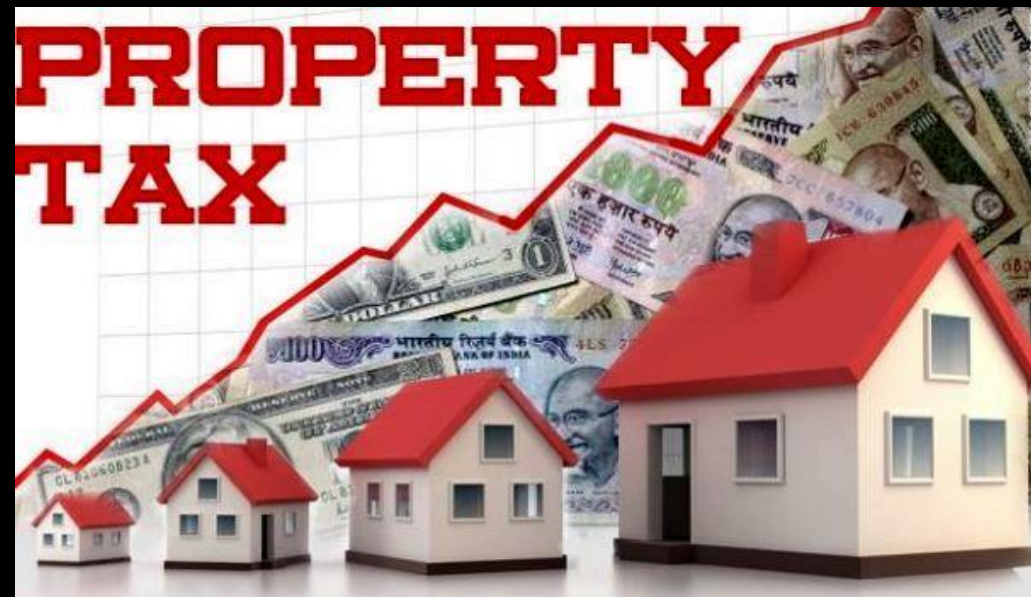


# 2020 REASSESSMENT



DECEMBER 2019



PROPERTY TAX OVERVIEW

2020 ASSESSMENT MODELING

MAKING SURE YOUR ASSESSMENT IS ACCURATE

Q&A





## TAXATION IN NEW JERSEY

**NEW JERSEY IS A GREAT STATE  
BUT ITS ALSO AN EXPENSIVE ONE**

- SALES TAX
- INCOME TAX
- ESTATE TAX
- LUXURY TAX
- GAS TAX
- PLENTY OTHER TAXES...
- PROPERTY TAX



PROPERTY TAXES ARE USED TO FUND LOCAL GOVERNMENT SERVICES

- COUNTY SERVICES
- SCHOOL SERVICES
- MUNICIPAL SERVICES





# THE TOTAL BILL

TO UNDERSTAND PROPERTY TAXES AS A WHOLE, WE MUST RECOGNIZE ALL OF THE MOVING PARTS



MONMOUTH COUNTY COLLECTS ABOUT \$300M IN PROPERTY TAXES ANNUALLY. RUMSON TAXPAYERS PAY THEIR SHARE OF THAT BILL BASED ON THE VALUE OF RUMSON IN RELATION TO THE OTHER 52 MUNICIPALITIES IN THE COUNTY (Rumson Represents About 3%)

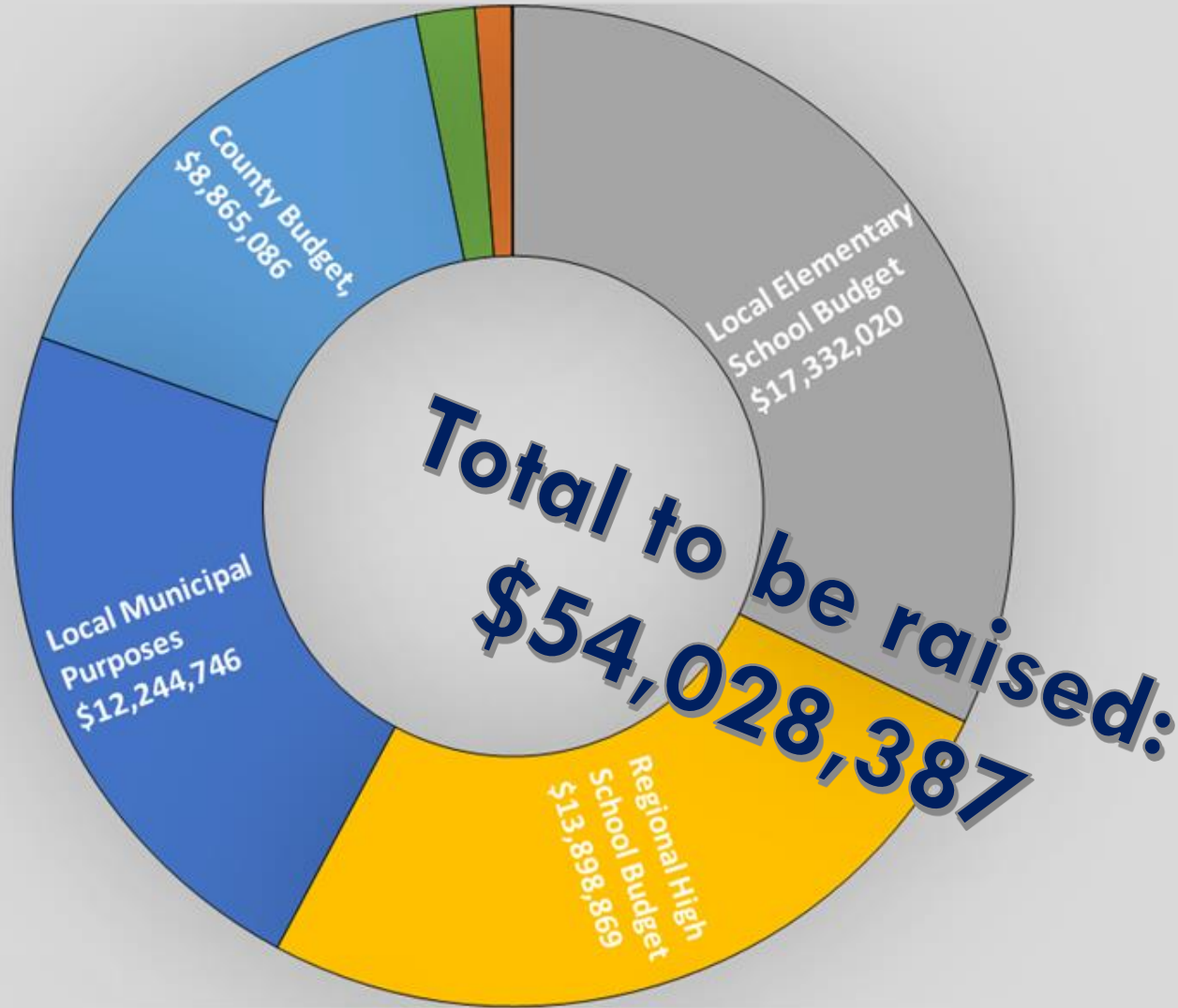


**THIS IS THE ONLY PORTION OF THE BILL THE MAYOR AND COUNCIL HAVE CONTROL OVER. THE COST OF RUNNING THE TOWNSHIP REPRESENTS ABOUT 23% OF AN INDIVIDUAL'S BILL.**



