

TOWNSHIP OF VERNON

Annual Reassessment Program

Commonly Used Assessment Terms

Ad Valorem Taxation

Latin for “according to value”. Tax that is based on a percentage of the value of property. All counties in NJ are assessed at 100% of value.

Mass Appraisal

The method used to value a group of properties as of a certain date (October 1 of the pre-tax year). This is accomplished by using common data, standardization and statistical testing. Most commonly used for property assessment for taxation purposes.

Sales Ratio

The ratio between a property’s assessment and sale price. Example: A property sold for \$350,000 and is assessed for \$275,000 has a sales ratio of 78.57%.

Tax Levy

Total amount of money to be collected through property taxes to cover the municipal, school and county budgets.

Tax Rate

Amount of tax paid per \$100 of assessed value. The tax rate is based on the total value of all property within a municipality to provide the necessary tax revenue to cover the annual municipal, school and county budgets (Tax Levy).

Inspection

A walk through of the property, both interior and exterior, for property record card maintenance.

REVALUATION VS REASSESSMENT

- **Revaluation (Reval):** Ordered by the County Board of Taxation when a township's assessment base meets certain criteria. A revaluation is considered an emergency and must be completed by an outside firm approved by the NJ Division of Taxation. A revaluation requires 100% inspection and a full tax map review by the Division of Taxation.
- **Reassessment:** Can be applied for by the municipality or ordered by the County Board of Taxation. A reassessment is performed by the tax assessor either fully in house or with the aid of an outside firm. A reassessment requires 100% inspection.
- **Annual Reassessment:** Can be applied for by the municipality or ordered by the County Board of Taxation. This is a reassessment performed every year to keep assessments in line with market value. A full revaluation or reassessment with 100% inspection must be completed prior to an annual reassessment being implemented. An inspection cycle, for record maintenance, is a requirement during an annual reassessment program.

Myth: Revaluation only required every 10 years by law

Reasons for a revaluation to be ordered by the County Board of Taxation:

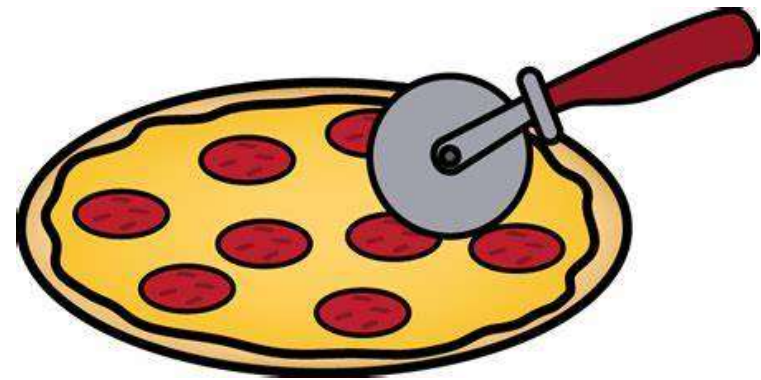
- A director's ratio of 85% or less
- Coefficient of deviation greater than 15%
- Revenue lost due to appeals
- Neighborhood and zoning changes which affect value in part or all of a taxing district.
- Lack of adequate records
- A revaluation or reassessment that has not taken place for 10 years or more **may** be a factor in in ordering a revaluation.

References: N.J.A.C. 18:12A-1.14

Will a reassessment raise my taxes?

- Overall a reassessment is revenue (tax) neutral
- Does not change the total amount of taxes to be collected
- Redistributes the tax burden based on current market value

How big is my slice?



