

THE REASSESSMENT OF NEWTON



The following is the definition of a Reassessment Program as described in the "Handbook for New Jersey Assessors" :

"A reassessment program seeks to spread the tax burden equitably within a taxing district by appraising property according to its true value and assessing it based upon such value. This is accomplished by the mass appraisal of all real property in the taxing district by an outside professional appraisal or reassessment firm."

The following power point presentation was created by Appraisal Systems, Inc. to provide a basic outline of the reassessment process. All rights are reserved.



THE REASSESSMENT OF NEWTON

There is an erroneous assumption by some that a reassessment is a means by which a municipality increase property taxes.

Reassessments do not increase the total amount of revenue to be raised by taxation. The municipality only collects the amount of tax dollars that the four units of local government (local school, regional school, county government and municipal government) determine is necessary to operate.



New Jersey's real property tax is ad valorem or a tax "according to the value." The State Constitution at Article VIII, Section 1, Par. 1 requires that all real property be assessed at the "same standard of value." New Jersey Statutes at N.J.S.A. 54:4-23 establish the standard of property value to be the "full and fair value" or "true value" which is defined as "the price at which, in the assessor's judgement, each parcel of real property would sell for at a fair and bona fide sale."



THE REASSESSMENT OF NEWTON

Why a Reassessment?

- Ordered by County Board of Taxation
- Criteria used to determine need:
 - *last reval (2008, 2011, 2014)
 - *average ratio (76.17)
 - *coefficient of deviation (16.65)
 - *number of appeals
- Other:
 - *changes in characteristics in areas or neighborhoods within the municipality and in individual properties
 - *economics (inflation and recession)
 - *fads (desirability of architecture, size of home, etc...)
 - *legislation (wetlands, pinelands, zoning, etc...)



THE REASSESSMENT OF NEWTON

For Example Purposes Only

- Property A: 2023 Assessment = \$185,000

2023 Tax Rate = \$4.50/100

2023 Taxes = ($\$185,000 \times .0450$) = \$8,325 Taxes

IF AVERAGE INCREASE FOR THE TOTAL TOWN IS 1.2 TIMES : TAX RATE WILL DECREASE BY 1.2 TIMES DUE TO REASSESSMENT ASSUMING BUDGET REMAINS THE SAME

2024 Tax Rate $\$4.50 / 1.2 = \3.75 Tax Rate for 2024 (Example Only)

- Property A: 2024 Assessment = \$222,000

2024 Tax Rate = \$3.75/100

2024 Taxes = ($\$222,000 \times .0375$) = \$8,325 Taxes

Other Examples:

- Property A: 2024 Assessment = $\$250,000 \times .0375 = \$9,375$ Taxes

2024 Assessment = $\$200,000 \times .0375 = \$7,500$ Taxes



THE REASSESSMENT OF NEWTON

For Example Purposes Only

- Property A: 2023 Assessment = \$185,000

2023 Tax Rate = \$4.50/100

2023 Taxes = ($\$185,000 \times .0450$) = \$8,325 Taxes

IF AVERAGE INCREASE FOR THE TOTAL TOWN IS 1.7 TIMES : TAX RATE WILL DECREASE BY 1.7 TIMES DUE TO REASSESSMENT ASSUMING BUDGET REMAINS THE SAME

2023 Tax Rate \$4.50 / 1.7 = \$2.647 Tax Rate for 2024 (Example Only)

- Property A: 2024 Assessment = \$314,500

2024 Tax Rate = \$2.647/100

2024 Taxes = ($\$314,500 \times .02647$) = \$8,325 Taxes

Other Examples:

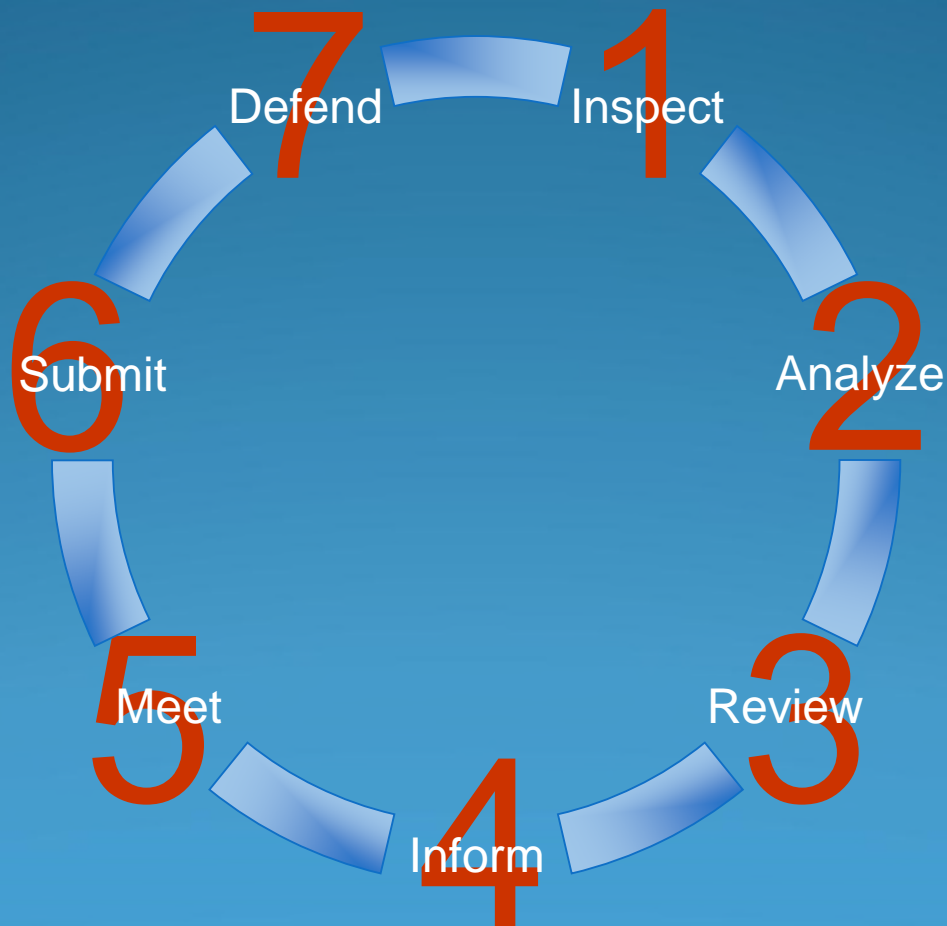
- Property A: 2024 Assessment = $\$350,000 \times .02647 = \$9,265$ Taxes

2024 Assessment = $\$290,000 \times .02647 = \$7,676$ Taxes



THE REASSESSMENT OF NEWTON

The Reassessment Process

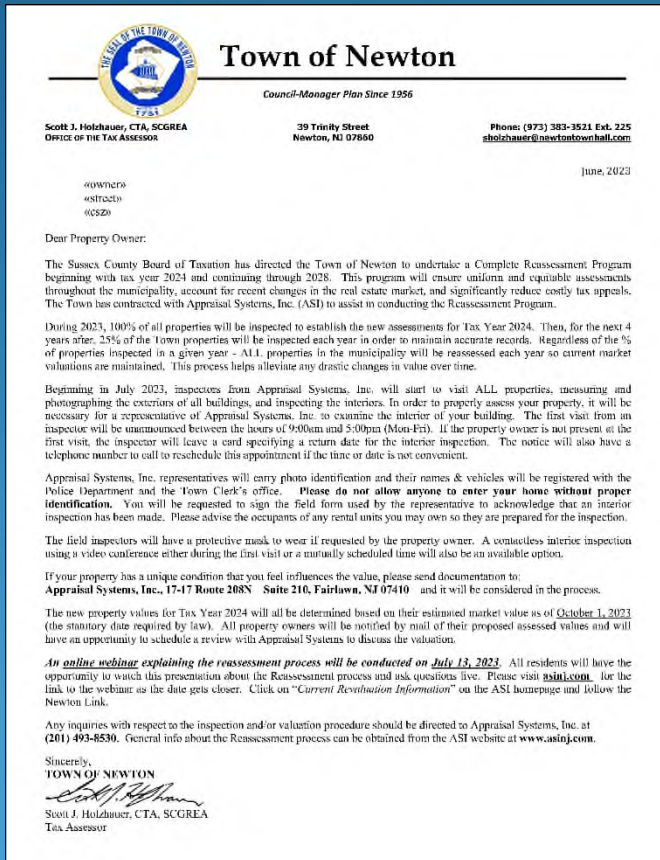


THE REASSESSMENT OF NEWTON

1
Inspect

Letter of Introduction with brochure

- Mailed to address of record for all residential and vacant land owners.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit - Introduction of Field Rep. to property owner

- First visit between 9:30am-5pm
- Each inspector is issued an ID authorized by the Police Dept.
- Do not allow anyone in your home without this identification.
- Call Police Department *before* allowing anyone in your home if you have any concerns.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Site Inspection & Outside Influences

- Economic loss due to outside influences (environmental nuisances and hazards.)
- Topography (land contours and grades.)