RUMSON HAS ONE OF THE BEST SCHOOLS IN THE STATE. THE TAXPAYER COST OF RUNNING THE SCHOOL SYSTEM WAS \$31.2M IN 2019. THE SCHOOL IS THE LION'S SHARE OF THE PROPERTY TAX IN MOST TOWNS. IN RUMSON IT REPRESENTS 57.8% OF THE BILL

## THE BREAKDOWN



Tax Levy Component	2019 Tax Levy	Percent of Bill
County Budget	\$8,865,086	16%
County Library	\$634,189	1%
Local Elementary School Budget	\$17,332,020	32%
Regional High School Budget	\$13,898,869	26%
Local Municipal Purposes	\$12,244,746	23%
County Open Space Fund	\$1,023,753	2%
Excess for Rate Rounding	\$29,725	0%
<b>Total Tax Levy</b>	<b>\$54,028,387</b>	

**THE ASSESSMENT  
FUNCTION IS HOW THE  
TOTAL BILL (\$54M) GETS  
DISTRIBUTED FAIRLY**

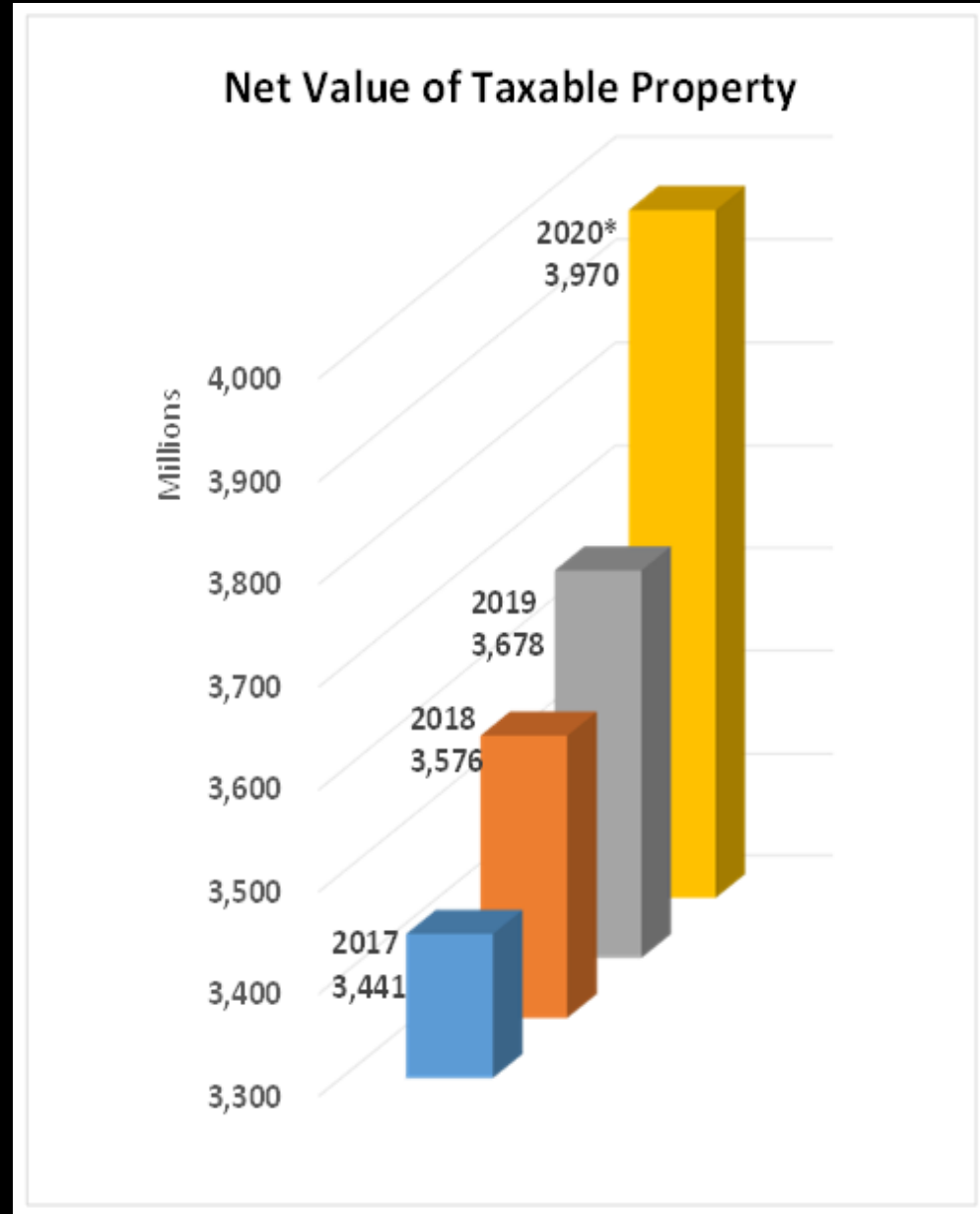
# THE TAX LEVY GETS SPLIT UP BASED ON PROPORTIONATE SHARE OWNERSHIP OF THE BOROUGH

TO PUT IT SIMPLY, IF YOU OWNED 5% OF THE BOROUGH'S VALUE, YOU WOULD BE ASSIGNED TO PAY 5% OF THE \$54M BILL

Tax Levy Component	2019 Tax Levy	Percent of Bill
County Budget	\$8,865,086	16%
County Library	\$634,189	1%
Local Elementary School Budget	\$17,332,020	32%
Regional High School Budget	\$13,898,869	26%
Local Municipal Purposes	\$12,244,746	23%
County Open Space Fund	\$1,023,753	2%
Excess for Rate Rounding	\$29,725	0%
Total Tax Levy	\$54,028,387	



# THREE YEAR SNAP SHOT



### How is the Tax Rate Calculated?

Year	Tax Levy	Ratables	Tax Rate
2017	50,550,825	3,441,172,574	1.469%
2018	52,997,862	3,576,104,047	1.482%
2019	54,028,387	3,677,902,471	1.469%

