

Colts Neck Township Municipal Building

Cedar Drive, Colts Neck, New Jersey

124 Cedar Drive
Colts Neck, New Jersey 07722
Web: www.colts-neck.nj.us
E-mail: twpcn@optonline.net

Phone: (732) 462-5470
Fax: (732) 431-3173
TDD-TYY: (732) 462-6090

Annual Reassessments & the Impact on Property Taxes

FREQUENTLY ASKED QUESTIONS

The Township of Colts Neck is committed to providing clear and complete information regarding the reassessment process and its tax implications. The following will provide further clarification on the reassessment process and answer taxpayers frequently asked questions. We believe by keeping you informed of the methods and procedures will result in greater confidence of the system through public awareness and understanding. Our number one goal is to establish an assessment function focused on uniformity and accuracy. When the assessments are set to the same standard of value (market value) the property tax burden is distributed fairly and equitably in accordance with the Constitution of the State of New Jersey.

WHY DID MY PROPERTY TAXES INCREASE?

Answer: The recent increase in your property tax bill may be the result of an increased property assessment.

The Township of Colts Neck, required under New Jersey Public Law 2013 CH.15, the Real Property Assessment Demonstration Program, conducted an annual reassessment to appraise all real property within the taxing district according to its full and fair value. The purpose of a reassessment is to fairly distribute the tax burden among all property owners within the Township. The validity of the market value estimate depends on the collection of accurate data; this reassessment program is supported by an annual interior/exterior inspections cycle. These inspections will be spread-out over the next five years to ensure that all property record cards are accurate and up to date. All residents will receive advanced notification by mail, two weeks prior to the inspection. We ask all residents to cooperate with the inspection process and to be advised, the field inspectors who conduct the inspections do not determine the final assessment.

Please keep in mind that property taxes cannot be contested, as they are a result of the budget process. The assessed value can be appealed yearly, between November 15th (pre-tax year) and January 15th. For more information on the appeal process, please read further.

The Property Tax Procedure

- Value is determined as of October 1 of the pre-tax year for all real property within the Township of Colts Neck. The preliminary tax list is certified to the Monmouth County Board of Taxation on November 1st 2015.
- The Township along with the county governing bodies and the local school board make their respective budgets and hold public hearings. Anticipated revenue from various sources is subtracted from the budget and the amount remaining to be raised by a levy on real and personal property is reported to the County Board of Taxation.
- The Monmouth County Tax Board apportions the amount to be raised by property taxes to support the county government among the taxing districts in the county, then adds to the respective county portion the amount needed from property taxes to finance the municipal government and the school district, and divides the total levy by the assessed value of all taxable property to establish the local tax rate.
- The tax rates are reported to the municipality which collects the property tax for the county, the school district, and itself.
- The appropriate tax rate is multiplied by the assessment on each property to determine the taxes due for the current year.

WHY DID MY NEIGHBOR'S PROPERTY CHANGE AT A DIFFERENT PERCENTAGE?

Answer: Each property within the Township is unique and appreciates/depreciates at different rates. Depending on the precision of the assessed value prior to the reassessment, the overall value change can vary from neighbor to neighbor taking into consideration; location, interior/exterior condition & finish, overall building quality, square footage, style, age, lot size, etc. Generally, taxpayers of the most severely under assessed properties before a revaluation will pay a greater share of the tax burden after a revaluation. This means that their property taxes will increase even if operating costs remain the same. Likewise, taxpayers of the overvalued properties will pay a smaller share of the tax burden after the revaluation. This means their property taxes will decrease if the total amount to be raised from taxes remains the same. In reality, municipal, county and school budget costs generally increase each year. The rise can be attributed to inflation, the general increase of goods and services, and other economic factors.

WILL THIS TYPE OF CHANGE IN ASSESSMENT HAPPEN ANNUALLY?

Answer: Not likely. The change from a fractional assessment system to 100% of market value will only take place once. Moving forward, the expectation is the changes in your assessment will be marginal as market values change. True market value is fairly constant; a multiple years study is used to gauge market conditions to secure against general temporary inflation or deflation. Once a municipality has transitioned to market value, each year the Assessor by law, must review each property and revise the assessment, both up and down, in accordance with market value evidence, so that the assessment is set equal to the current market value. While the taxpayer will experience the initial shift from a "fractional assessment" to 100% of market value in a similar way that they experienced the implementation of a revaluation, moving forward all future annual changes are expected to be small. Annual assessment changes are expected to be in accordance with observed market value data. The Assessor under the Real Property Assessment Demonstration program must review and revise the assessment on an annual basis to maintain a 100% market value to assessment ratio.

WHY DID THE ALLOCATION OF MY LAND AND IMPROVEMENT VALUE CHANGE?