- View (positive and negative influences; views of water, mountains or valleys can produce positive values, conversely a poor view can produce a value penalty.)



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1 Inspect

First visit – Site Inspection cont....



- Economic loss due to outside influences (such as High Tension wires.)
- Immediately adjacent commercial or industrial properties, gas station, stores, schools, firehouses (can produce a value loss.)
- High traffic streets (proximity to noise, fumes, congestion and accidents are also negative factors that are considered.)

THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Measure exterior

- The exterior of the residence is examined in detail, starting with the foundation, framing, exterior cover and roof.
- The inspector will measure the exterior dimensions of the main improvement and all other structures on the property.
- The architectural style of the main improvement is identified.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Style of the house

- Architectural style: the character of a building's form and ornamentation
- There are five basic designs:
 - One story
 - One and One-half story
 - Two story
 - Split Level
 - Bi-level
- The architectural style of the main improvement is identified and its effect on property value is considered. Is the style in harmony with the neighborhood and market standards?



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Exterior quality of the house

- Quality refers to the character of construction and the materials used, the manner of construction and the workmanship.
- The condition refers to the overall wear and tear, the extent of physical deterioration and the level of maintenance.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Call Back



- If no one is home on the first visit, the inspector will leave a notice.
- The notice will have an appointment for return visit.
- The appointment will be in the evening (typically between 5pm-7pm.)
- Some Saturdays may also be available.
- The property owner can reschedule by calling the phone number on the card.

 **APPRAISAL
SYSTEMS INC.**
8 Cattano Ave., Morristown, NJ 07960

BLOCK: _____
LOT: _____
DATE: _____

Dear Property Owner:

A representative of Appraisal Systems was here to inspect your property in accordance with our contract to revalue all property located in the municipality.

Since we were unable to make an interior inspection, we will return on:

DAY: _____ **DATE:** _____ **TIME:** _____ **INSPECTOR #:** _____

If you cannot accommodate us at this time, **please call (973) 285-9940** between the hours of 10AM and 4PM to reschedule to a mutually convenient time.

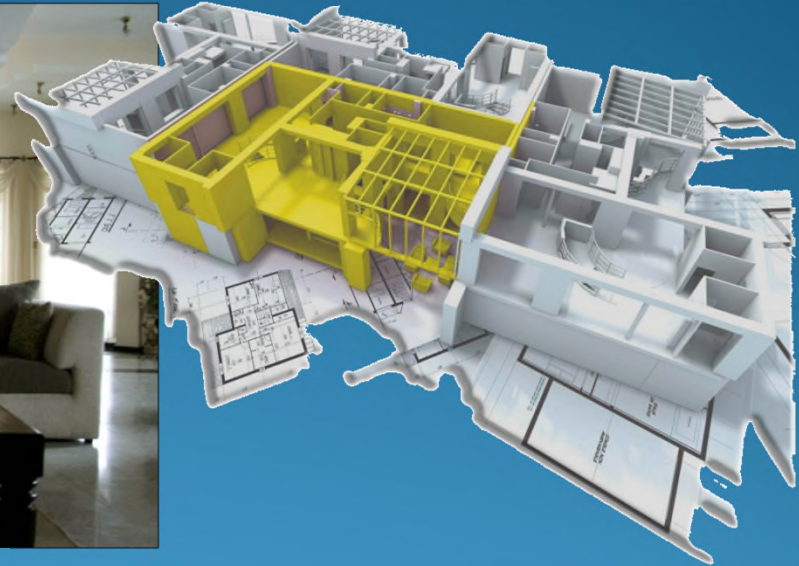
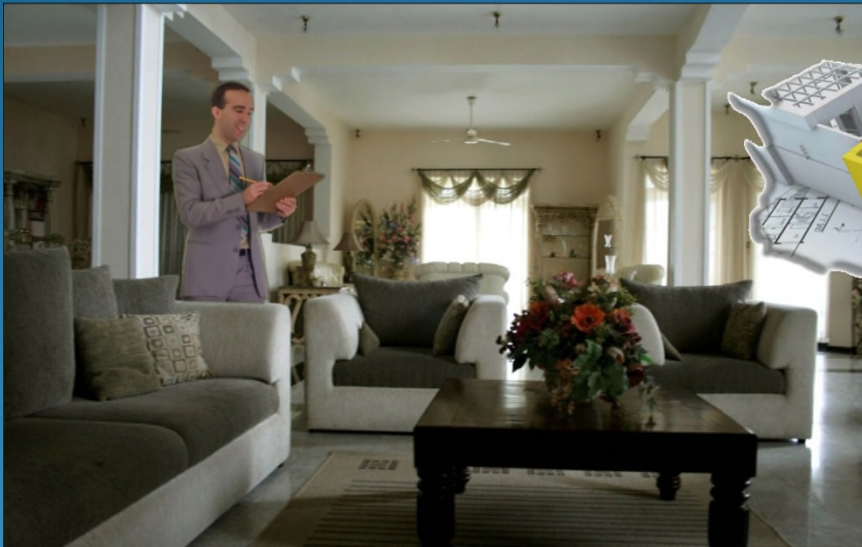
In the event of inclement weather, this visit will have to be rescheduled.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Interior Inspection



