

shall then be reinstated, and the new retirement allowance, based on the member's subsequent covered employment, shall commence. If the member returned to regular PERS service and retained the same membership level and account, the previous and subsequent retirement allowances shall be combined and paid in one monthly benefit check. If the member returned to regular PERS service and is enrolled under a different membership level and account, the checks will not be combined. The retirement allowance shall become effective on the first of the month following receipt of the application unless a future date is requested.

(b) (No change.)

## TREASURY—TAXATION

### (a)

#### DIVISION OF TAXATION

##### Local Property Tax: General

##### Readoption with Amendments: N.J.A.C. 18:12

##### Adopted Repeal: N.J.A.C. 18:12-4.3

Proposed: August 7, 2017, at 49 N.J.R. 2498(a).

Adopted: December 18, 2017, by John J. Ficara, Acting Director, Division of Taxation.

Filed: December 19, 2017, as R.2018 d.051, **without change**.

Authority: N.J.S.A. 54:1-35.1, 54:1-35.35, 54:3-14, 54:4-1, 54:4-8.66d, 54:4-23.21, 54:4-26, and 54:50-1.

Effective Dates: December 19, 2017, Readoption;  
January 16, 2018, Amendments and Repeal.

Expiration Date: December 19, 2024.

##### Summary of Public Comment and Agency Response:

**No comments were received.**

##### Federal Standards Statement

The rules readopted with amendments and a repeal do not contain requirements that exceed those imposed by Federal law. The rules readopted with amendments and a repeal represent policies of the State of New Jersey regarding implementation of N.J.S.A. 54:1-35.35 et seq. and 54:4-1 that are independent of Federal requirements or standards. Accordingly, no Federal standards analysis is required.

**Full text** of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 18:12.

**Full text** of the adopted amendments follows:

#### SUBCHAPTER 1. CATEGORIES OF NONUSABLE DEED TRANSACTIONS

##### 18:12-1.1 Categories enumerated

(a) The following deed transactions are not usable in determining assessment-sales ratios pursuant to N.J.S.A. 54:1-35.1 et seq.:

1. Sales between immediate family members;
2. Sales in which "love and affection" are stated as part of the consideration;
3. Sales between a corporation and its stockholder, its subsidiary, its affiliate, or another corporation whose stock is in the same ownership;
4. Transfers of convenience; for example, transfers correcting defects in title, a transfer by a husband either through a third party or directly to himself and his wife for the purpose of creating a tenancy by the entirety, etc.;
5. Transfers that did not occur within the sampling period. Sampling period is defined as the period from July 1 to June 30, inclusive, preceding the date of promulgation of the Director's Table of Equalized Valuation, except as otherwise stated. The recording date of the deed within this period is the determining date since it is the date of official record. Where the date of deed or date of formal sales agreement

occurred prior to January 1, next preceding the commencement date of the sampling period, the sale shall be nonusable;

6. Sales of property conveying only a portion of the assessed unit, for example, a parcel sold out of a larger tract where the assessment is for the larger tract, usually referred to as subdivisions, split-offs, or cut-offs;

7. Sales of property substantially improved subsequent to assessment and prior to the date of sale;

8. (No change.)

9. Sales of property that are subject to an outstanding Municipal Tax Sales Certificate, a lien for more than one year in unpaid taxes on real property pursuant to N.J.S.A. 54:5-6, or other governmental lien;

10. Sales by guardians, testamentary trustees, executors, and administrators;

11.-12. (No change.)

13. Sales in proceedings in bankruptcy, receivership, or assignment for the benefit of creditors, dissolution or liquidation sales, and short sales;

14.-16. (No change.)

17. Sales to or from any charitable, religious, or benevolent organization;

18. Transfers to banks, insurance companies, savings and loan associations, mortgage companies, or other financial institutions when the transfer is made in lieu of foreclosure;

19. Sales of property for which assessed value has been or is substantially affected by demolition, fire, documented environmental contamination, or other physical damage subsequent to assessment and prior to the date of sale;

20. Acquisitions, resale, or transfer by railroads, pipeline companies, or other public utility corporations for easements or right-of-way purposes;

21.-22. (No change.)