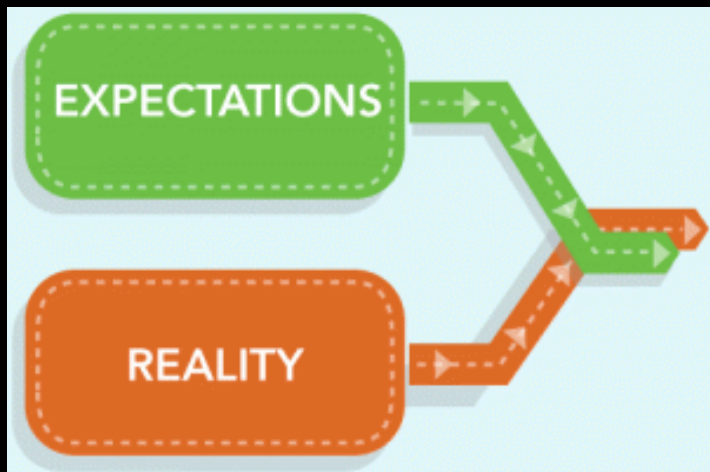


Year	Ratables	Tax Levy	Tax Rate
2019	3,677,902,471	54,028,387	1.469%
2020*	3,910,191,122	54,028,387	1.382%

\*Assumes a 1.5% reduction in ratables from appeals and same tax levy from 2019

2020**	3,910,191,122	55,649,239	1.423%
--------	---------------	------------	--------