2023 Total Tax Levy: \$80,372,636.09 (size of pie)

2023 number of taxed properties: 13,543 (number of slices)

2023 Average Residential Assessment: \$262,600 (size of slice)

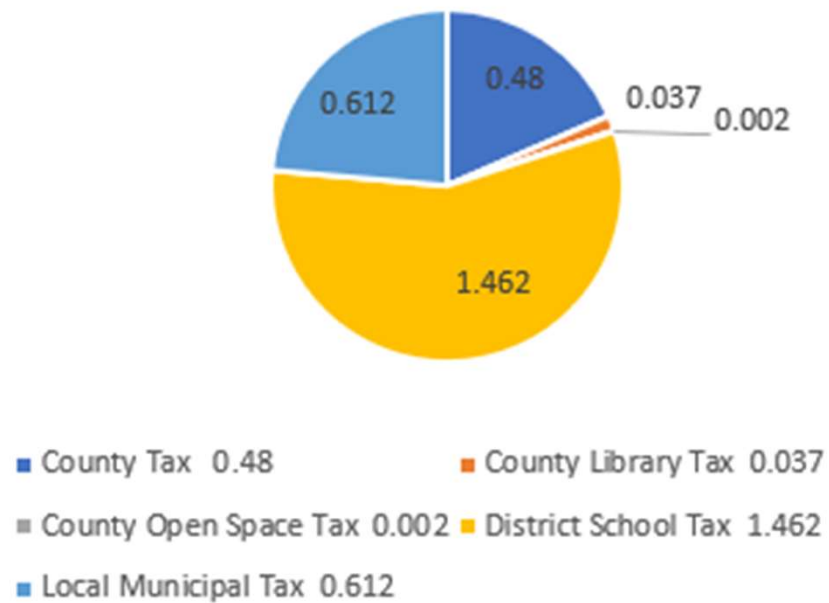
2023 Average Residential Taxes: \$6,809.22 or 0.008% of the pie (size of slice)

TAX LEVY 2019-2023

	<u>County</u>	<u>Library</u>	<u>Health</u>	<u>Open Space</u>	<u>School</u>	<u>Municipal</u>	<u>Total</u>	<u>% Chg</u>
2019	\$13,220,561.28	\$910,751.84	\$0	\$55,577.80	\$40,961,144	\$17,750,655.59	\$72,898,690.51	4.206%
2020	\$13,339,612.82	\$957,539.31	\$13.19	\$54,881.69	\$42,993,996	\$17,931,213.03	\$75,277,256.04	3.263%
2021	\$13,644,536.82	\$972,643.55	\$13.26	\$55,306.18	\$43,649,760	\$18,975,394.75	\$77,297,654.56	2.684%
2022	\$14,551,664.85	\$1,055,858.61	\$56.42	\$57,661.18	\$44,481,118	\$18,975,458.26	\$79,121,817.32	2.360%
2023	\$14,868,425.09	\$1,137,089.69	(\$3.02)	\$57,990.80	\$45,333,916	\$18,975,217.53	\$80,372,636.09	1.581%

WHERE DO MY TAX DOLLARS GO?

2023 Tax Rate 2.593



HOW TO CALCULATE TAXES

DO:

(Assessment/100) x Tax Rate

Example: $(390,000/100) \times 2.819 = \$10,994.10$

Example: $390,000 \times 0.02819 = \$10,994.10$

DON'T:

Do not multiply one Qtr x 4.

Do not add 3rd & 4th Qtrs of current year with 1st & 2nd Qtrs of following year

Taxes							
Make a Payment View Tax Rates View Current Bill Project Interest							
Year	Due Date	Type	Billed	Balance	Interest	Total Due	Status
2023	02/01/2023	Tax	2,748.53	2,748.53	0.00	2,748.53	OPEN
2023	05/01/2023	Tax	2,748.52	2,748.52	0.00	2,748.52	OPEN
Total 2023			5,497.05	5,497.05	0.00	5,497.05	
2022	02/01/2022	Tax	2,564.69	0.00	0.00	0.00	PAID
2022	05/01/2022	Tax	2,564.69	0.00	0.00	0.00	PAID
2022	08/01/2022	Tax	2,914.81	0.00	0.00	0.00	PAID
2022	11/01/2022	Tax	2,949.91	0.00	0.00	0.00	PAID
Total 2022			10,994.10	0.00	0.00	0.00	
2021	02/01/2021	Tax	2,549.39	0.00	0.00	0.00	PAID
2021	05/01/2021	Tax	2,549.38	0.00	0.00	0.00	PAID
2021	08/01/2021	Tax	2,627.32	0.00	0.00	0.00	PAID
2021	11/01/2021	Tax	2,532.66	0.00	0.00	0.00	PAID
Total 2021			10,258.75	0.00	0.00	0.00	
Last Payment: 11/07/22							