23. Sales of commercial or industrial real property, which include machinery, fixtures, equipment, inventories, licenses, or goodwill when the values of such items are indeterminable;

24. Sales of property, the value of which has been or is substantially influenced by zoning changes, planning board approvals, variances, or rent control provisions subsequent to assessment and prior to the sale;

25. Transfers in which the full consideration as defined in the "Realty Transfer Fee Act" is less than \$100.00;

26. Sales that for reasons other than specified in the enumerated categories are not considered to be between a willing, knowledgeable buyer, not compelled to buy, and a willing, knowledgeable seller, not compelled to sell;

27. Sales occurring within the sampling period but prior to a change in assessment resulting from a recognized revaluation or reassessment, that is, sales recorded during the period July 1 to December 31 next preceding the tax year in which the revaluation or reassessment value is placed on the tax roll;

28. Sales of property subject to leaseback arrangements;

29. Sales of property subsequent to the year of appeal, where the assessed values are set by court order, consent judgment, or the "Freeze Act";

30. Sales in which multiple parcels are conveyed collectively as one transaction with an arbitrary allocation of the sale price of each parcel;

31. (No change.)

32. Sales of a property in which an entire building or taxable structure is omitted from the assessment; and

33. Sales of qualified farmland or currently exempt or abated property.

(b) Transfers within the foregoing category numbers 1, 3, 9, 10, 15, 17, 26, and 28 (under (a) above), should generally be excluded but may be used if after full investigation it clearly appears that the transaction was a sale between a willing buyer, not compelled to buy, and a willing seller, not compelled to sell, with all conditions requisite to a fair sale with the buyer and seller acting knowledgeably and for their own self-interests, and that the transaction meets all other requisites of a usable sale.

## SUBCHAPTER 2. PREPARATION AND FILING OF LOCAL PROPERTY TAX LIST AND DUPLICATE

## 18:12-2.1 Insertion of property classification code on line items

The assessor of each taxing district shall classify each line item on the tax list according to the several categories enumerated in N.J.A.C. 18:12-2.2 by the applicable property classification code symbol.

## 18:12-2.2 Property classifications with definitions

(a) (No change.)

(b) Class 2: "Residential Property" means property described generally as a dwelling house and the lot or parcel of land on which the dwelling house is situated. The dwelling is functionally designed for use and enjoyment by not more than four families and includes residential condominiums. A dwelling functionally designed for use and enjoyment by more than four families should be designated Class 4C "Apartments."

(c) Class 3A: "Farm Property (Regular)" means:

1. Land, together with improvements, where the use of the land and function of the buildings on that land are for agricultural or horticultural purposes, but which is not qualified for nor assessed under the Farmland Assessment Act of 1964, N.J.S.A. 54:4-23.1 et seq.;

2. Improvements of the types and like listed in N.J.S.A. 54:4-23.11, including barns, sheds, silos, etc., which are located on land classified as Class 3B "Farm Property (Qualified)." However, such improvements shall not include "single-use agricultural or horticultural facilities" as defined in N.J.S.A. 54:4-23.12, which are considered personal property; and

3. Farm houses and the lots or parcels of land on which they are situated. For definitions of agricultural use and horticultural use, see N.J.A.C. 18:15-1.1, adopted under the Farmland Assessment Act of 1964, N.J.S.A. 54:4-23.1 et seq.

(d) Class 3B: "Farm Property (Qualified)" means land that has qualified and is assessed under the Farmland Assessment Act of 1964, N.J.S.A. 54:4-23.1 et seq.

(e) Class 4A: "Commercial Property" means any other type of income-producing property other than property in classes 1, 2, 3A, 3B, 4B, and 4C; for example, shopping centers, malls, office buildings, restaurants, theaters, etc.

(f) Class 4B: "Industrial Property" means land or land and improvements adaptable for industrial use; ideally, a combination of land, improvements, and machinery, which is integrated into a functioning unit intended for the assembling, processing, and manufacturing of finished or partially finished products from raw materials or fabricated parts, such as factories; or a similar combination intended for rendering service, such as laundries, dry cleaners, or storage warehouses.

(g) Class 4C: "Apartments" designed for the use and enjoyment of five families or more including residential co-operatives and mutual housing corporations. Medical residential facilities such as assisted living facilities, comprehensive personal care homes, long-term care facilities, acute care facilities, nursing homes, drug abuse treatment centers, hospice facilities, behavioral health programs, or residential health care facilities are Class 4A properties, not Class 4C properties.

