

2015

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION

2015

CERTIFICATION OF THE 2014 AVERAGE RATIOS  
AND  
COMMON LEVEL RANGES FOR USE IN THE TAX YEAR 2015

**TO THE:** Assessor of Each Municipality or County  
Clerk of Each Municipality  
Tax Administrator of Each County Board of Taxation

Pursuant to the provisions of Section 5, Chapter 123, Laws of 1973, as amended by Chapter 51, Laws of 1979, I, as Director of the Division of Taxation in the Department of Treasury of the State of New Jersey, hereby certify that attached hereto is a true copy of the list setting forth the common level range and the average ratio for each taxing district promulgated by me as required by Chapter 86, Laws of 1954 (N.J.S.A. 54:1-35.1 et seq.), as of October 1, 2014, and subject to revision by the Tax Court of New Jersey. This list, under the authority conferred by said law, is on file in the office of the Director of the Division of Taxation.

Although there is no formal statutory mechanism for challenging this Certification of Average Ratios and Common Level Ranges, any taxing district objecting to this Certification may appeal the Table of Equalized Valuations to the Tax Court within 45 days after its promulgation, pursuant to N.J.S.A. 54:51A-4(c). Pursuant to N.J.S.A. 54:1-35a(a), any revision by the Tax Court to the average ratio in the Table of Equalized Valuations will be reflected by operation of law in a revised Certification of Average Ratios and Common Level Ranges to be issued on or before April 1, 2015. No appeal of the Table of Equalized Valuations may be taken after the 45 day appeal period has expired.

Witness my hand and seal of the Office of Director, Division of Taxation, at Trenton, this twenty-sixth day of September, 2014.

A handwritten signature in black ink, appearing to read "Michael J. Bryan".

Michael J. Bryan  
Director, Division of Taxation

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cc: State Treasurer – Andrew Sidamon-Eristoff  
OMB – Charlene Holzbaaur

## COMMON LEVEL RANGE

### (CHAPTER 123, LAWS OF 1973)

The "average ratio" of assessed to true value of real property for a taxing district for the purposes of this act shall mean that ratio promulgated by the Director of the Division of Taxation pursuant to P.L. 1954, C. 86 (C.54:1-35.1 et seq.), as of October 1 of the year preceding the tax year as revised by the Tax Court of New Jersey.

The "common level range" for a taxing district is that range which is plus or minus 15% of the average ratio for that district.

Whenever the County Board of Taxation, Tax Court of New Jersey, or Superior Court in an appropriate case is satisfied by the proofs that the ratio of the assessed valuation of the subject property to its true value exceeds the upper limit or falls below the lower limit of the common level range, the taxable value of the property shall be revised by applying the average ratio to the true value of the property except as hereinafter provided.

If the average ratio is below the county percentage level (in all counties this level is 100%) and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the County Board of Taxation, Tax Court of New Jersey, or Superior Court in an appropriate case shall reduce the taxable value of the property by applying the average ratio to the true value of the property.

If both the average ratio and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the County Board of Taxation, Tax Court of New Jersey, or Superior Court in an appropriate case shall revise the taxable value of the property by applying the county percentage level to the true value of the property.

The act is not applicable with respect to any appeal from assessment of real property taken with respect to the tax year in which the taxing district shall have completed and put into operation a district-wide revaluation program approved by the Director of the Division of Taxation pursuant to Chapter 424, Laws of 1971 (C. 54:1-35.35 et seq.).

See County Board of Taxation rules with respect to a complete reassessment by a taxing district.

CHAPTER 123, LAWS OF 1973

EXAMPLE I

Situation

\*Whenever the County Board of Taxation, Tax Court of New Jersey, or Superior Court are satisfied by the proofs that the ratio of the assessed valuation of the subject property to its true value exceeds the upper limit or falls below the lower limit of the common level range, it shall revise the taxable value of the property by applying the average ratio to the true value of the property except as hereinafter provided.

Assumption

County percentage level	100.00%	
Average ratio	95.41%	
15% Common level range	109.72	Upper limit
15% Common level range	81.10	Lower limit

Example

Subject property, true value	\$100,000	
Assessment	\$120,000	
Ratio of assessment	120.00%	(Exceeds upper limit)
Reduce taxable value (Applying average ratio 95.41%)		\$100,000 x 95.41% = \$95,410
Property, same subject	\$100,000	
Assessment	\$ 70,000	
Ratio of assessment	70.00%	(Below lower limit)
Increase taxable value (Applying average ratio 95.41%)		\$100,000 x 95.41% = \$95,410

\*Reference

County Tax Board - N.J.S.A. 54:3-22  
Tax Court of New Jersey - N.J.S.A. 54:51A-6  
Superior Court - N.J.S.A. 54:4-62

CHAPTER 123, LAWS OF 1973

EXAMPLE II

Situation

\*If the average ratio is below the county percentage level and the ratio of the assessed value of the subject property to its true value exceeds the county percentage level, the County Board of Taxation, Tax Court of New Jersey, or the Superior Court shall reduce the taxable value of the property by applying the average ratio to the true value of the property.

Assumption

County percentage level	100.00%	
Average ratio	95.41%	(Below county percentage level)
15% Common level range	109.72	Upper limit
15% Common level range	81.10	Lower limit

Example

Subject property, true value	\$100,000
Assessment	\$110,000
Ratio of assessment	110.00% (Exceeds county percentage level)

Taxable value reduced  $\$100,000 \times 95.41\% = \$95,410$

In this example, average ratio is below county level 95.41%  
assessment ratio exceeds county level 110.00%

Therefore, taxable value is reduced by applying average ratio 95.41%

\*Reference

County Tax Board - N.J.S.A. 54:3-22  
Tax Court of New Jersey - N.J.S.A. 54:51A-6  
Superior Court - N.J.S.A. 54:4-62

CHAPTER 123, LAWS OF 1973

EXAMPLE III

Situation

\*If both the average ratio and the ratio of assessed value subject property to its true value exceed the county percentage level, the County Board of Taxation, Tax Court of New Jersey, or Superior Court shall revise the taxable value of the property by applying the county percentage level to the true value of the property.

Assumption

County percentage level	100.00%	
Average ratio	110.41%	(Exceeds county percentage level)
15% Common level range	126.97	Upper limit
15% Common level range	93.85	Lower limit

Example

Subject property, true value	\$100,000	
Assessment	\$120,000	
Ratio of assessment	120.00%	(Exceeds county percentage level)

Taxable value decreased to county level  $\$100,000 \times 100.00\% = \$100,000$

In this example, both the average ratio and the assessment ratio exceed the county percentage level.

- (a) Average ratio 110.41%
- (b) Assessment ratio 120.00%

\*Reference

County Tax Board - N.J.S.A. 54:3-22  
Tax Court of New Jersey - N.J.S.A. 54:51A-6  
Superior Court - N.J.S.A. 54:4-62