[Return to Home](#)

TOWNSHIP OF VERNON SUSSEX COUNTY 2021-2 TAX COLLECTOR'S STUB - DETACH AND RETURN WITH YOUR CHECK 2021 2ND QUARTER TAX DUE MAY 1, 2021				TOWNSHIP OF VERNON SUSSEX COUNTY 2021-1 TAX COLLECTOR'S STUB - DETACH AND RETURN WITH YOUR CHECK 2021 1ST QUARTER TAX DUE FEBRUARY 1, 2021			
BLOCK NUMBER	LOT NUMBER	QUALIFICATION	BANK CODE	BLOCK NUMBER	LOT NUMBER	QUALIFICATION	BANK CODE
TAX ACCOUNT NUMBER	TAX BILL NUMBER	TAX AMOUNT DUE	DUE MAY 1, 2021	TAX ACCOUNT NUMBER	TAX BILL NUMBER	TAX AMOUNT DUE	DUE FEBRUARY 1, 2021
		1485.47				1485.47	
CREDIT:				CREDIT:			
AMT DUE:				AMT DUE:			
INTEREST				INTEREST			
CASH				CASH			
CHECK				CHECK			
TOTAL				TOTAL			

TOWNSHIP OF VERNON SUSSEX COUNTY 2020-4 TAX COLLECTOR'S STUB - DETACH AND RETURN WITH YOUR CHECK 2020 4TH QUARTER TAX DUE NOVEMBER 1, 2020				TOWNSHIP OF VERNON SUSSEX COUNTY 2020-3 TAX COLLECTOR'S STUB - DETACH AND RETURN WITH YOUR CHECK 2020 3RD QUARTER TAX DUE AUGUST 1, 2020			
BLOCK NUMBER	LOT NUMBER	QUALIFICATION	BANK CODE	BLOCK NUMBER	LOT NUMBER	QUALIFICATION	BANK CODE
TAX ACCOUNT NUMBER	TAX BILL NUMBER	TAX AMOUNT DUE	DUE NOVEMBER 1, 2020	TAX ACCOUNT NUMBER	TAX BILL NUMBER	TAX AMOUNT DUE	DUE AUGUST 1, 2020
		1471.72				1475.47	
CREDIT:				CREDIT:			
AMT DUE:				AMT DUE:			
INTEREST				INTEREST			
CASH				CASH			
CHECK				CHECK			
TOTAL				TOTAL			

REVALUATION/REASSESSMENT HISTORY

- 1994 Revaluation (1993 ratio 51.02%)
- 2009 Revaluation (2008 ratio 46.65%)
- 2020 Revaluation (2019 ratio 105.68%) **ordered by CTB in 2013*
- 2021-2025 Reassessments (Ratio 100%)

WHY DO ANNUAL REASSESSMENT?

- Vernon has a very diverse real estate market.
 - Lake communities/Lakefront homes
 - Condos
 - Hotel condos
 - “Typical” subdivisions
 - Resort commercial properties
 - Large luxury homes
 - Small seasonal homes

WHY DO ANNUAL REASSESSMENT?

- **Tax Appeals**

- Maintaining assessments at actual market value instead of equalized market value takes the burden of filing a tax appeal off the property owner.
- Maintaining assessments at market value means the township will lose fewer appeals.
- Between 2008-2019 the township lost between \$3-\$13 million in ratables per year during County Tax Board appeals. Those lost ratables creates a tax shift towards everyone who didn't win an appeal breaking the uniformity of assessments and the equitable distribution of the tax burden.
- From 2009-2019 the township refunded \$2,277,264 (avg. \$207,024 per year) in taxes due to county tax appeals.
- From 2020-2022 the township has given back \$61,406 (avg. \$15,351.50 per year) in taxes due to county tax appeals.