1. While Classes 4A, 4B, and 4C are required to be separately designated on the tax list, the aggregate of these classes will be indicated as Class 4 ("Other") for the purpose of the Table of Equalized Valuations (school aid table).

(h) Class 5A: "Railroad Class I" means real property consisting of the length of main stem of a railroad in each taxing district. For the definition of main stem, see N.J.A.C. 18:23-1.2.

(i) Class 5B: "Railroad Class II" means all real property used for railroad purposes that is not Class I or classified "Railroad Class III" meaning passenger facilities.

(j) Class 6A: "Personal Property Telephone" means tangible goods and chattels exclusive of inventories used in the business of local exchange telephone companies that were subject to tax as of April 1, 1997, under P.L. 1940, c. 4 (N.J.S.A. 54:30A-16 et seq.), now repealed, and providing dial tone and access to 51 percent of a local telephone exchange as of January 1 of the pre-tax year.

(k) Class 6B: "Machinery, Apparatus, or Equipment of Petroleum Refineries" means the machinery, apparatus, or equipment of a petroleum refinery directly used to manufacture petroleum products from crude oil in any series of petroleum refinery processes commencing with the introduction of crude oil and ending with refined petroleum products, but shall exclude items of machinery, apparatus, or equipment located on the grounds of a petroleum refinery but which are not directly used to refine crude oil into petroleum products.

(l) Class 15A: "Public School Property" means real property owned by Federal, State, county, or local governments, or their agencies used for public education.

(m) (No change.)

(n) Class 15C: "Public Property" means real property owned by Federal, State, county, or local governments, or their agencies and devoted to public uses.

(o) Class 15D: "Church and Charitable Property" means real property owned by religious and charitable organizations actually used in the work of the organizations.

(p) Class 15E: "Cemeteries and Graveyards" means real property solely devoted to or held for use as a cemetery, graveyard, or burial ground.

(q) (No change.)

## 18:12-2.3 Tax list page summaries; recapitulation of property

(a) The assessor shall prepare a summary containing the valuations as they appear in the tax list and duplicate for both taxable and exempt properties. In addition, the assessor shall prepare an alphabetical index listing the taxpayer by name. The summaries will pertain to the property classification code as described in N.J.A.C. 18:12-2.1.

(b) The assessor shall provide for a summary of deduction amounts for senior citizens, disabled citizens, and their surviving spouses, surviving civil union partners, and surviving domestic partners, and for veterans and their surviving spouses, surviving civil union partners, and surviving domestic partners, and the surviving spouses, surviving civil union partners, and surviving domestic partners of servicepersons. There shall also be a summary of the number of parcels and the exemption amounts for the following:

1.-3. (No change.)

4. Water Supply Control or Sewerage Disposal System (N.J.S.A. 54:4-3.56);

5.-10. (No change.)

11. Multiple Dwelling Abatement (N.J.S.A. 40A:21-6);

12. Urban Enterprise Zone Abatement (N.J.S.A. 54:4-3.139); and

13. Renewable Energy Systems (N.J.S.A. 54:4-3.113a).

(c) The assessor shall prepare a summary of special tax districts such as fire, garbage, water, and special improvement district, and eligibility for the Regional Efficiency Aid Program, as established by the Regional Efficiency Aid Program Act pursuant to N.J.S.A. 54:4-8.76.

## 18:12-2.4 Insertion of building description code on line items

The assessor shall include in the tax list the applicable building description code designation for each line item, and such inclusion shall be in accordance with the building description code appearing in the MOD IV User Manual.

## 18:12-2.5 Separate line item for farm property assessment

Where a portion of a farmland parcel is assessed under the Farmland Assessment Act of 1964 as "Farm (Qualified)," Class 3B, and another portion of the parcel is assessed as "Farm (Regular)," Class 3A, each portion must be shown on the tax list as a separate line item. All farm real property improvements should be included under classification 3A "Farm (Regular)."

## 18:12-2.6 Veteran, senior citizen, disabled citizen, and surviving spouse deductions

(a) Approval of a tax deduction should be indicated by designating the claimant as "V" in the case of veteran, by "W" in the case of a widow or widower, surviving spouse, surviving civil union partner, or surviving domestic partner of a veteran or serviceperson, by "S" in the case of a senior citizen, by "D" in the case of a disabled citizen, and by "R" in the case of a surviving spouse, surviving civil union partner, or surviving domestic partner.

