

New Jersey Property Tax Information for Hurricane Sandy – Effect on Property Assessment

Under normal circumstances, New Jersey law provides that property is to be assessed based on its condition on October 1st of the year prior to the tax year. However, an exception to the October 1st valuation date is triggered when, between October 2nd and December 31st any building or other structure that has been “materially depreciated, either intentionally or by the action of storm, fire, tornado, or earthquake or other casualty, which depreciation of value occurred after October 1st in any year and before January 1st of the following year.” In these circumstances, a January 1st date of value is used. However, the new date of value applies only if the property owner notifies the assessor of the damage prior to January 10th of the tax year [See N.J.S.A. 54:4-35.1].

Implications for property materially damaged by Hurricane Sandy: If your property has been materially damaged by the Hurricane, you may be able to obtain property tax relief until the property is restored. Because this storm occurred after October 1, **you must notify the assessor of the damage prior to January 10, 2013.** The assessor should then assess your property for the 2013 tax year at an amount reflecting its condition on January 1, 2013.

Note that once the property is restored, rebuilt, or a new building is constructed, the property should be re-assessed again to reflect the new improvements.

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