\*\*Assumes a 1.5% reduction in ratables from appeals & 3% increase in Levy



**Realistically can expect  
a tax rate between  
1.400% and 1.450%**



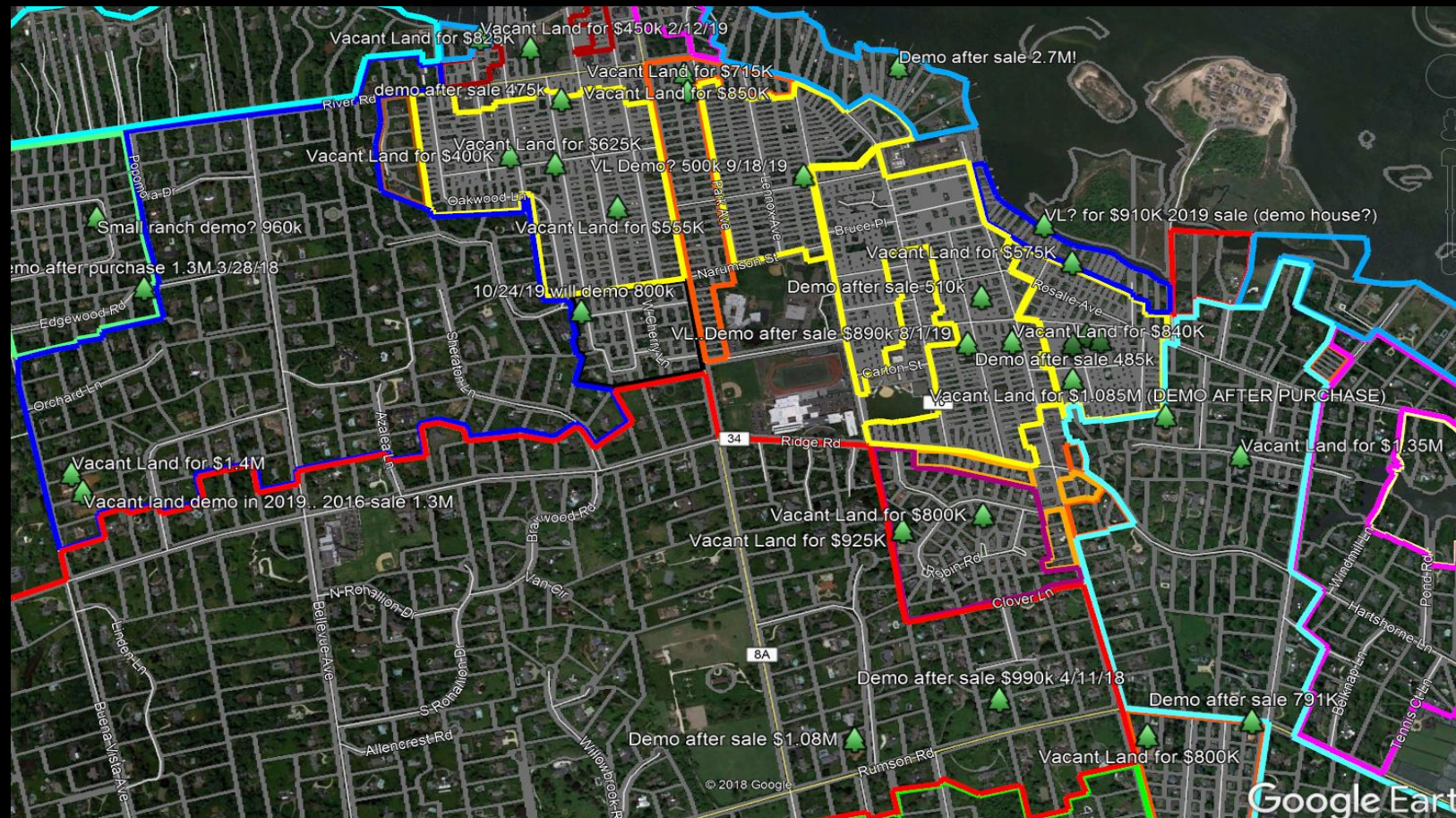
# 2020 ASSESSMENT MODELING

# DELINEATE BOROUGH VALUE CONTROL SECTORS (VCS)



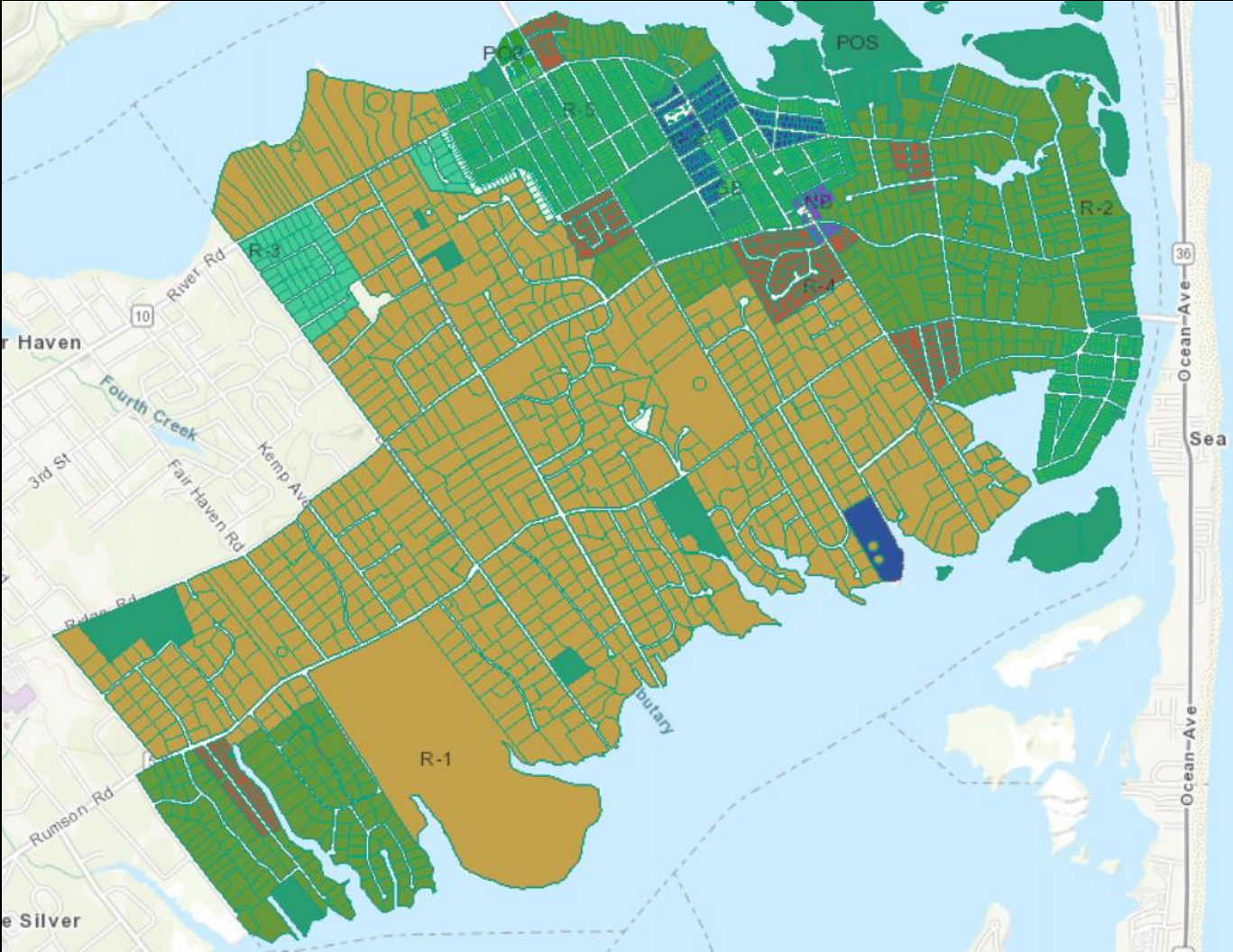


# ANALYZE LAND SALE DATA





# ANALYZE ZONING ZONE DATA





# ANALYZE FLOOD ZONE DATA





# ANALYZE WETLANDS DATA

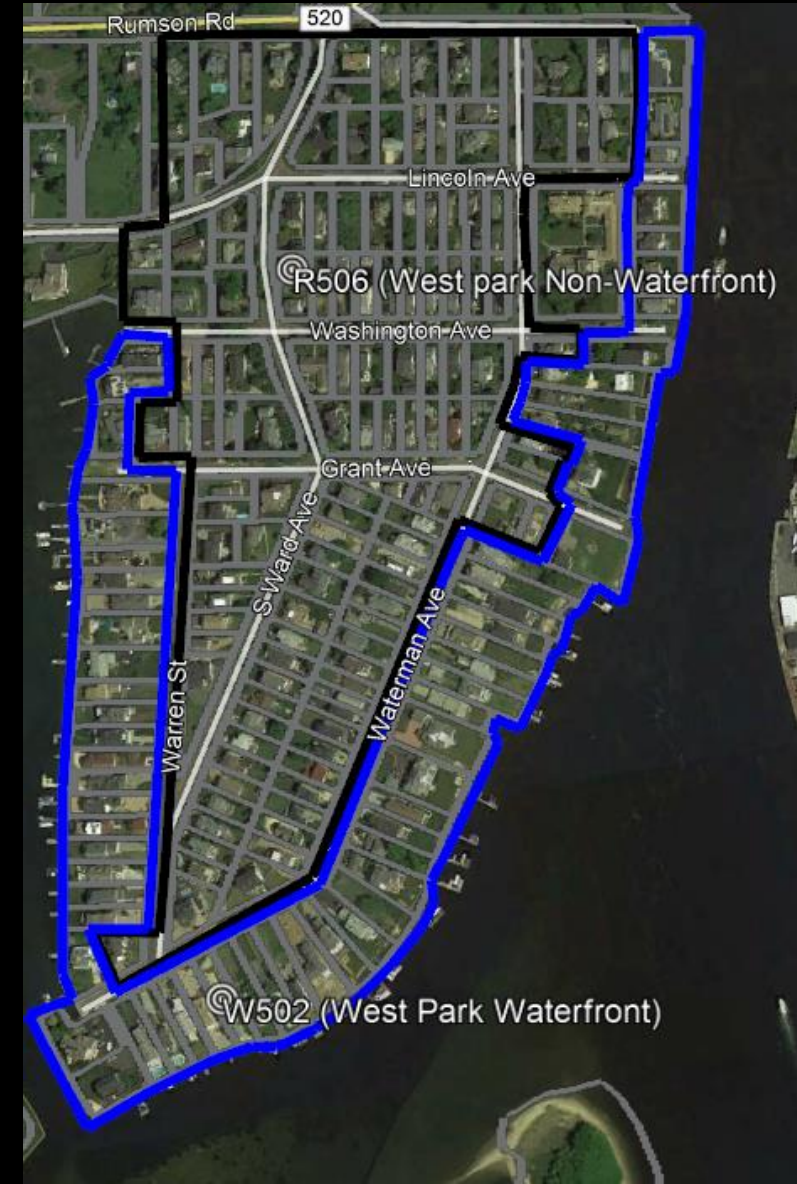




# Site Value + [FF X \$ per FF<sub>(d)</sub>]Depth Factor



## Land Valuation Front Foot Method





# Land Valuation: Acreage Method

## Site Value + [Acreage X \$ per Acre(d)]





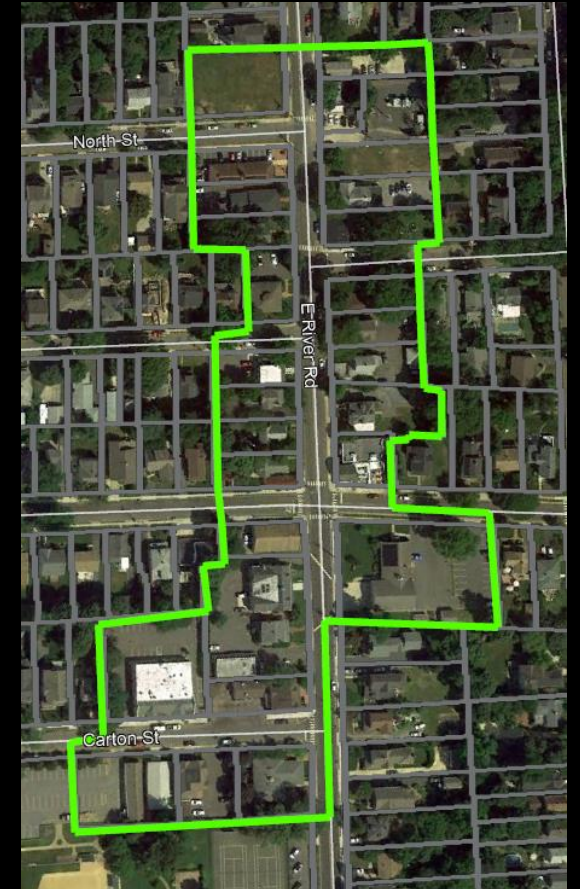
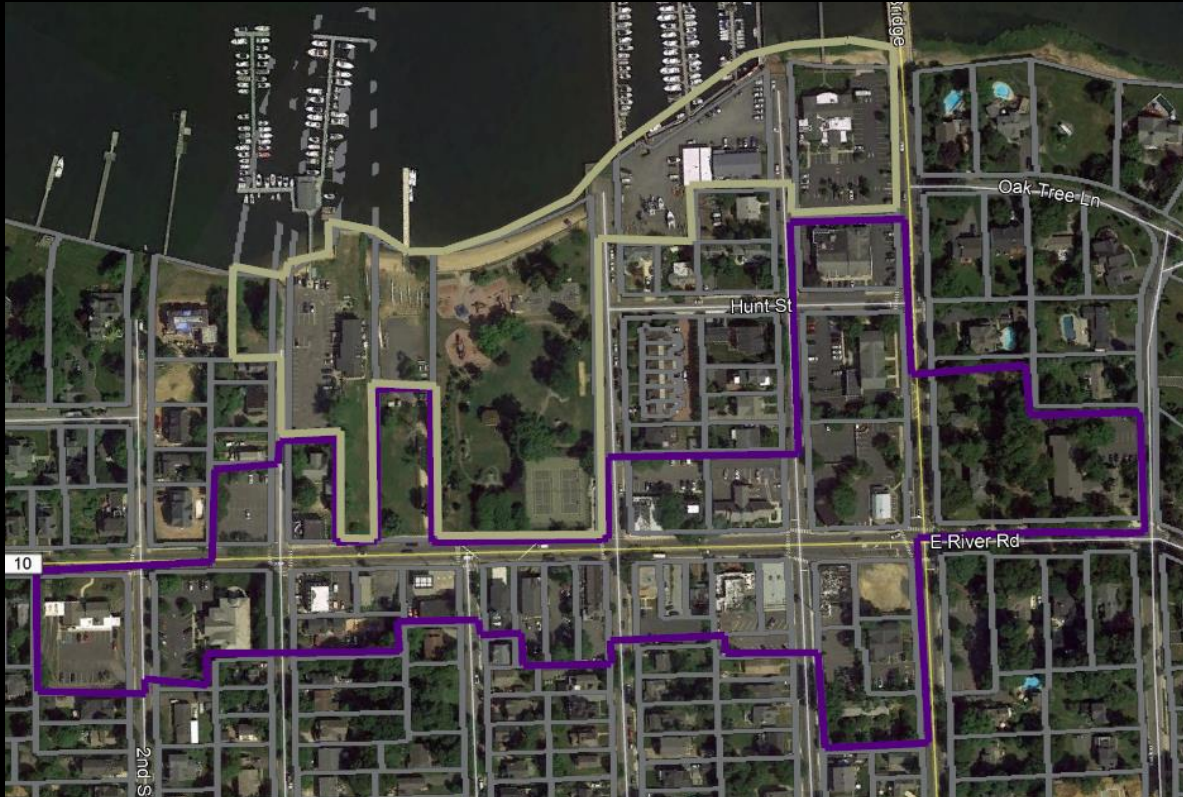
# ANALYZE RESIDENTIAL SALE DATA





# INCOME PRODUCING PROPERTY VALUATION

- ASSESSMENTS BASED THE SAME WAY MARKET PARTICIPANTS VIEW PROPERTIES
- BUYERS AND SELLERS OF INCOME PRODUCING PROPERTIES ARE GENERALLY INTERESTED IN THE FACTORS THAT RESULT IN NET INCOME, RISK OF OWNERSHIP AND COST OF CAPITAL
- COMMERCIAL PROPERTIES REPRESENT ABOUT 3.72% OF THE RATABLE BASE IN 2020



HOW DO I KNOW IF I AM  
ASSESSED FAIRLY?  
(SEE APPEAL FAQ HANDOUT)

# WHERE DO I FIND MY ASSESSMENT?

(QUESTION 1 ON APPEAL FAQ)