- The interior of the residence is inspected next and takes approximately 5-15 minutes depending on the size of the house.
- All levels of the home including the main floor, upper levels, attics (with fixed stairs) and basements will be inspected.
- The inspector will also note the number of rooms, heat type, air conditioning, number/type of fireplaces, plumbing, and the percent of finish in attics and basements.

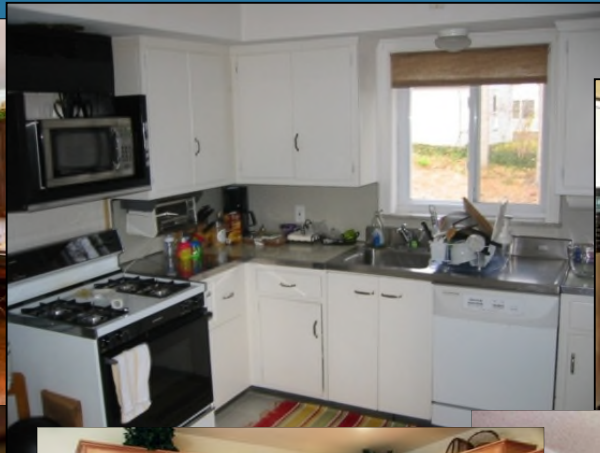


THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Interior Inspection - Kitchens

- The quality and condition of the kitchen will be examined.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Interior Inspection - Bathrooms

- The quality and condition of the bathroom will be examined.



THE REASSESSMENT OF NEWTON

1 Inspect

First visit – Interior Inspection – Basements/Attics

- The quality and condition of the basement and attic areas will be examined.



THE REASSESSMENT OF NEWTON

1 Inspect

First Visit – Interior Inspection – COVID 19 Concerns

Due to ongoing COVID-19 concerns, inspectors will be supplied with protective gear while performing inspections

If an inspector is not given the opportunity to do an interior inspection, interior information will be estimated which may result in an inaccurate assessment of your home.

There are 2 ways an interior inspection can be performed:

1) A physical inspection where the inspector enters the premises and does a complete walk through.

2) A contactless interior inspection using a video conference either during the first visit or a mutually convenient scheduled time

•If no one is home at the time inspection, the inspector will leave an inspection card notice.

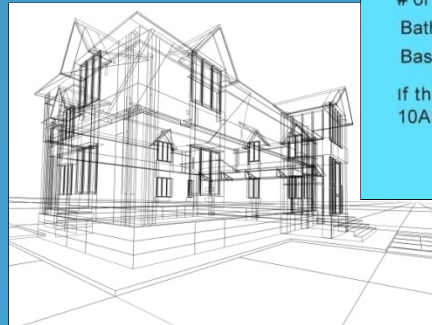


THE REASSESSMENT OF NEWTON

1 Inspect

Second Visit – Estimate

- If the callback appointment has not been rescheduled by the homeowner, the inspector will return at the scheduled day and time range.
- If no one is home at the time of the second visit, the inspector will estimate the interior. The estimated information will be left with the property owner on a blue “estimate card.”
- If the information is incorrect, the homeowner can call the number on the card to reschedule another interior inspection to correct any inaccuracies.
- Information can not be changed over the phone.



BLOCK: _____
LOT: _____
DATE: _____
TIME: _____

Dear Property Owner:

A representative of Appraisal Systems has made a second visit to your property and found no one home. An exterior appraisal was made as follows:

of unit's: _____ # of Baths : _____ HVAC: _____
Bath Quality: _____ Kitchen Quality: _____ ½ Story: _____
Basement: _____ Overall condition: _____

If this information is incorrect, please call (973) 285-9940 between 10AM and 4PM to arrange for an interior inspection.

Inspector: _____



THE REASSESSMENT OF NEWTON

Condominium/Co-op/Townhouse Properties

- Same inspection process as residential properties. (Process will be coordinated with property manager if necessary.)
- Master deeds will be utilized to confirm size, layout, model and common elements.
- Same review process as other residential properties.