(b) In the case of multiple ownership of a property for which tax deduction is claimed, each line item of the tax list and duplicate must reflect the total number of owners and the number of veterans, veterans' and servicepersons' surviving spouses, surviving civil union partners, or surviving domestic partners, senior citizens, disabled citizens, and their surviving spouses, surviving civil union partners, or surviving domestic partners.

#### 18:12-2.7 Hackensack Meadowlands District designations

(a) Assessors shall be guided by N.J.S.A. 13:17-63.

(b) The assessor for the taxing districts of Carlstadt, East Rutherford, Little Ferry, Lyndhurst, Moonachie, North Arlington, Ridgefield, Rutherford, South Hackensack, and Teterboro, all in Bergen County; and Jersey City, Kearny, North Bergen, and Secaucus, all in Hudson County, in preparing the annual tax list for the aforementioned taxing districts shall, in addition to furnishing all other information required on the tax list, indicate for each parcel of property whether or not such parcel is located within the boundaries of the Hackensack Meadowlands District, that is, the area within the jurisdiction of the New Jersey Sports and Exposition Authority in such area as mandated by N.J.S.A. 13:17-63.

(c) The assessor shall indicate property located within the boundaries of the Hackensack Meadowlands District, by adding the letter "HM" to the lot number or to the lot number suffix in the column of the tax list captioned "Block No. Lot No."

(d) When the boundary of the Hackensack Meadowlands District divides a lot, the entire lot shall be included within the district.

#### 18:12-2.8 Tax list and instructions

(a) This section describes the form and content of the real property tax list and duplicate for each tax year as prescribed by the Director of the Division of Taxation.

1. The size of the tax list and duplicate should be 14 inches by 17 inches or 8 ½ inches by 11 inches. Each page of a tax list should provide for 14 line items.

i. Page headings:

(1) Title: "REAL PROPERTY TAX LIST"; An identical list shall also be prepared as the assessor's duplicate;

(2)-(5) (No change.)

ii. Column headings: The following headings shall appear on the real property tax list and duplicate.

(1) (No change.)

(2) Column 2—Block number, lot number, qualification code, and account number: Insert the parcel block and lot number and the qualification code if any. Qualification codes are shown on the real property tax list under the legend. Enter the account number, if used, in this column.

(3) Column 3—Land dimensions, acreage, property classification, building description code and additional lots: Insert land dimensions of the lot or lots or acreage, building description code and property classification.

(4)-(6) (No change.)

(7) Column 7—Exemptions: Insert the exemption code and exemption amount in this column. The specific exemptions are as found in the MOD IV User Manual.

(8) (No change.)

(9) Column 9—Deductions: Approval of a tax deduction should be indicated by designating "V" in the case of a veteran, "W" in the case of a widow or widower, surviving spouse, surviving civil union partner, or surviving domestic partner of a veteran or serviceperson, "S" in the case of a senior citizen, "D" in the case of a disabled citizen, and "R" in the case of a surviving spouse, surviving civil union partner, or surviving domestic partner. Indicate if there are several owners or deductions in this column to determine the proportionate share of the eligible applicant's interest in the property.

(10) Special tax codes: Insert the special tax code as found in the MOD IV User Manual.

iii. Property classification summary:

(1) The summary of the several real property classes will be prepared on a separate listing and will facilitate the preparation of an accurate sales ratio card (Form SR-3A) for each taxing district.

(2) Note that classification 3 (Farm) is divided into two sub-classes. Class 3A (Regular) includes all farmland and farm improvements not assessed under the Farmland Assessment Act of 1964 (P.L. 1964, c. 48). Class 3B (Qualified) includes those lands that are assessed under the Farmland Assessment Act of 1964. Farms classified as 3B are subject to roll-back taxes in the event of a change in use.

iv. Assessor's affidavit—form and content:

(1) See N.J.S.A. 54:4-36 for the form of affidavit to be annexed to the tax list and duplicate.

(2) When a district-wide revaluation or reassessment is implemented, and the taxable valuations conform to the county percentage level established for such year, the assessor should affix to his or her assessment list and duplicate, the affidavit and additional statement required under N.J.S.A. 54:4-36(a) and (b), in order that the percentage level established for the taxable value of real property in the county be accepted as the common level for such year. (See N.J.S.A. 54:4-2.47.)