- ANNUALLY IN MID NOVEMBER, YOU RECEIVE A POSTCARD SHOWING YOUR ASSESSMENT FOR THE FOLLOWING TAX YEAR. THAT POSTCARD LOOKS LIKE THIS:
- **THE POST CARD YOU RECEIVED IN NOVEMBER WILL SHOW YOUR ASSESSMENT FOR 2020**
- **THE TAXES THAT ARE LISTED ON THE POSTCARD ARE NOT YOUR TAXES FOR NEXT YEAR... THEY ARE WHAT YOU PAID IN THE CURRENT YEAR**
- THE ASSESSMENT IS ONLY A DISTRIBUTION MECHANISM. A HIGHER ASSESSMENT DOES NOT NECESSARILY MEAN THAT YOUR TAXES WOULD INCREASE
- THE ASSESSMENT IS INTENDED TO BE A REASONABLE REPRESENTATION OF MARKET VALUE (WHAT YOU WOULD BE ABLE TO SELL YOUR HOUSE FOR IN THE OPEN MARKET)

ASSESSOR'S OFFICE  
BOROUGH OF RUMSON  
80 EAST RIVER ROAD  
RUMSON NJ 07760

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
FREEHOLD NJ  
PERMIT #1

DISTRICT: BOROUGH OF RUMSON

NOTICE OF PROPERTY TAX ASSESSMENT FOR 2020  
THIS NOTICE IS REQUIRED UNDER N.J.S.A. 54:4-38.1

DATE MAILED: 11/08/19  
#000339

BLOCK: [REDACTED] LOT: [REDACTED] QUAL:

PROPERTY LOCATION: [REDACTED] CLASS: 2

LAND: 1,183,700 BUILDING: 1,414,400 TOTAL: 2,598,100

NET PROPERTY TAXES BILLED FOR 2019 2019 ASSESSMENT  
WERE: \$37,631.38 TOTAL: 2,528,200

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

[REDACTED]