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Neighborhood Development

2 Analyze

- The neighborhood is the immediate environment of the subject property. A neighborhood is defined by certain characteristics that are homogenous and differentiate it from other areas in the community.

- Elements of homogeneity or similarity

- Similar style houses
- Houses of similar utility
- Similar age and size of houses
- Similar quality of houses
- Similar price range of houses
- Similar land uses (zoning)

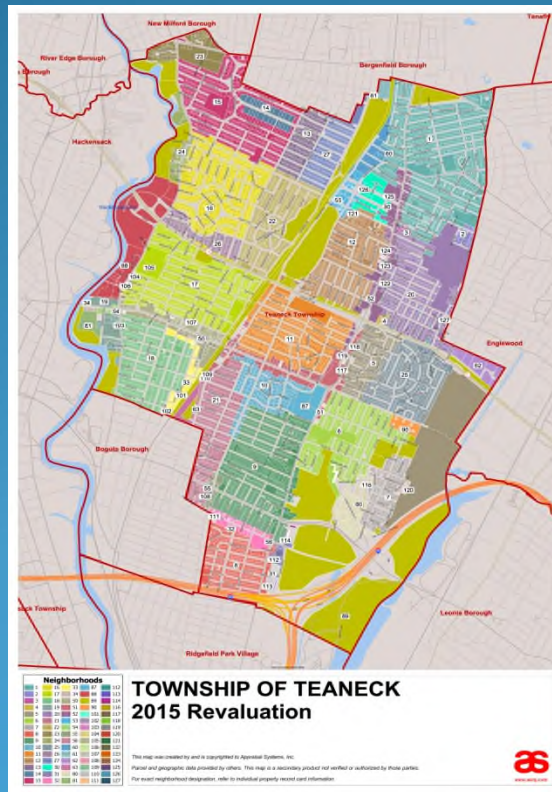


THE REASSESSMENT OF NEWTON

Neighborhood Development cont....

Analyze

- Neighborhoods are delineated for purposes of analysis and eventual establishment of land values.
- Neighborhood boundaries are often established by:



-Natural barriers (rivers, lakes, hills, etc.....)

-Political barriers (city limits, zone boundaries, school districts, etc.....)

-Man made obstacles (streets and highways, rail lines, major utility rights of way, "green belts", etc.....)



THE REASSESSMENT OF NEWTON

4 Inform

Notification of Value

AS APPRAISAL SYSTEMS, INC.
REAL ESTATE APPRAISAL SERVICES

MORRISTOWN OFFICE GLEN ROCK OFFICE BRICK OFFICE
8 CLYFFORD AVENUE 266 HAMMERTOWN ROAD 3RD FLOOR 1408 ROUTE 38 SUITE 115
MORRISTOWN, NJ 07960 GLEN ROCK, NJ 07468 BRICK, NJ 08724

Dear Property Owner:

The revaluation of all property in the Township of Byram has been completed in accordance with the rules and regulations mandated by the State of New Jersey requiring all real property be appraised at its fair market value. We have made a complete analysis of all recent sales in order to accomplish this task and to determine the value of all properties as of October 1, 2008.

We are grateful for the cooperation you have shown while we were undertaking the task of ensuring that everyone is uniformly assessed.

THE FAIR MARKET VALUE OF YOUR PROPERTY IS: \$

This 2009 Revaluation has resulted in a change in your assessed valuation, as noted above. Do not apply the 2008 tax rate to this new proposed assessed value. While the 2009 TAX RATE WILL DECREASE as a result of the revaluation, the increase or decrease of your property taxes cannot be computed until the new tax rate is established in the spring of 2009.

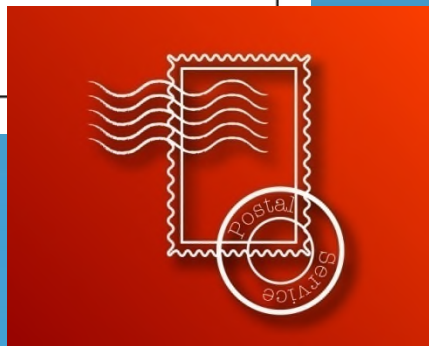
If you desire to meet with one of our representatives to discuss your new 2009 assessed valuation, with respect to the current market value of your property, please call **1-800-994-1999** Monday through Friday from 10 AM to 4 PM in order to schedule an individual meeting. Scheduling must be arranged within ten days of the date of this letter.

These one-on-one conferences are designed to continue the information gathering process and may result in increased, decreased, or unchanged values depending upon the facts relevant to each individual case. No decision can or will be made at the time of your meeting. Appraisal Systems Inc. staff along with the Municipal Assessor will consider the information obtained and notify you by mail with the outcome of the review. The time and location of the appointment will be confirmed at the time of your call.