Revaluation/Annual Reassessment/Periodic Reassessment Cost Analysis

Cost Analysis Revaluation vs Annual Reassessment			
	2020 Revaluation	2021-2025 Reassessment Cost	Periodic Reassessment (Every 5 years)
Contract Amount	\$818,780	\$492,800	\$1,000,000-\$1,500,000
Interest on emergency note	\$14,730	n/a part of budget	\$15,000
Tax Map Cost	\$219,531	\$6,000/yr max for maintenance	\$6,000/yr
Interest on Tax Map note	\$9,754	n/a part of budget	n/a part of budget
Taxes lost in County Tax Appeals	\$2,184,527	\$32,842	unknown
Total Cost:	\$3,247,322	\$555,642	\$1,045,000-\$1,545,000
	11 years between Revals	5 year reassessment program	every 5 years

2008-2023 County Tax Appeal History

Year	Total # of Appeals	Total # of Appeals Reduced	% of Appeals Reduced	Total Ratables Appealed	Total Ratables Lost	Total Taxes Lost
2008	152	143	94%	\$30,186,560	(\$7,784,460)	(\$329,127)
* 2009	434	156	36%	\$91,828,900	(\$5,039,519)	(\$121,301)
2010	473	109	23%	\$115,612,100	(\$5,585,301)	(\$139,912)
2011	210	106	50%	\$52,805,900	(\$3,612,800)	(\$94,439)
2012	452	320	71%	\$107,754,600	(\$8,524,700)	(\$225,734)
2013	512	381	74%	\$117,065,700	(\$11,638,000)	(\$305,963)
2014	247	200	81%	\$59,919,100	(\$6,014,850)	(\$158,311)
2015	432	297	69%	\$97,066,400	(\$13,690,900)	(\$357,059)
2016	791	549	69%	\$182,746,300	(\$13,702,600)	(\$358,597)
2017**	514	187	36%	\$109,115,100	(\$5,926,500)	(\$155,334)
2018	442	278	63%	\$108,524,200	(\$7,874,500)	(\$212,060)
2019	390	202	52%	\$92,930,800	(\$5,271,600)	(\$148,554)
*2020	84	34	40%	\$29,184,800	(\$912,600)	(\$28,564)
*2021	71	24	34%	\$17,724,400	(\$441,000)	(\$13,861)
*2022	29	16	55%	\$7,206,400	(\$336,100)	(\$9,475)
*2023	53	12	23%	\$16,059,500	(\$366,600)	(\$9,506)
* Revaluation/Reassessment Year Year						

****100+ appeals not settled filed to State Tax Court Costing the town more \$ in legal fees & also an additional 2 years of tax dollars lost due to the freeze act as they get settled**

Tax Appeal Legal & Appraisal Costs 2012-2023

<u>Tax Appeal Legal & Appraiser Costs by Year</u>			
Year	Appraisal Expert	Tax Attorney	Total
2012	\$29,881.25	\$50,831.04	\$80,712.29
2013	\$30,194.25	\$47,542.50	\$77,736.75
2014	\$15,610.00	\$56,545.55	\$72,155.55
2015	\$36,096.25	\$40,432.60	\$76,528.85
2016	\$30,040.00	\$54,140.67	\$84,180.67
2017	\$27,665.00	\$67,800.20	\$95,465.20
2018	\$15,896.94	\$57,034.75	\$72,931.69
2019	\$4,900.00	\$59,119.04	\$64,019.04
2020	\$2,437.50	\$53,367.55	\$55,805.05
2021	\$5,750.00	\$54,692.00	\$60,442.00
2022	\$1,187.50	\$38,517.17	\$39,704.67
2023	\$250.00	\$46,023.94	\$46,273.94
<u>2012-2019 Avg Total:</u>		\$77,966.26	
<u>2020-2023 Avg Total:</u>		\$50,556.42	

WHY DO ANNUAL REASSESSMENT?

