

ASSEMBLY, No. 4673

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED MARCH 16, 2017

Sponsored by:

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by:

Assemblyman O'Scanlon and Senator Beck

SYNOPSIS

Concerns assessment of buildings or structures on real property located in certain counties following material depreciation thereof.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2017)

1 AN ACT concerning the assessment of buildings or structures
2 following material depreciation thereof and amending P.L.1945,
3 c.260.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 1 of P.L.1945, c.260 (C.54:4-35.1) is amended to
9 read as follows:

10 1. a. When any parcel of real property contains any building or
11 other structure which has been destroyed, consumed by fire,
12 demolished, or altered in such a way that its value has materially
13 depreciated, either intentionally or by the action of storm, fire,
14 cyclone, tornado, or earthquake, or other casualty, which
15 depreciation of value occurred after October **[first]** 1 in any year
16 and before January **[first]** 1 of the following year, the assessor
17 shall, upon notice thereof being given to him by the property owner
18 prior to January **[tenth]** 10 of **[said]** that year, and after
19 examination and inquiry, determine the value of such parcel of real
20 property as of **[said]** that January **[first]** 1, and assess the same
21 according to such value.

22 b. (1) In the case of a county participating in the
23 demonstration program established by section 4 of P.L.2013, c.15
24 (C.54:1-104), when any parcel of real property contains any
25 building or other structure which has been destroyed, consumed by
26 fire, demolished, or altered in such a way that its value has
27 materially depreciated, either intentionally or by the action of
28 storm, fire, cyclone, tornado, or earthquake, or other casualty,
29 which depreciation of value occurred after October 1 in any year
30 and before May 1 of the following year, the assessor shall, upon
31 notice thereof being given to him by the property owner prior to
32 May 3 of that year, and after examination and inquiry, determine
33 the value of the parcel of real property as of that May 1, and assess
34 the same according to such value within the final tax list delivered
35 to the county board of taxation on or before May 5 of that year.

36 (2) To properly capture the value of the building or structure
37 from January 1 to the date of the depreciation of the building or
38 structure, the assessor's final tax list shall include an improvement
39 value that reflects the prorated value of the building or structure as
40 of January 1 for the number of days prior to the date of the
41 depreciation of the building or structure.

42 (cf: P.L.1945, c.260, s.1)

43
44 2. This act shall take effect immediately.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

STATEMENT

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This bill concerns the assessment of buildings or structures following their material depreciation. Under current law, when any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, whether intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty, and the depreciation of value occurred after October first in any tax year and before January first of the following tax year, the assessor is required, upon notice of that material depreciation given to him by the property owner before January tenth of the tax year, and after examination and inquiry of the real property, determine the value of the property as of January first of the tax year. This process would allow the assessor to value the property for assessment purposes at the value of the property in its depreciated state, for the tax year. However, the January dates in the statute do not coincide with assessment dates relative to the assessment process in the real property assessment demonstration program enacted by P.L.2013, c.15 (C.54:4-104 et seq.) currently in effect only in Monmouth County.

This bill would require that in the case of real property located in a county participating in the real property assessment demonstration program, when such a depreciation of value of a building or structure occurs after October first in any tax year and before May first of the following tax year, the assessor shall, upon notice of that material depreciation given to him by the property owner before May third of the tax year, determine the value of the parcel of real property as of May first of the tax year, and assess the property according to that value, including an improvement value for the building or structure that reflects its prorated value as of January 1 for the number of days before depreciation, within the final tax list delivered to the county board of taxation on or before May fifth of that tax year.