
BISGAIER HOFF

Attorneys At Law A Limited Liability Company

Press Release

**Owners of Storm-Damaged Properties Can Reduce
2013 Real Property Taxes by Providing Notice to
the Assessor by January 9, 2013**

Many New Jersey properties suffered severe and even catastrophic damage as a result of Hurricane Sandy and the subsequent nor'easter which occurred in late October and early November of 2012. Owners of these properties should be aware that they can reduce their 2013 real property taxes as a result of such damage. However, to obtain this reduction, the property owner must provide notice of the damage to the municipal assessor by January 9, 2013.

As background, New Jersey annual property tax bills are determined based upon annual property assessments which reflect the fair market value of the property as of October 1st of the immediately preceding year. Thus, 2012 assessments reflect fair market value as of October 1, 2011 and the 2013 assessment will be based on value as of October 1, 2012. A little used state statute, however, N.J.S.A. 54:4-35.1, requires that a property be assessed as of January 1st of the tax year (three months after the normal valuation date), where the property's value was "materially depreciated" as the result of damage or alteration to a structure occurring between October 1st and the end of the year. Use of this later valuation date means that the tax bill will be based on a lower assessment reflecting the reduced value of the property caused by the damage. Use of a lower assessment will cause a proportional reduction in the annual tax bill.

To obtain the reduced assessment, the statute requires that the taxpayer notify the assessor of the damage or alteration prior to January 10th of the assessment year. If such notice is provided, the assessor must value the property as of January 1st rather than the preceding October 31st.

Since damage from the recent storms occurred after October 1st, owners have the right to have the 2013 assessment date for impacted properties moved back from October 1, 2012 until January 1, 2013, in which case the assessment will reflect the diminution in value caused by the storm damage. To obtain the lower assessment, taxpayers must notify the municipal assessor of the damage on or before **January 9**,

News from Bisgaier Hoff, LLC

2013. If notice is not provided by that date, the 2013 tax assessment for the property will reflect the normal October 1, 2012 pre-storm valuation date.

Note that the procedure for obtaining the reduced assessment described above is not limited to properties which suffered storm damage. It is available in any situation where the value of a property is reduced based on damage or alteration to a structure between October 1st and December 31st of any year. It can be utilized even if the alteration was intentional, such as where a property owner has a structure demolished during the last three months of a year. For more information, contact David Oberlander, Esq. of Bisgaier Hoff, LLC.

About Bisgaier Hoff, LLC

Bisgaier Hoff, LLC is a full-service real estate, land use, construction and commercial litigation law practice specializing in the representation of residential and commercial clients in all phases of development, redevelopment and construction. To learn more about Bisgaier Hoff, LLC, please visit our website: [Bisgaier Hoff, LLC](#)

ADVERTISEMENT: The Bisgaier Hoff newsletter is intended to provide general information about the firm and current events/issues pertaining to land use and the construction industry. However, portions of this newsletter may be considered advertising under the rules of some courts. As such, please note that, before choosing an attorney, you should give the matter careful thought and consideration as the selection of an attorney is an important decision. If you have questions or concerns about attorney advertising, you may contact the Committee on Attorney Advertising at Hughes Justice Complex, P.O. Box 037, Trenton, New Jersey 08625. If you would like to opt-out of receiving future newsletters from Bisgaier Hoff, LLC, you may do so by following the link below.