Sustains an equitable and fair distribution of the tax burden over time

Revaluation vs. Annual Reassessment Example: Tax uniformity over time within a neighborhood																
Lot Size	Yr Built	Style	SFLA	2019 Assmt	2019 Tax	2020 Assmt	2020 Tax	2021 Assmt	2021 Tax	2022 Assmt	2022 Tax	2023 Assmt	2023 Tax	2024 Assmt	2024 Est Tax	Tax Appeal History
0.196	1967	Ranch	1032	\$203,000	\$5,720.54	\$209,600	\$6,560.48	\$206,400	\$6,487.15	\$256,200	\$7,222.28	\$265,300	\$6,879.23	\$312,100	\$7,374.92	2009: Assmt lowered from \$272,300 to \$270,600; 2013: Assmt lowered from \$270,600 to \$240,000; 2018: Assmt lowered from \$240,000 to \$203,000
0.224	1965	Ranch	1032	\$262,200	\$7,388.80	\$212,900	\$6,663.77	\$209,800	\$6,594.01	\$251,800	\$7,098.24	\$266,900	\$6,920.72	\$313,700	\$7,412.73	
0.224	1965	Ranch	1032	\$270,400	\$7,619.87	\$218,700	\$6,845.31	\$217,200	\$6,826.60	\$259,000	\$7,301.21	\$255,400	\$6,622.52	\$301,900	\$7,133.90	
0.224	1965	Ranch	1032	\$265,700	\$7,487.43	\$215,600	\$6,748.28	\$213,200	\$6,700.88	\$255,200	\$7,194.09	\$262,400	\$6,804.03	\$309,100	\$7,304.03	
0.224	1965	Ranch	1032	\$240,000	\$6,763.20	\$214,500	\$6,713.85	\$211,500	\$6,647.45	\$253,600	\$7,148.98	\$265,900	\$6,894.79	\$312,700	\$7,389.10	2019: Assmt lowered from \$268,800 to \$240,000
0.249	1965	Ranch	1032	\$267,300	\$7,532.51	\$216,700	\$6,782.71	\$215,700	\$6,779.45	\$258,000	\$7,273.02	\$266,800	\$6,918.12	\$313,600	\$7,410.37	
0.235	1965	Ranch	1032	\$185,000	\$5,213.30	\$209,400	\$6,554.22	\$206,300	\$6,484.01	\$248,300	\$6,999.58	\$252,400	\$6,544.73	\$298,900	\$7,063.01	2018: Assmt lowered from \$263,500 to \$185,000
0.224	1965	Ranch	1032	\$268,800	\$7,574.78	\$213,400	\$6,679.42	\$210,400	\$6,612.87	\$252,700	\$7,123.61	\$256,800	\$6,658.82	\$304,700	\$7,200.06	
0.224	1965	Ranch	1032	\$202,000	\$5,692.36	\$219,300	\$6,864.09	\$217,700	\$6,842.31	\$259,800	\$7,323.76	\$256,700	\$6,656.23	\$303,300	\$7,166.98	2012: Assmt lowered from \$266,100 to \$218,000; 2014: Assmt lowered from \$218,000 to \$202,000
0.224	1964	Ranch	1032	\$195,000	\$5,495.10	\$217,100	\$6,795.23	\$204,000	\$6,411.72	\$253,700	\$7,151.80	\$264,900	\$6,868.86	\$311,700	\$7,365.47	2013: Assmt lowered from \$278,100 to \$240,000; 2018: Assmt lowered from \$240,000 to \$195,000

WHEN WILL I BE INSPECTED?

- 100% of the town will be reassessed each year. Property owners should expect their assessment to change each year, even if the property was not inspected the previous year.
- In 2019 all properties were inspected for the 2020 revaluation.
- 2021-2025 Reassessment requires 20% of the town be inspected each year, inspections started in 2020.
 - Approximately 2,800 properties will be inspected each year
 - The 20% inspection cycle is a requirement of the Director of the Division of Taxation.
 - The purpose of property inspections is to maintain accurate property record cards for each individual property.

INSPECTION & REASSESSMENT CYCLE

Inspections

Inspection		Reassessment Tax	
Year	% of Town (+/-)	Year	Reval/Reassessment
2019	100%	2020	Revaluation
2020	20%	2021	Reassessment
2021	20%	2022	Reassessment
2022	20%	2023	Reassessment
2023	20%	2024	Reassessment
2024	20%	2025	Reassessment

Reassessed

Year	% of Town	Reval/Reassessment
2020	100%	Revaluation
2021	100%	Reassessment
2022	100%	Reassessment
2023	100%	Reassessment
2024	100%	Reassessment
2025	100%	Reassessment

INSPECTIONS BY YEAR

Inspections are usually done by neighborhood each year.