Sincerely,
APPRAISAL SYSTEMS, INC.

Ernest F. Del Guercio
President

- Mailed to address of record for all property owners.
- Date of mailing depends on the project schedule.
- Mailings usually occur at the end of the year or early into the next year.
- Contains total assessment for property.
- Contains instructions for setting up a meeting to review assessment.



THE REASSESSMENT OF NEWTON

4
Inform

Website



The screenshot shows the homepage of Appraisal Systems, Inc. The header features the company logo (a red stylized 'AS' symbol) and the text 'Appraisal Systems A PROFESSIONAL CORPORATION'. Below the header is a grid of small images related to real estate and appraisal. A red navigation menu on the right lists: 'OUR OFFICES', 'REVALUATION', 'APPRAISAL SERVICES', 'OTHER SERVICES', 'OUR STAFF', 'RELATED LINKS', and 'FAQs'. The main content area includes a large photograph of a modern glass skyscraper. Text on the page describes the company's history since 1981, its services, and its commitment to quality and integrity. Two buttons at the bottom left offer links to 'current revaluations' and 'updated powerpoint presentation'. A vertical banner on the right side of the main content area reads 'APPRAISAL SYSTEMS, INC.'. At the bottom right of the screenshot, there is a smaller version of the company logo and the website address 'www.asinj.com'.

Since 1981, when Ernest F. Del Guercio Sr. founded Appraisal Systems, Inc., the firm has earned the confidence and respect of New Jersey assessors, administrators and elected officials.

The firm has been successful in providing a full spectrum of mass appraisal, professional real estate valuation, and consulting services with a Reputation for providing the highest quality, result driven appraisal services to our municipal and individual clients.

The management team of Appraisal Systems, Inc., with an average of thirty years of broad and extensive experience, coupled with the use of the latest computer technology enmeshed in the analysis and appraisal process have been instrumental in the firm's success.

With over a quarter century of trust and professionalism that marks the history of ASI, you can be assured that you are in the hands of a team that prides itself on outstanding performance.....year after year. Appraisal Systems' team is comprised of seventeen full time State Certified Real Estate Appraisers.

High standards have been established for quality and integrity. The qualifications, experience and expertise represented on the following pages encompass those criteria which must be considered when engaging competent real estate appraisers.

[Click here for our current revaluations](#)

[Click here for our updated powerpoint presentation](#)

APPRAISAL SYSTEMS, INC.

www.asinj.com



www.asinj.com

THE REASSESSMENT OF NEWTON

6 Submit

Transmit Final Values to Municipality & County

- Final values sent to Town and County
- All information (data collection forms, property record cards, photographs, neighborhood map, correspondence, database, etc....) is given to Town.
- Official notification of final value from Municipality (via postcard.)

FIRST CLASS MAIL
U.S. POSTAGE PAID
TRENTON, NJ
Permit No. 41

TWP
COUNTY = ESSEX

NOTICE OF PROPERTY TAX ASSESSMENT FOR
THIS NOTICE IS REQUIRED UNDER N.J.S.A. 54-4.3B.1

MAILED: _____

BLOCK: _____ LOT: _____ QUAL: _____

PROPERTY LOC: _____

THE ASSESSMENT SHOWN REPRESENTS THE ASSESSMENT WHICH WILL APPEAR ON THE MUNICIPAL TAX LIST FOR **2006** FOR THE PROPERTY IDENTIFIED.

LAND: _____ BUILDING: _____ TOTAL: _____

NET PROPERTY TAXES BILLED FOR **2005 ASSESSMENT** TOTAL: _____

WERE: _____

THIS IS NOT A BILL.
SEE OTHER SIDE FOR
APPEAL INFORMATION.



APPEAL INSTRUCTIONS:

If you agree with the assessed value shown, no further action by you is required.

If you disagree with the assessed value shown, an appeal may be filed with the County Board of Taxation. Forms and instruction for filing an appeal may be obtained by contacting the Board at:

Essex County Board of Taxation
50 South Clinton Street
Suite 5200
East Orange, NJ 07018

If the assessed value exceeds \$750,000, you have the option of filing your appeal directly with the Tax Court. Information for filing a complaint with the Tax Court may be obtained by contacting the Tax Court of New Jersey at PO Box 972, Hughes Justice Complex, Trenton, New Jersey 08625.

Assessment appeals must be filed on or before April 1 of the current tax year, or 45 days from the date mailed, as it appears on the front of this notice, whichever date is later.