### SUBCHAPTER 3. PREPARATION AND FILING OF EXEMPT PROPERTY TAX LIST AND DUPLICATE

#### 18:12-3.1 Tax exempt list; format and contents

(a) Assessors are required to enter on the exempt property list and duplicate, in the form and content prescribed by the Director of the Division of Taxation, a description of all churches, cemeteries, public buildings, and other real property exempt from taxation with the owner's name and the value of such land and buildings.

(b) The size of the exempt property list and duplicate should be 14 inches x 17 inches or 8 ½ inches by 11 inches and consist of 14 line items per page.

1. Page headings:

i. Title: "EXEMPT PROPERTY LIST": An identical list shall also be prepared as the assessor's duplicate;

ii.-v. (No change.)

2. Column headings: The following headings shall appear on the exempt property list.

i. (No change.)

ii. Column 2—Block number, lot number, qualification code, and account number: Insert the block and lot number of the parcel and the qualification code if any. Qualification codes are shown on the exempt property tax list under the legend. Enter the account number, if used, in this column.

iii. Column 3—Name of facility: Insert building description code, property classification, land dimensions, acreage, and additional lots.

iv. Column 4—Owner's name: Insert the owner's full name and mailing address, the property location by street name and number, billing code, zoning, and the tax map page.

v. Column 5—Identification code: Use the code as shown in the New Jersey Property Tax System Legend by the Division of Taxation. Insert the two digits that denote ownership. Insert the two digits that denote the property purpose or use. Also, insert the three digits that denote specific description.

vi. Column 6—Statute under which exemption claimed: Assessors are required by N.J.S.A. 54:4-27 to state the reasons for exemption for each property to which a tax exemption is allowed. The statute under which an exemption is allowed can be found on Line 13 of a properly executed Initial Statement Form, Form I.S.

vii. Column 7—Filing date of statement: Insert the date on which the initial statement and/or further statement was filed with the assessor's office. A further statement, Form F.S., is required to be filed every third year following the filing of an initial statement to continue receiving the exemption. (See N.J.S.A. 54:4-4.4.)

viii. Column 8—Land value: Insert the true value of the land to which an exemption is granted. This value should be consistent with full values of other real property in the taxing district in the event the exemption is lost and the property is returned to taxable status.

ix. Column 9—Insert the true value of all buildings or improvements to which an exemption is granted.

x. Column 10—Total exempt value: Insert in this column the sum of column 5 and column 9. The total of all exempt property should agree with the total exempt property as shown in the table of aggregates that is

filed with the county board of taxation. The exempt property list should be produced in block and lot sequence together with an alphabetical list showing the owner of the exempt property. These lists should be inserted at the back of the tax list and duplicate.

#### SUBCHAPTER 4. REVALUATION OF REAL PROPERTY BY APPRAISAL FIRMS

##### 18:12-4.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

“Firm” means any individual, partnership, corporation, or other association contracting to perform a revaluation or to assist with a reassessment.

##### 18:12-4.2 Authority of the Director; approval of contracts

(a) The Director shall establish standards for use in the valuation and revaluation of real property for assessment purposes, and shall prescribe minimum qualifications for engaging in the business of providing such services to municipalities in this State.

(b) Prior to the execution of any contract, a municipality shall submit the contract to the Director for review. The Director shall make a determination within 30 days of submission for revaluation contracts and within 45 days of submission for reassessment contracts.

(c) No firm shall assign or transfer a contract or any interest therein without written permission from the municipality, surety company, county board of taxation, and the Director.

(d) (No change.)

##### 18:12-4.3 (Reserved)

##### 18:12-4.4 Appraisal firm: required information to be submitted

(a) An appraisal firm seeking approval from the Director to become a New Jersey revaluation firm shall submit the following information annually:

1. (No change.)
2. A list of municipalities both in and outside New Jersey where the revaluations were performed during the past five years;
3. (No change.)
4. A statement of whether any litigation involving the firm’s performance or revaluation contract occurred during the past five years, and a detailed explanation of the nature of such litigation and the results;
5. Any additional information the Director considers pertinent to determine whether the firm has adequate staff and resources to undertake a municipal valuation project;
6. A written statement asserting that the firm shall meet State and Federal requirements with respect to Equal Employment Opportunity laws and minimum wage rates;
7. The names and addresses of the firm’s parent corporation and subsidiaries, if any;
8. A copy of the appraisal license or certification for all principals of the firm and/or supervisors employed by the firm and who will be responsible for performing appraisals;
9. The nature and extent of professional appraisal work the firm has performed and the total number of staff currently employed and their titles;
10. A breakdown of general staff resources of the firm with regard to field/building enumerators and clerical office personnel; and
11. An indication that the firm is able to secure a surety bond for the completion of revaluation work performed under contract.