# HOW DO YOU KNOW YOU ARE ASSESSED FAIRLY?

(QUESTION 2 ON APPEAL FAQ)

- COMPARE YOUR ASSESSMENT TO THE SALE PRICES OF HOUSES THAT RECENTLY SOLD TO MAKE SURE YOUR ASSESSMENT IS REASONABLY REPRESENTATIVE OF MARKET VALUE
- BE SURE TO COMPARE APPLES TO APPLES  
(SIZE, STYLE, LOCATION, CONDITION, AMENITIES, ETC.)
- **IF YOUR HOUSE IS RENOVATED, DO NOT COMPARE TO HOUSES THAT NEED TO BE RENOVATED!**



# DON'T BE AFRAID TO TALK TO THE ASSESSOR

(QUESTION 3 ON APPEAL FAQ)

(I'm not *that* scary)



- CALL THE ASSESSOR AND ASK FOR YOUR PROPERTY RECORD CARD (PRC)
- MAKE SURE THAT ALL OF THE PHYSICAL CHARACTERISTICS ARE PROPERLY NOTED ON THE RECORD
- BEING THAT THE ASSESSOR ANNUALLY MAINTAINS THE ASSESSMENT MODEL, THE ASSESSMENT SHOULD REASONABLY REPRESENT THE MARKET ASSUMING ALL OF THE PHYSICAL DATA OF YOUR PROPERTY BEING USED IN THE MODELING IS CORRECT!
- THE ASSESSOR CAN BEST EXPLAIN HOW YOUR ASSESSMENT IS BEING ARRIVED AT

**BOTH FAQ HANDOUTS ARE ON OUR WEBSITE**

**THEY HAVE INFORMATION ABOUT THE ASSESSMENT FUNCTION**

**AND HOW YOU CAN BE SURE YOUR ASSESSMENT IS FAIR**



# IF YOU STILL DISAGREE AFTER TALKING TO THE ASSESSOR AND REVIEWING SALES DATA, YOU CAN FILE AN APPEAL WITH THE MONMOUTH COUNTY TAX BOARD

FILING AN APPEAL IS NOT THAT DIFFICULT AND CAN BE DONE ONLINE

[HTTPS://SECURE.NJAPPEALONLINE.COM/PRODAPPEALS/LOGIN.ASPX](https://secure.njappealonline.com/prodappeals/login.aspx) (SEE FAQ)

Appeal Filing System

Appeal Type : REGULAR

Organization : Monmouth | Welcome Erick Aguiar  
Account: Monmouth County Board Of Taxation | LOGOUT

Section 1: Property Information

\*Municipality : --Select--

\*Block : [ ] \*Lot : [ ] Qualifier : [ ] [ OR ] \*Property Street Address : [ 123 MAIN ST ]

Section 2: Owner Information

\*Address 1 : [ ] \*Address 2 : [ ]

\*City/State/Zip : [ ] Email Address : [ ]

Daytime Phone No. : [ ] Ext: [ ] Fax Number : [ ]

Section 3: Additional Information

Would you like to... [ ]

\*Last Name : [ ] First Name : [ ]

\*City : [ ] \*Zip : [ ]

\*Email Address : [ ] Daytime Phone No. : [ ] Ext: [ ]

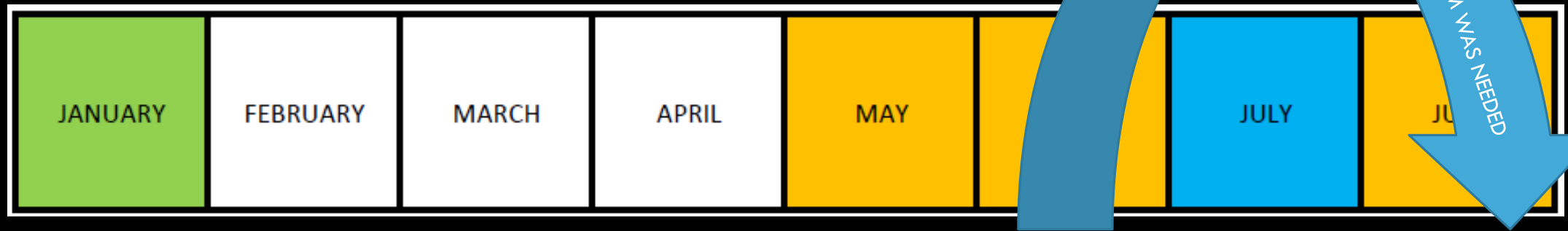
Section 4: Deduction/Exemption Appeal

Select any Deductions/Exemptions if applicable. Please make sure to check at least one option below the questions if Question 2 or Question 3 is selected 'yes'.

# APPEAL VENUE: COUNTY VS STATE

(QUESTION 5 ON APPEAL FAQ)

## OLD ASSESSMENT SYSTEM



Final Tax List  
Filed

Tax Rate  
Calculated  
with Ratable  
Base Value

Appeals  
Reduce  
Ratable Base..  
But Appel  
Reductions Not  
Factored In  
Ratable Base

BEFORE  
Appeal  
Reductions

Result:

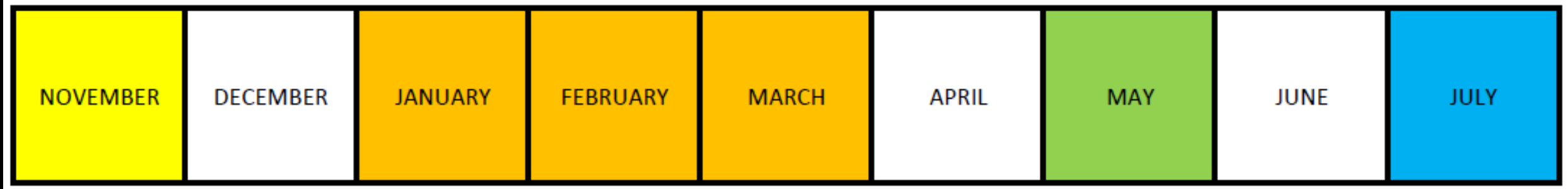
Applying this tax rate to individual assessments that are lower than the initial value results in an under collection of the Tax Levy



# APPEAL VENUE: COUNTY VS STATE

(QUESTION 5 ON APPEAL FAQ)