ADDITIONAL INSTRUCTIONS:

Do not multiply last year's property tax rate by the current year's assessed value to determine taxes for the current year.



THE REASSESSMENT OF NEWTON

Defend 7

Tax Appeal

- County appeal/State appeal.
- Can not appeal comparing assessments.
- Can not appeal taxes.
- Must prove value by use of comparable sales
- Appeal deadline:
 - May 1 (newly revalued municipalities)
 - April 1 (all others)



Form A-1 (4-02) Petition of Appeal
Essex County Board of Taxation
86 South Clinton Street, Suite 2700
East Orange, New Jersey 07018
(973) 996-8232 Appeal Number _____

Property Class _____ Filed _____
Checked _____
NAME OF PETITIONER _____ (Please type or print) Fee Paid _____
Notified _____
Mailing Address _____ Daytime Telephone Number: _____
(_____) _____
BLOCK _____ LOT _____ QUALIFIER _____ Lot Size _____
Municipality _____ Property Location _____
Name, telephone no., fax no. and address of person or attorney to be notified of hearing and judgment if different than above: _____

SECTION I APPEAL OF REAL PROPERTY VALUATION (FILING DEADLINE-SEE INSTRUCTION SHEET)
TAX YEAR _____

<u>CURRENT ASSESSMENT</u>		<u>REQUESTED ASSESSMENT</u>	
Land \$ _____	Land \$ _____	Improvement \$ _____	Improvement \$ _____
Improvement \$ _____	Improvement \$ _____	Abatement \$ _____	Abatement \$ _____
Abatement \$ _____	Abatement \$ _____	Total \$ _____	Total \$ _____
Total \$ _____	Total \$ _____		

Purchase Price \$ _____ Tax Court Pending: YES NO
Date of Purchase _____

REASON FOR APPEAL: _____

SECTION II COMPARABLE SALES (See Instruction 9B)

Block/Lot/Qualifier	Property Location	Sale Price	Sale/Deed Date
1. _____	_____	\$ _____	_____
2. _____	_____	\$ _____	_____
3. _____	_____	\$ _____	_____
4. _____	_____	\$ _____	_____
5. _____	_____	\$ _____	_____

SECTION III APPEAL FOR DENIAL OF:

1. <input type="checkbox"/> Veteran's Deduction	5. <input type="checkbox"/> Veterans 100% Disabled or Surviving Spouse of Veterans
2. <input type="checkbox"/> Veteran's/Serviceperson's Surviving Spouse Deduction	6. <input type="checkbox"/> Farmland Assessment Classification
3. <input type="checkbox"/> Senior Citizens Deduction	7. <input type="checkbox"/> Abatement or Exemption - Religious, Charitable, etc. (Specify) _____
4. <input type="checkbox"/> Disabled Person/Surviving Spouse Deduction	8. <input type="checkbox"/> REAP Property Tax Credit

MUNICIPALITY'S REASON FOR DENIAL: _____
(Attach copy of Denial Notice)

WHEREFORE, Petitioner seeks judgment reducing/increasing (circle one) the said assessment(s) to the correct assessable value of the said property and/or granting the requested Deduction, Credit, Farmland Assessment Classification, Exemption or Abatement.

Date _____ Petitioner or Attorney for Petitioner _____

CERTIFICATION OF SERVICE
On _____, 2006, I, the undersigned, served upon the Assessor and the Clerk of _____ (Municipality) or upon the taxpayer, personally or by regular mail or certified mail, a copy of this appeal. I certify that the foregoing statement made by me is true. I am aware that if the foregoing statement is willfully false, I am subject to punishment.

Date _____ Signature _____

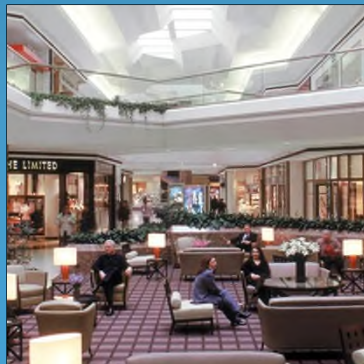
The Director of the Division of Taxation has prescribed this form. No other form will be accepted.
Reproduction of this form is permitted provided it is the same size and content.