##### 18:12-4.5 Conflict of interest

(a) A contract submitted to the Director shall include the following provisions with respect to officers, stockholders, and employees of the firm:

1. No commissioner or employee of a county board of taxation within the county shall have any interest whatsoever, directly or indirectly, as an officer, stockholder, or employee, or in any other capacity of the firm.
2. (No change.)

##### 18:12-4.6 Appraisal firm; qualifications of principals and employees

(a) The principals of the firm and the employees of the firm directly engaged in municipal revaluation programs in this State shall meet the following minimum requirements:

1. (No change.)
2. Supervisors shall have four years of practical and extensive appraisal experience in the valuation of the particular type of properties for which they are responsible. Two years of this experience must be in mass appraisal and have occurred within the past five years;
3. Field personnel and/or data collectors shall have received 150 hours of in-service training pertaining to their particular phase of work and shall be generally aware of all other phases of the revaluation project before starting actual field work;
4. (No change.)
5. Resumes shall be submitted on behalf of principals and supervisors.

##### 18:12-4.7 Municipality; conditions to be met

(a) A municipality shall facilitate a firm’s performance of the revaluation by providing:

1. (No change.)
2. Official records and such other assistance required as an aid to the firm’s performance. However, this does not relieve the firm’s responsibility to field inspect all properties;
3. (No change.)
4. The mailing addresses of all property owners in the municipality to enable the revaluation firm to maintain a current mailing list. Informational letters mailed by the revaluation firm to property owners may require the signature of the assessor.

##### 18:12-4.8 Standards for revaluation

(a) Any firm engaged in the revaluation of all of the real property in a municipality shall comply with the standards and conditions set forth in this subchapter. The revaluation firm acts as the agent of the assessor and all determinations made by the firm shall be submitted to, and approved by, the assessor.

1. (No change.)
2. With regard to real property being constructed or altered, the firm shall determine the percentage of completion and the appraised value of said property as of October 1 of the pre-tax year.
- 3.-5. (No change.)
6. To facilitate the use of the approaches to value, the most recent edition of the Real Property Appraisal Manual for New Jersey Assessors shall be used for residential properties.
7. (No change.)
8. The real property identification material to be entered on property record cards shall include, but not necessarily be limited to, the following:
  - i.-ii. (No change.)
  - iii. Entries on the property record cards respecting the values of each lot and building including such items as age, construction, condition, depreciation, obsolescence, additions and deductions, appraised value, recent sales prices, rental data, and other pertinent information pertaining to the valuation of the property;
  - iv. Where more than one property card is required in the description of a property, all cards shall be assembled in a standard file folder and properly labeled;
  - v.-vi. (No change.)
9. The inspection of each property shall be performed in the following manner:
  - i.-v. (No change.)
  - vi. The assessor shall be notified in writing of each failure to gain entry to a property and a list of all non-entries and reasons for same shall be provided to the assessor prior to the mailing of values.
10. Every contract shall include the following items representing progress and control of operations:
  - i. (No change.)
  - ii. A requirement providing for the submission to the assessor of a work schedule or plan of operations;
  - iii. The firm shall provide written monthly progress reports to the assessor for review. The assessor shall forward the reports to the county

board of taxation. If the county board of taxation does not receive the required monthly progress report, it must notify in writing the Director of the Division of Taxation immediately;

iv. (No change.)

v. Any change in personnel shall be submitted in writing to the assessor and county board of taxation.

11. A provision committing the firm to conduct and/or assist the municipality in a program of taxpayer orientation and education regarding the revaluation program including, but not necessarily limited to, the following:

i.-ii. (No change.)

iii. Mailings approved by the assessor, at the firm’s expense to all property owners explaining the nature and purpose of the revaluation and setting forth a proposed date for the commencement of inspections in the municipality.

12. (No change.)

13. Following the formulation of land valuations, a land value map shall be prepared for the assessor’s review that will indicate all unit values and underlying data used to derive unit values.