## **NEW SYSTEM** (ASSESSMENT DEMONSTRATION PROGRAM REFORM)



**Preliminary  
Tax List Filed**

**Appeals Reduce  
Preliminary Ratable Base**

**Final Tax List  
Filed**

**Tax Rate  
Calculated  
with Ratable  
Base Value  
AFTER  
Appeal  
Reductions**

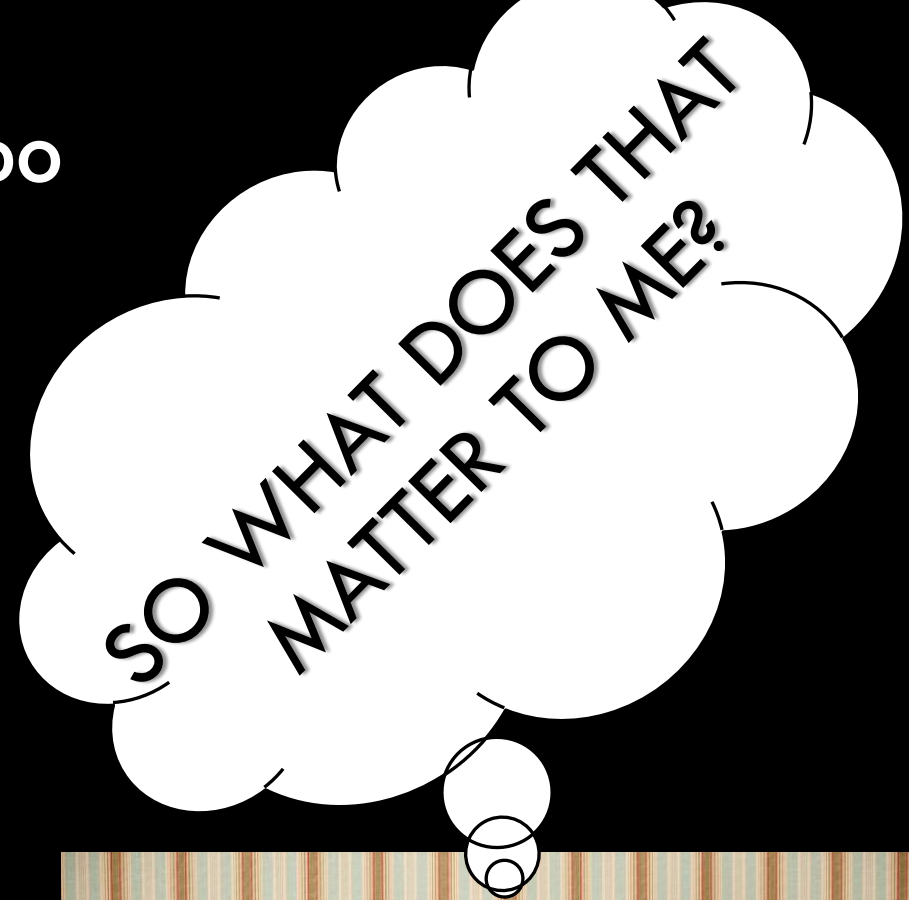
Result:

Applying this tax rate to individual assessments that are lower than the initial value **DOES NOT** result in an under collection of the Tax Levy

**ASSESSMENT REDUCTIONS CREATED FROM CTB APPEALS DO  
NOT RESULT IN REFUNDS**

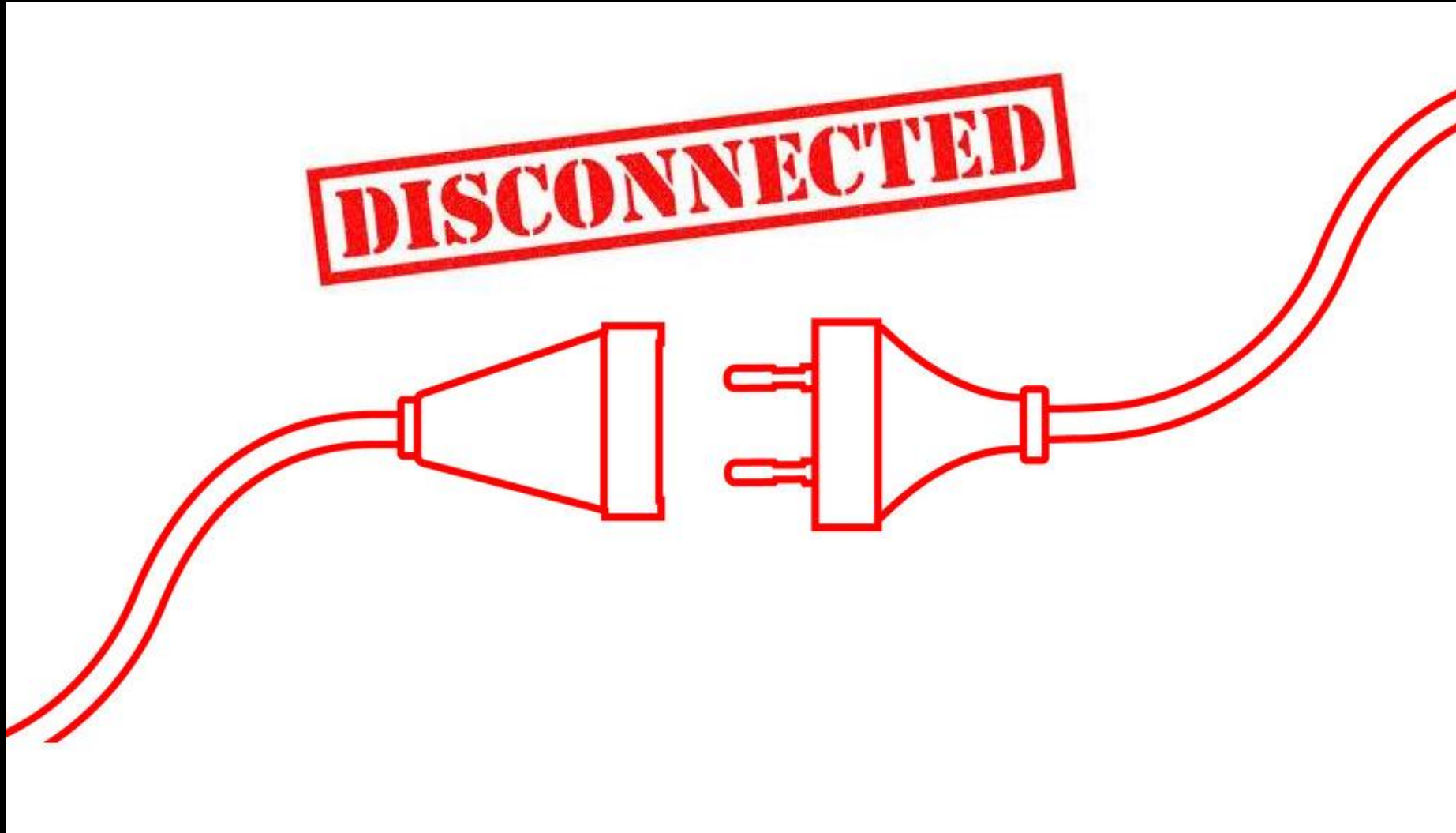
**Which  
Means....**

**THE ASSESSOR WILL VIEW THE COUNTY TAX BOARD APPEAL  
AS AN EXTENSION OF THE REASSESSMENT RATHER THAN  
AN ADVERSARIAL DEFENSE**