THE REASSESSMENT OF NEWTON

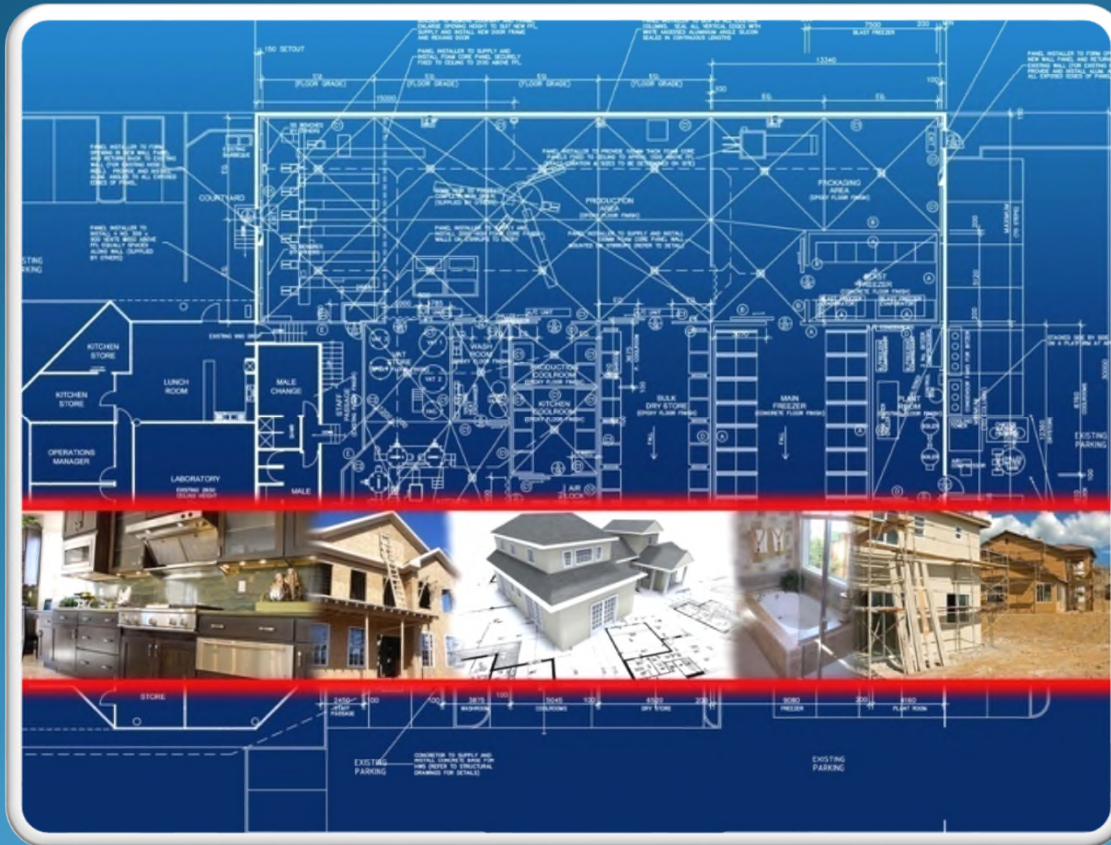
Commercial/Industrial Valuation

- All commercial and industrial properties are valued using three approaches:
 - a. Cost Approach
 - b. Sales Comparison Approach
 - c. Income Capitalization Approach



THE REASSESSMENT OF NEWTON

Properties Under Construction



- All properties will be valued as of their condition on October 1, of the pre-tax year.
- A property is considered to be taxable when it is “ready for its intended use.”
- The assessor will revisit the property upon completion and subject it to the Added Assessment list.

THE REASSESSMENT OF NEWTON

Project updates and assessment information

(when completed) available on the Newton page of our website



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- Left Column:** A paragraph stating 'Since 1981, when Ernest F. Del Guercio Sr. founded Appraisal Systems, Inc., the firm has earned the confidence and respect of New Jersey assessors, administrators and elected officials.' Below this is another paragraph: 'The firm has been successful in providing a full spectrum of mass appraisal, professional real estate valuation, and consulting services with a Reputation for providing the highest quality, result driven appraisal services to our municipal and individual clients.'
- Middle Column:** A large photograph of a modern glass skyscraper. Below it is a paragraph: 'The management team of Appraisal Systems, Inc., with an average of thirty years of broad and extensive experience, coupled with the use of the latest computer technology enmeshed in the analysis and appraisal process have been instrumental in the firm's success.' This is followed by another paragraph: 'With over a quarter century of trust and professionalism that marks the history of ASI, you can be assured that you are in the hands of a team that prides itself on outstanding performance.....year after year. Appraisal Systems' team is comprised of seventeen full time State Certified Real Estate Appraisers.'
- Right Column:** A vertical navigation bar with the text 'APPRAISAL SYSTEMS, INC.' and a small image of a skyscraper at the bottom.
- Bottom Left:** Two buttons: 'Click here for our current revaluations' and 'Click here for our updated powerpoint presentation'.



www.asinj.com