

Property Owners Sustained Material Depreciation Can Apply for Property Assessment Reduction

Ocean County property owners whose property suffered "material damage" may qualify for a reduction of their property assessment for 2013.

New Jersey Statute Annotated 54:4-35.1 defines material depreciation as "When any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, either intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty..."

Under normal circumstances, all properties are valued in the condition in which they existed on Oct. 1 of the pre-tax year, or as of Oct. 1, 2012, for the upcoming 2013 tax year. An exception to this law applies when a property suffers "material damage" such as a major fire or other significant damage after Oct. 1 and before Jan. 1. In such circumstances, the property owner would be required to notify the tax assessor of their town in writing, prior to Jan. 10, 2013, in order to receive an assessment adjustment.

However, in the case of this particular storm, the State of New Jersey has given assessors instructions to actively seek out property owners who may have difficulty providing this notice due to hardship associated with the storm. Written notice is still required, but in some cases the local assessor will be able to proactively identify eligible properties and apply an adjustment for those properties which may have been extensively damaged, left uninhabitable or totally destroyed. This is being done in recognition of the extreme hardship placed upon some property owners who have lost their homes or temporarily are unable to occupy their homes.

In Ocean County, assessors face a difficult task establishing which properties are damaged and to what extent they are damaged. Accordingly, it is important for any property owner who has suffered damage to write your assessor and include your name, address, phone number, block and lot, and the nature and extent of the damages. In addition, the "Material Depreciation Form" is available on our website at www.tax.ocean.nj.us.

If repair cost estimates and/or dated photos of the damage are available, please copy them so they may be included with your correspondence. You should do this as soon as possible and **no later than Jan. 10, 2013.**

If repairs are completed by Jan. 1, 2013, you do not need to contact the assessor, as no adjustment should be made under such a circumstance. However, if you will continue to have a significantly damaged property beyond Jan. 1, you should contact your assessor. There is no other way that any assessor can be certain that they have identified all of the significantly damaged properties in their towns. Residents should bear in mind that any property receiving a damage adjustment will be subject to an added assessment once the repairs are completed.

If you have any questions on this issue, you may contact your local tax assessor at your municipal offices. Information concerning the Ocean County Tax Assessors can be found at www.tax.co.ocean.nj.us. You also may contact the office of the Ocean County Tax Board telephoning (732) 929-2008 or emailing TaxAdministrator@co.ocean.nj.us.

ASSESSMENT REVIEW FORM - for Tax Year 2013
MATERIAL DAMAGE FROM STORM (Hurricane Sandy)

Owner's Name: _____ Town: _____
 Property Location: _____ Block: _____
 Daytime Phone: _____ Lot: _____
 Cell / Alt. Phone: _____ Qual: _____

*In accordance with Statute NJSA 54:4-35.1 dealing with Material Depreciation of Structure between October 1 and January 1, please complete this form and supply any supporting documentation concerning your property. This form must be returned to the Tax Assessor of your municipality by Friday, December 14, 2012. A copy of your PROPERTY RECORD CARD can be obtained from the Assessor in order for you to better describe any damage to your property. For the purpose of this form - **Property Damage** refers to damage to STRUCTURES that have been assessed. Tree damage and landscaping items are not considered in the assessment.*

1. **Property Type:** Residential _____ Commercial _____ Farm _____
 2. **Damage Source:** Flood _____ Wind _____ Tree / Debris _____
 3. **Buildings Affected:** Primary _____ Accessory _____
 4. **Damage Type:** External _____ Internal _____

5. **Damage Description:** _____
(Provide a brief description of the extent of the damage)

6. **Estimated Repair Cost (if known):** _____

7. **Cost Estimate Provided by:** _____

8. **Estimated Time to Complete:** _____

9. **Has Repair Work Been Started:** _____

10. **Have You Applied for FEMA Aid:** _____ **Amount Granted:** _____

11. **Have You Received Insurance Est.:** _____ **Amount Granted:** _____

12. **Supporting Docs Attached (List):** _____

(Provide any supporting documents relating to the damage, including insurance and/or construction estimates)

13. **Photographs Attached (# of Pics):** _____

14. **Other Comments / Considerations:** _____

Submission of this form does not automatically imply there will be a resulting change in your property assessment. Material Depreciation will be evaluated on a case by case basis. Repairs that have been principally completed by January 1st will not be considered for assessment reduction.

Any assessment reduction that may occur resulting from Storm Damage will take effect as of January 1, 2013. However, your 1st & 2nd quarter tax payments will remain as billed when you received your tax bill this past summer. Any resulting tax adjustment will not take effect until the 3rd quarter of 2013 (retroactive to January 1st.). Questions in this regard should be directed to the Municipal Tax Collector.

If an assessment reduction is granted due to material damage from the storm, the property will likely be subject to a future ADDED ASSESSMENT upon completion of the restoration work. The Added Assessment will be prorated beginning the 1st of the month following completion of the work. A separate Tax Bill is generated for Added Assessments in October.

Signature of Applicant: _____ **Date:** _____