2019: All property was inspected for the 2020 Revaluation

2020: All commercial, tax exempt and vacant land. Residential sales that closed after 10/1/2019.

2021: BYL2, BYLK, BYR1, C105, HLK1, HLK2, HLK3, HLK4, HLK5, LKWA, R105, C1HL, R211, SSRG

2022: A103, A104, BCA-BCH, BKLN, BKN1, BNTD, C01., C301, CR06, CRTS, CV05, CWLK, GLW5, GLW6, GLW8, GW11, HDV1, HGDR, I001, KSTN, LKCW, LKGW, LKWW, MDBK, MLBU, MSPD, R103, R203, R206, R207, R208, R301, R302, SCH1, SCH2, SCH3, SCH4, SEAP, SEAS, STR3, STRM, SWPD, SX04, SX05, SX06, SX08, TWNC, UPPL, VN01, VN02, VN03, VVLK

2023: GLW4, GLW3, GLW2, GLW1, R233, R234, HRRD, GLW7, PKLN, R102, R205, GLW9, LKPN, GW10, SX03, LKWK, R204, CV02, CV03, SX07, SX10, SX11, SX13, DAGD, SCLK, SX12, LKPO, C202, PVLK, SX01, SX02, C101, CR04, R226, SLR2, SX09, VVDR, WSLK

2024: APPL, C201, CR03, CR05, CWR1, GGR4, GGTC, GVRR, GVSS, GVWL, I004, MF04, MNR1, MNR2, MVM1, NWDL, NWDM, NWDS, OSLI, OSUL, OSWB, OWLL, OWUL, PWDL, PWDU, R104, R107, R202, R401, R403, SDEL, SDLL, SDUL, SDWL, SDWU, SKYL, SKYR, SKYS, SWOD, SWWL, SWWR, MF01, MF02, T35A, T35B, T35C, TH06, TH07, TH22, TH23, TH24, TH27, TH36, WODL, WODR, WDOU

EXCEPTIONS TO THE 5-YEAR INSPECTION CYCLE

Common reasons you may be inspected more than once in a 5 year cycle:

1. Improvements made to the property after the last inspection
2. Property owner requests another inspection be made
3. Tax appeal filed
4. Owner has an informal meeting with Associated Appraisal Group and it is determined another inspection is needed

Inspection Process

- Inspection Notification Letters will be mailed every year only to properties that are scheduled to be inspected that year.
- The Associated Appraisal Group website & the Vernon Township website is updated regularly with the progress of inspections as well as the reassessment as a whole.
- All inspectors will have photo identification and be registered with the assessor's office & the police.



Township of Vernon

Telephone 973-764-4055

21 Church Street
Vernon, New Jersey 07462

www.vernontwp.com

July 23, 2020

«Owner»
«Street»
«CSZ»

Block: «Block»
Lot: «Lot»
Qual: «Qual»
Location: «Location»

Dear Property Owner:

The Sussex County Board of Taxation and the New Jersey Division of Taxation has authorized the Township of Vernon to perform a reassessment program for the 2021 tax year as part of the annual reassessment program that has been implemented within the Township. The Township has contracted Associated Appraisal Group, Inc. to assist in conducting the Reassessment Program.

PURPOSE

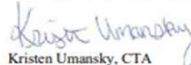
- Updating assessments each year will ensure that property taxes are accurate, fair and in line with current market trends. There will no longer be steep property tax changes or "tax shifts" that result from long periods of time between revaluations.
- Maintaining tax assessments at 100% of true market value on a year-to-year basis will help to alleviate burdensome tax appeals that are a drain to the Township's financial stability.

