTOWN.ORG or **(973) 292-6668**.