14. The firm shall create a neighborhood map for the assessor that will indicate all neighborhoods and/or value control sectors in the municipality;

15.-16. (No change.)

17. The firm shall assist by providing expert witnesses in the defense of all valuations rendered to the municipality that are appealed to the county tax board. The firm’s obligation with respect to this requirement is limited to the initial appeal of an assessment filed during the year in which the revaluation is implemented or the following tax year. Such assistance shall include a qualified expert from the firm who is knowledgeable with regard to challenged assessments. In the event the municipality elects to utilize the defense services of the firm for appeals beyond the county board of taxation level and which are filed during the year in which the revaluation is implemented or the following tax year, an hourly rate for such services shall be set forth by the firm. Said hourly rate shall apply to services rendered by the firm in connection with preparation, reinspections, consultations, and actual appearances at appeal proceedings.

18:12-4.9 Taxpayer review procedure

(a) (No change.)

(b) The firm, at its expense, shall mail a written notice, approved by the assessor, indicating the appraised value of the property and advising the taxpayers of their right to attend an individual informal review.

(c) Informal reviews shall be held at a designated location within the municipality and shall be scheduled so as to allow the firm sufficient time to fully review and discuss the proposed assessment with the taxpayer as follows:

1.-2. (No change.)

3. A written record of each review shall be provided to the assessor in a format approved by the assessor;

4. Suggested revisions by the firm resulting from the taxpayers’ reviews shall be made with the consent of the assessor; and

5. (No change.)

18:12-4.10 Surety and insurance

(a) Prior to the commencement of a contract, the firm shall provide assurance that the municipality will be adequately protected and held harmless from any lawsuit, litigation, demand, or claim arising out of the revaluation contract. In support of the foregoing, and in addition to all indemnification and other coverages required by law, the firm shall provide the following:

1.-2. (No change.)

3. A performance surety bond in the amount of the contract, executed by a reputable bonding company authorized to do business in this State, subject to reduction to 10 percent of the contract amount upon acceptance of the completed revaluation by the assessor. Said reduced amount shall remain in effect until the firm has discharged all obligations respecting the defense of the contract; and

4. (No change.)

18:12-4.11 Delivery and summary

(a) A firm shall provide the assessor with completed property record cards filed in sequence by block and lot numbers for all taxable and exempt properties or in a digital format as determined by the municipality. All supporting data, documentation, and special procedures used in deriving values shall also be provided to the assessor.

(b) A firm shall make available qualified personnel for the purpose of giving full explanation and instructions to the assessor and his or her staff with regard to all materials submitted in all phases of the final revaluation.

(c) A file containing the new values must be provided by the revaluation firm to the assessor in a format and medium consistent with the current New Jersey Property Tax System.

SUBCHAPTER 10. REAL PROPERTY DEFINED

18:12-10.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context indicates otherwise:

...  
 “Machinery, apparatus, or equipment” means any machine, device, mechanism, instrument, tool, tank, or item of tangible personal property used or held for use in business. The term includes, but is not limited to, that machinery, apparatus, or equipment described in N.J.A.C. 18:24-4.2. The term also includes machinery, apparatus, or equipment directly used in the production or sale of gas, water, steam, electricity, or telecommunications services and such items directly used in the production of property on farms as defined in N.J.S.A. 54:32B-8.16.

...  
 “Production process” means the process of commencing with the introduction of raw materials or components into a systematic series of manufacturing, assembling, refining, or processing operations and ceasing when the product is in the form in which it will be sold to the ultimate consumer.

“Structure” means any assemblage of building or construction materials fixed in place for the primary purpose of supporting, sheltering, containing, or enclosing persons or property. The term “structure” does not include machinery, apparatus, or equipment that the structure is designed to hold in place, shelter, contain, or enclose.

“Used or held for use in business” means any item of machinery, apparatus, or equipment used or held for use in business transaction, activity, or occupation conducted for profit in New Jersey.

18:12-10.2 Real and personal property subject to the local property tax

(a)-(b) (No change.)

(c) Based on the criteria set forth in (b) above:

1. Machinery, apparatus, or equipment used or held for use in business constitutes real property subject to local property taxation only if either the machinery, apparatus, or equipment is a structure, or the machinery, apparatus, or equipment’s primary purpose is to enable a structure to support, shelter, contain, enclose, or house persons or property. However, pipe racks, piping, and electrical wiring up to the point of connections with the machinery, apparatus, or equipment of a production process meet the requirements of (b) above, and are subject to local property taxation as real property; and

2. (No change.)