As a requirement of the annual reassessment program, 20% of all properties within the Township need to be inspected each year. In accordance with this requirement your property is scheduled to be inspected in the near future. The purpose of this inspection is to maintain accurate and current data regarding your property. Associated Appraisal Group, Inc. will be supplied with all current Property Record Cards (PRC's) maintained by the Assessor's Office and any recent construction permits issued by the Building Department. Associated Appraisal Group, Inc. representatives will carry photo identification and their names will be registered with the Police Department and the Township Assessor's office. **Please do not allow anyone to enter your home without proper identification.** You will be requested to sign the field form used by the representative to acknowledge when an interior inspection is made. Please advise the occupants of any rental units you may own so they are prepared for the inspection.

Regardless of when a property is visited during this program, the new property values will be determined based on their estimated market value as of October 1, 2020 (the statutory date required by law). **It is important to note that while only 20% of properties are being inspected each year; all properties in town will be valued.** All property owners will be notified by mail of their proposed assessed values and will have an opportunity to question/contest the values.

Any inquiries with respect to the inspection and/or valuation procedure should be directed to Associated Appraisal Group, Inc. at (908) 967-6272. General information about the Reassessment process can be obtained from the Associated Appraisal Group, Inc. website at www.njaag.com.

Sincerely,
TOWNSHIP OF VERNON


Kristen Umansky, CTA
Tax Assessor

INSPECTION PROCESS

First Attempt:

- First inspection visit is unannounced.
- Inspector will verify the exterior information.
- Inspector will ask to inspect the interior if someone 18 years or older is home. A virtual interior inspection can be arranged.
- If no one is home or the inspector is denied entry, a tag with a return appointment will be left on the door.

Associated Appraisal Group Real Estate Appraisal Services 6 Commerce Drive, Cranford, NJ 07016	Block: _____ Lot: _____ Qual: _____ Date: _____
--	--

Dear Property Owner:

A representative of Associated Appraisal Group 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:

Date: _____ Time: _____ Inspector: _____

If you cannot accommodate us at this time, **please call (908) 967-6272** between the hours of 10AM and 4PM Monday - Friday to reschedule to a mutually convenient time.

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

Second Attempt:

- A second attempt to inspect will be made on the date indicated on the tag left after the first visit.
- An interior inspection typically takes 5-15 minutes depending on the size of the home.
- If no one is home an estimate tag will be left with instructions on how to schedule an appointment if the information is incorrect.

Associated Appraisal Group Real Estate Appraisal Services 6 Commerce Drive, Cranford, NJ 07016	Block: _____ Lot: _____ Qual: _____
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Dear Property Owner:

A representative of Associated Appraisal Group has made a second visit to your property and found no one at home. Since we were unable to make an interior inspection, an estimate has been made as follows:

of units: _____ # of Baths: _____ HVAC: _____
Bath Quality: _____ Kitchen Quality: _____ 1/2 Story: _____
Basement: _____ Overall Condition: _____

Please call (908) 967-6272 between the hours of 10AM and 4PM Monday - Friday to arrange for an interior inspection.

Inspector: _____ Date: _____ Time: _____

HOW DO YOU DETERMINE MARKET VALUE?

- Vernon is divided into neighborhoods based on zoning & location; some condos have a neighborhood for each model type.
- A sales review is done for each neighborhood with a focus of 10/1/2022-10/1/2023 for the 2024 reassessment. Older sales and under contract MLS listings are also reviewed for trending purposes.
- A valuation model for mass appraisal is established based on the sales review.

MARKET PRICE VS MARKET VALUE

Market Price

This home sold on 4/12/2022 for \$360,000 (market price)



Market Value

Market value is determined by reviewing all sales in a neighborhood.

Sale Date	Sale Price	Neighborhood
9/14/2022	\$207,000	LKPN
7/18/2022	\$310,000	LKPN
6/22/2022	\$300,000	LKPN
6/8/2022	\$300,000	LKPN
4/12/2022	\$360,000	LKPN
3/17/2022	\$285,000	LKPN
3/1/2022	\$376,000	LKPN
2/14/2022	\$272,000	LKPN
1/6/2022	\$295,000	LKPN
12/1/2021	\$310,000	LKPN
11/2/2021	\$440,000	LKPN

ALLOCATION OF ASSESSMENT: LAND & IMPROVEMENT

It is well established that the division of an assessment between land and improvements is an administrative action that does not create two separately contestable assessments.