WHEN YOU FILE AN APPEAL, YOU ARE  
DISCONNECTED FROM THE MODEL



**LETS NOT FORGET**

**THE LESS YOU ARE ASSESSED,  
THE MORE OTHERS IN TOWN PAY....**

**THE MORE YOU ARE ASSESSED,  
THE LESS OTHERS IN TOWN PAY....**

**BE FAIR EVERYONE!!!**



- FREQUENTLY ASKED QUESTIONS
- NEWSLETTER
- ENCOURAGE DIALOGUE WITH THE ASSESSOR & CTB APPEALS OVER STATE TAX COURT
- LETTER TO RESIDENTS PRIOR POSTCARDS
- PUBLIC SESSION Q&A WITH THE ASSESSOR
- ASK YOU (AND THE REST OF THE COMMUNITY) TO SPREAD THE INFORMATION






# TAX RELIEF... WE ALL NEED SOME!

[HTTPS://WWW.STATE.NJ.US/TREASURY/TAXATION/RELIEF.SHTML](https://www.state.nj.us/treasury/taxation/relief.shtml)

## \$250 SENIOR/VETERAN DEDUCTION- APPLY WITH THE TAX ASSESSOR'S OFFICE

### Other Property Tax Benefits

[Home](#) / [Other Property Tax Benefits](#)

- **Annual Property Tax Deduction for Senior Citizens, Disabled Persons:** Annual deduction of up to \$250 from property taxes for homeowners 65 or older or disabled who meet certain income and residency requirements. This benefit is administered by the local municipality. [Claim Form](#) 
- **Annual Deduction for Veterans:** Annual deduction of up to \$250 from property taxes due for qualified war veterans or a veterans who served in peacekeeping missions and operations. This deduction also is available to a surviving spouse/civil union/domestic partner who has not remarried. This benefit is administered by the local municipality. [Claim Form](#) 
- **Property Tax Exemption for Disabled Veterans:** Full exemption from property taxes on a principal residence for certain totally and permanently disabled war veterans and veterans who served in peacekeeping missions and operations. This exemption also is available to a surviving spouse/civil union/domestic partner who has not remarried. This benefit is administered by the local municipality. [Claim Form](#) 



# TAX RELIEF... WE ALL NEED SOME!

[HTTPS://WWW.STATE.NJ.US/TREASURY/TAXATION/RELIEF.SHTML](https://www.state.nj.us/treasury/taxation/relief.shtml)

## HOMESTEAD REBATE (PROGRAM RUN THROUGH THE STATE)

You may be **eligible** if you met these requirements:

- You were a New Jersey resident; and
- You owned and occupied a home in New Jersey that was your principal residence on October 1, 2016\*; and
- Property taxes for 2016 were paid on that home; and
- You met the 2016 income requirements:
  - \$150,000 for homeowners age 65 or over or blind or disabled; or
  - \$75,000 for homeowners under age 65 and not blind or disabled.

\*If you were not a homeowner on October 1, 2016, you are not eligible for a Homestead Benefit, even if you owned a home for part of the year.

You are **not eligible** unless you are required to pay property taxes on your home.

For example, you are not eligible if you:

- Are completely exempt from paying property taxes on your principal residence (such as certain totally and permanently disabled war veterans).
- Made P.I.L.O.T. (Payments-in-Lieu-of-Tax) payments to your municipality. These payments are not considered property taxes for purposes of the Homestead Benefit.

You are not eligible for a benefit for a vacation home, a "second home," or a property you owned and rented to someone else. If you owned more than one property in New Jersey, only file the application for the property that was your principal residence on October 1, 2016.

**Note: We do not send Homestead Benefit filing information to homeowners whose New Jersey Gross Income for the application year was more than the income limits established by the State Budget.**

**CALL NOW!!!!!!**

**1-877-658-2972**

# TAX RELIEF... WE ALL NEED SOME!

[HTTPS://WWW.STATE.NJ.US/TREASURY/TAXATION/RELIEF.SHTML](https://www.state.nj.us/treasury/taxation/relief.shtml)

## SENIOR FREEZE

**CALL NOW!!!!!!**

**1-800-882-6597**

### Senior Freeze (Property Tax Reimbursement) Income Limits History

Below are the income limits for the Senior Freeze. ALL INCOME received during the year – with very few exceptions – must be taken into account when determining eligibility. This includes income that you do not have to report on your New Jersey Income Tax return such as Social Security benefits, disability benefits, and tax-exempt interest. (For more information, see the [Income Standards](#).)

Tax Year	Status	Income Limits <small>(combined income if married or in a civil union)</small>	
		2017 <small>Less than or equal to</small>	2018 <small>Less than or equal to</small>
2018	Single or Married/CU Couple	\$87,268	\$89,013
2017	Single or Married/CU Couple	\$87,007	\$70,000 <small>Note 1</small>
2016	Single or Married/CU Couple	\$87,007	\$70,000 <small>Note 2</small>
2015	Single or Married/CU Couple	\$85,553	\$70,000 <small>Note 2</small>

<b>Age/Disability</b>	You (or your spouse/civil union partner) were: <ul style="list-style-type: none"> <li>• 65 or older; <b>or</b></li> <li>• Actually receiving federal Social Security disability benefit payments (not benefit payments received on behalf of someone else).</li> </ul>
<b>Residency</b>	You lived in New Jersey continuously since December 31, 2007, or earlier, as either a homeowner or a renter.
<b>Home Ownership</b>	<p><b>Homeowners.</b> You owned and lived in your home since December 31, 2014, or earlier (and you still owned and lived in that home on December 31, 2018).</p> <p><b>Mobile Home Owners.</b> You leased a site in a mobile home park where you placed a manufactured or mobile home that you owned since December 31, 2014, or earlier (and still lived in that home/leased the site on December 31, 2018).</p> <p><b>If you moved</b> from one New Jersey property to another and received a reimbursement for your previous residence for the last full year you lived there, you may qualify for an exception to re-applying to the Senior Freeze Program. Visit <a href="#">Requirements for Resuming Eligibility</a> for more information.</p>
<b>Property Taxes/ Site Fees</b>	<p><b>Homeowners.</b> You paid the full amount of the <a href="#">property taxes</a> due on your home.</p> <p><b>Mobile Home Owners.</b> You paid the full amount of mobile home park <a href="#">site fees</a> due.</p>
<b>Income Limit</b>	You met the <a href="#">income limits</a> .



Q

&

A