(d) Personal property subject to local property taxation includes only:

1. (No change.)

2. Tangible goods and chattels, exclusive of inventories, used in the business of local exchange telephone, telegraph, and messenger systems, companies, corporations, or associations that were subject to tax as of April 1, 1997, under P.L. 1940, c.4 (N.J.S.A. 54:30A-16 et seq.), as amended, now repealed. A local exchange telephone company means a telecommunications carrier providing dial tone and access to 51 percent of a local telephone exchange as of January 1 of the pre-tax year.

(e) Notwithstanding the provisions of N.J.S.A. 54:4-1, an outdoor advertising sign required to be permitted pursuant to the Road Sign Control and Outdoor Advertising Act (N.J.S.A. 27:5-5 et seq.), the sign’s supporting structure having the primary purpose of supporting the outdoor sign, its other constituent parts, and the foundation if any to

which the supporting structure is attached, are considered real property subject to local property taxation.

## OTHER AGENCIES

### (a)

#### SOUTH JERSEY TRANSPORTATION AUTHORITY South Jersey Transportation Authority Rules of Operation

##### Adopted New Rules: N.J.A.C. 19:75

Proposed: July 3, 2017, at 49 N.J.R. 1843(a).

Adopted: November 15, 2017, by the South Jersey Transportation Authority, Stephen F. Dougherty, Executive Director.

Filed: December 18, 2017, as R.2018 d.038, **without change**.

Authority: N.J.S.A. 27:25A-7.q and 27:25A-22.a and c.

Effective Date: January 16, 2018.

Expiration Date: January 16, 2025.

##### Summary of Hearing Officer Recommendations and Agency Responses:

Public hearings on the proposal were held on July 31, 2017, in Hammonton, New Jersey and August 10, 2017, in Egg Harbor Township, New Jersey. Lauren R. Staiger, Esq., served as hearing officer. No comments were provided at the hearings, and no recommendations were made by the hearing officer. The record of the hearings may be reviewed by contacting the South Jersey Transportation Authority, PO Box 351, Hammonton, NJ 08037.

##### Summary of Public Comment and Agency Response:

**No comments were received.**

##### Federal Standards Statement

A Federal standards analysis is not required because the expired rules adopted as new rules with amendments and repeals are not subject to any Federal requirements or standards. The expired rules adopted as new rules with amendments and repeals are dictated by the statute that establishes the South Jersey Transportation Authority, N.J.S.A. 27:25A-1 et seq., and its purpose of coordination of the transportation systems of

South Jersey. At N.J.A.C. 19:75-1.1, the definition of a “bus” incorporates by reference the Federal Motor Carrier Safety Regulations, 49 CFR Part 571. The definition meets but does not exceed the Federal standards.

**Full text** of the expired rules adopted herein as new rules can be found in the New Jersey Administrative Code at N.J.A.C. 19:75-1.1.

**Full text** of the expired rules adopted herein as new rules with amendments and the new rules follows:

#### SUBCHAPTER 1. GENERAL PROVISIONS

##### 19:75-1.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

...

#### SUBCHAPTER 2. ROUTES OF TRAVEL

##### 19:75-2.1 Routes of travel to and from casino hotels, Atlantic City Convention Hall (Boardwalk facility), the Atlantic City Rail Terminal/the new Atlantic City Convention Center/Sheraton Hotel, Atlantic City International Airport, Authority approved bus parking facilities, major tourist destinations, and other major traffic generators

Buses traveling to and from a casino, Atlantic City Convention Hall (Boardwalk facility), the Atlantic City Rail Terminal, the New Atlantic City Center/Sheraton Hotel, Atlantic City International Airport, major tourist destinations, and other major traffic generators in Atlantic City shall be authorized to travel any route permitted under the traffic laws of the State and the City of Atlantic City.

#### SUBCHAPTER 3. APPLICATIONS, APPROVALS, AND FEES

##### 19:75-3.1 Approval required

(a) Buses may load or unload passengers at an Atlantic City casino at any location that is permitted under the laws of the City of Atlantic City.

(b) Buses may park at any location within Atlantic City as permitted by the laws of the municipality.