A taxpayer seeking to establish a taxable value must demonstrate the value of the entire property, not merely the value of either land or improvements.

References:

In re Appeals of Kents, Inc. 34 N.J. 21 (1961)

William Kingsley, "The Kents Case – A Remedy for Assessment Inequality," New Jersey Municipalities, February, 1961, pp. 4-8

Brown v. Borough of Glen Rock

Superior Court of New Jersey, Appellate Division

Calculated by taking the prior year's tax rate and dividing by the current year's change to the overall ratable base.

Calculated by taking the prior year's tax rate and dividing by the current year's change to the overall ratable base.

$$2.593 \text{ (2023 tax rate)} / 1.097 \text{ (change to ratable base after reassessment)} = 2.364 \text{ (impact to the tax rate)}$$

****Does not take into account any change to the school, county or municipal budgets****

2024 Reassessment Tax Impact

VERNON								
PROPERTY CLASS	No. OF ITEMS 2023	2023 ASSESSED VALUE	% OF TOTAL	No. OF ITEMS 2024	2024 ASSESSED VALUE	% OF TOTAL	INCR.	SHIFT
1. VACANT	2,194	\$62,139,100	2.0%	2,187	\$59,555,000	1.8%	0.958	-0.003
2. RESIDENTIAL	10,680	\$2,799,743,900	90.3%	10,653	\$3,085,778,200	90.8%	1.102	0.004
3A. FARM (Reg)	110	\$39,946,100	1.3%	111	\$42,969,100	1.3%	0.000	0.000
3B. FARM (Qual)	204	\$1,252,900	0.0%	197	\$1,297,800	0.0%	0.000	0.000
4A. COMMERCIAL	348	\$157,551,800	5.1%	347	\$169,184,200	5.0%	1.074	-0.001
4B INDUSTRIAL	25	\$34,756,400	1.1%	26	\$35,768,600	1.1%	1.029	-0.001
4C APARTMENT	3	\$2,066,000	0.1%	3	\$2,959,300	0.1%	0.000	0.000
TOTAL COMMERCIAL	374	194,587,000	6.3%	376	207,912,100	6.1%	1.088	-0.002
6A.LCL TEL EXCH	1	\$2,326,708	0.1%	1	\$2,374,712	0.1%	1.021	0.000
GRAND TOTAL	13,543	3,099,995,708	100.0%	13,525	3,399,886,912	100.0%	1.097	0.000

CURRENT DATA

Current Tax Rate	\$2.593
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ADJUSTED 2023 TAX RATE

Current Tax Rate 2023	\$2.593
Adjustment to Ratable Base	1.097

$$\frac{\text{Current Tax Rate } \$2.593}{\text{Adjustment to Ratable Base } 1.097} = \$2.364 \text{ Predicted Tax Rate } \textit{WITHOUT} \text{ a Budget Increase}$$

Average Residential Property (2023 Assessed Value)	X	2023 Tax Rate	=	2023 Avg. Tax
\$262,800		\$2.593		\$6,809.22

Average Residential Property (2024 Assessed Value)	X	2023 Est. Adj Rate w/o Budget Inc.	=	2023 Adj Avg. Tax
\$289,700		\$2.384		\$6,849.32

Average Residential Tax Dollar Difference \$40.10

* The *actual* Tax Rate in 2024 will be based on the actual 2024 Total Tax Levy and final 2024 assessments

* Figures are subject to change as 2024 assessments are preliminary and still under review with informal meetings

TAX IMPACT

Example 1

- 2023 Assmt: \$272,000
- 2023 Taxes: \$7,052.96
- 2024 Assmt: \$302,600
- 2024 Tax Impact: \$7,153.46

Example 2

- 2023 Assmt: \$226,000
- 2023 Taxes: \$5,860.18
- 2024 Assmt: \$242,700
- 2024 Tax Impact: \$5,737.43

REASSESSMENT Q & A