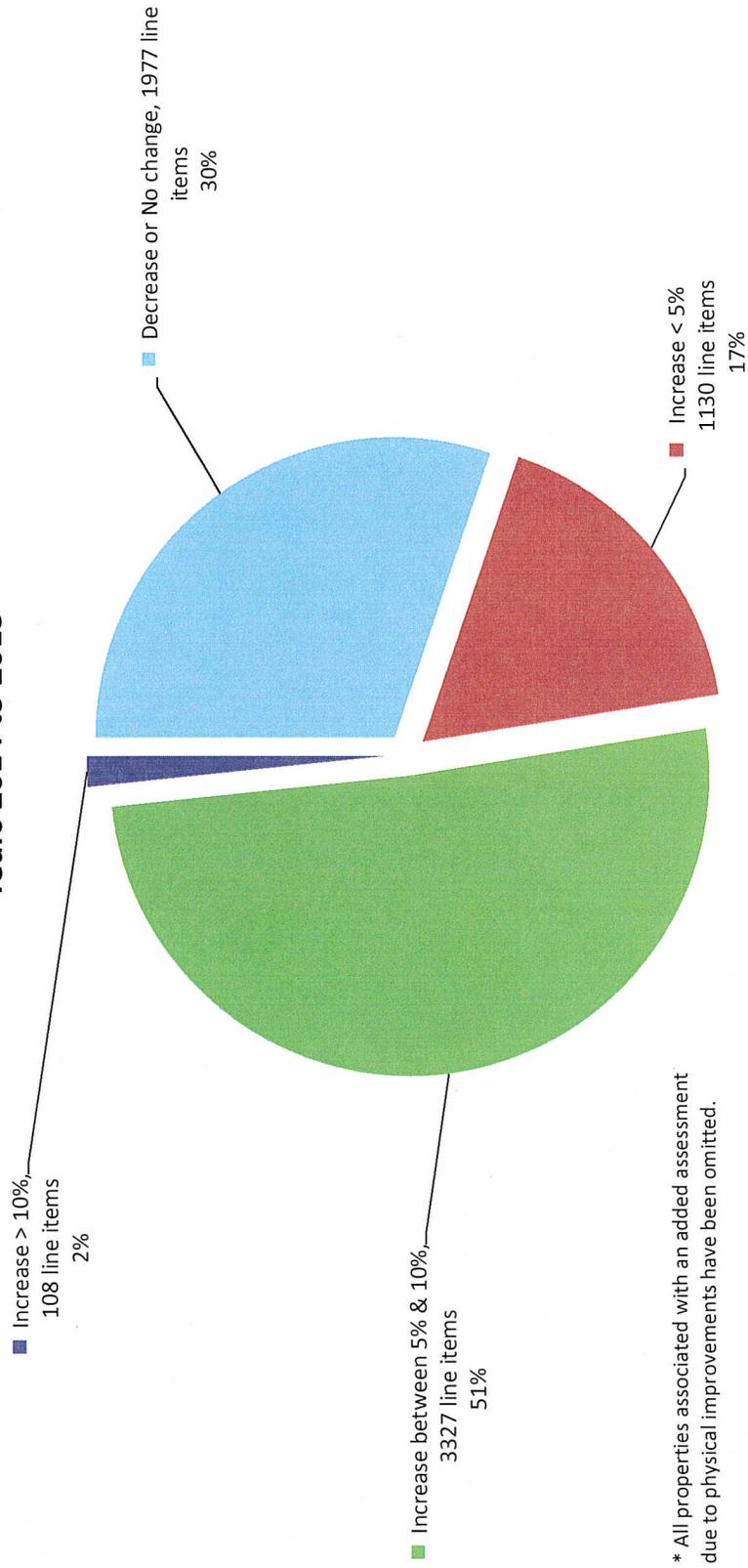
Answer: The allocation of land to building is an administrative process and may not accurately reflect the market value of the individual parts. As such, the subject's total value can be appealed and dictates the taxes for the year.

WHAT IF I DISAGREE WITH MY NEW ASSESSMENT?

Answer: First, contact the Assessor's Office at 732-462-5470 x113 to review your property record card for errors. If the record card is accurate and you disagree with the total assessment, you may file an appeal with the Monmouth County Tax Board. The time to appeal an assessment is between November 15th (pre-tax year) and January 15th, for properties with an assessed value over \$1,000,000 the deadline to appeal is May 1st of the tax year. For more information on how to appeal your assessment, please visit the Monmouth County Board of Taxation Online Appeal System at, secure.njappealonline.com and click on the- "Appeal Guide".

Please contact the Assessor's Office if you need further clarification on above or assistance on any property tax matter. I am available by email at wlaird@colts-neck.nj.us or by phone 732-462-5470 x113.

Colts Neck Assessment Changes Years 2014 to 2015



* All properties associated with an added assessment due to physical improvements have been omitted.