



REAL ESTATE TAX APPEAL SERVICES

Property taxes are a considerable business operating expense. Elevated or unfair property valuations increase tax liabilities. Often, commercial properties can be over-assessed resulting in excessive and unlawful taxes. Archer & Greiner's [Real Estate Tax Appeal Group](#) assists clients in monitoring and controlling their tax obligations through sophisticated and strategic representation to achieve tax savings. Our attorneys have achieved substantial tax savings for thousands of our corporate, business and residential clients, handling the litigation for all types of commercial, residential, industrial, and special property.

Attorneys in Archer's Real Estate Tax Appeal Group are well-versed in the complexities of property tax laws. We review individual strategies and issues in order to pursue tax reductions. We ensure that our clients pay only the amount in property taxes required by law through challenging assessments and pinpointing other tax-savings opportunities. We help non-profit clients obtain and retain their tax-exempt status and provide solutions that reduce liabilities to local taxing jurisdictions. We also have extensive experience in negotiating tax exemptions, abatements, and payments in lieu of taxes for qualifying projects.

Consideration of a variety of factors is needed in determining whether a tax appeal is warranted and the process can often be confusing. Prior to filing an assessment appeal, our attorneys undertake a thorough analysis of each matter and formulate a strategy that addresses not only the particular circumstances of each property, but also the objectives and needs of the client. Drawing on our vast experience, we offer clients a complimentary assessment review and a recommendation about whether an appeal is justified. In most cases, contingent fee arrangements are available so no legal fees are due unless we are successful in reducing taxes.

We have successfully represented clients in significant and diverse property tax cases involving billions of dollars of appraised valuation, including the following examples:

- Oil refinery assessment reduction from \$653 Million to \$340 Million
- Oil refinery assessment reduction from \$298 Million to \$85 Million
- Corporate headquarters assessed market value reduction from \$208 Million to \$151 Million
- Manufacturing facility assessment reduction from \$160 Million to \$110 Million
- Office assessment reduction from \$96 Million to \$58 Million
- Ski resort assessment reduction from \$69 Million to \$37 Million
- Chemical plant assessment reduction from \$29 Million to \$13.5 Million
- Assisted living facility assessment reduction from \$25 Million to \$12 Million
- Multi-family assessment reduction from \$68 Million to \$55 Million
- Office assessment reduction from \$19 Million to \$4.5 Million
- Vacant land assessment reduction from \$13 Million to \$7 Million

For more information or to arrange for a complimentary assessment review, please contact Jeffrey Gordon at 609-580-3713 or jgordon@archerlaw.com.



Utilizing Tax Abatement Programs. Attracting commercial, residential and industrial development to areas most in need of redevelopment or rehabilitation is often difficult so municipalities are increasingly utilizing New Jersey's Tax Abatement Programs, providing for Payments in Lieu of Taxes or "PILOTs" to help with community growth and progress in these areas. Under these PILOT programs, municipalities are authorized to grant developers exemptions from traditional property taxes for a set period of time to encourage them to make improvements to property, or to locate a project in a distressed or "blighted" area. Instead of property taxes, developers make an annual PILOT payment to the municipality. The PILOT payment is typically much less than traditional taxes, and is structured so that the municipality receives more of a benefit than it would from usual property taxes. Not only do these exemptions save a developer in real estate taxes, but they provide an increase in the fair market value of the property as a result of higher net operating income.

Long-term tax abatements (NJSA 40A:20-1) may last up to 30 years from completion of a project, are typically utilized for larger redevelopment projects, and require a municipality to declare an area as being in need of redevelopment. The PILOT is then set based on a percentage of project costs or revenue generated by the project, depending on the type of project. Short-term tax abatements (NJSA 40A:21-1) typically lasting five years are used to encourage rehabilitation of existing buildings and structures, but can also be used for larger scale new construction. The PILOT structure, again, greatly reduces the developer's tax burden, and results in significant savings over the term of the PILOT agreement. In determining whether to enter into an abatement agreement, it is important to consider, among other criteria, the type and size of the development, impact of local tax rate on the profitability of the project, and the fiscal benefit added to the community.

Farmland Roll-back Tax Appeal. The State Constitution permits the assessment of farmland at less than full market value. Qualifying property is assessed at its value as agricultural land and not on its full value at its highest and best use. Developers will often utilize farmland assessment to minimize property taxes on property held for future or phased development, until such time that the land is developed. When the agricultural activity ceases, the land is subject to roll-back taxes. These additional taxes equal the amount in property taxes the owner has saved because of the special farmland assessment during the current year and previous two years. Roll-back tax assessments are frequently calculated incorrectly resulting in higher assessments than the law requires. Roll-back assessments are initiated by a petition filed by the tax assessor. Taxpayers receiving any such assessments should immediately seek counsel to determine whether an appeal is warranted.

Non-residential Development Fee Appeals. The Non-Residential Development Fee supports the development of affordable housing throughout the state for low, moderate and middle income households. Non-residential developers must comply with the state Non-Residential Development Fee Program requiring a substantial fee to be paid to municipalities or the state for new non-residential construction. The fee is based upon the equalized assessed value on the land and improvements, and must be paid before a certificate of occupancy is issued. A developer who disputes the fees may file an appeal to have the fee reduced, or eliminated in certain instances. It is highly recommended that counsel be consulted whenever an estimated or final fee is imposed.



REAL ESTATE TAX APPEAL SERVICES

Our dedicated Real Estate Tax Appeal Group handles hundreds of appeals annually and includes four former New Jersey Tax Court Clerks, two former Certified Tax Assessors, and a commercial appraiser.

Jeffrey D. Gordon focuses his practice on the prosecution of complex real estate tax appeals for the owners of major commercial and industrial properties. He obtains tax exemptions for redevelopment projects and handles eminent domain cases. Mr. Gordon holds or has held positions as a Certified Tax Assessor, Chairman of the Taxation Section of the New Jersey Bar, Chairman of the State Bar's Property Tax Committee, IPT member, Affiliate Member of the Appraisal Institute, and a member of the New Jersey Supreme Court Committee on the Tax Court. He is a former New Jersey Tax Court law clerk to Presiding Judge Michael A. Andrew, Jr., retired.

Jeffrey M. Gradone concentrates his practice in the prosecution of complex commercial and industrial real estate tax appeals in New Jersey, New York and other Mid-Atlantic and New England states. He handles appeals involving highly-specialized industrial properties, as well as environmentally contaminated properties. Mr. Gradone advises clients regarding property tax consequences associated with real estate acquisitions and development. He is Co-Chair of the NJSBA Property Tax Committee and a member of the Executive Committee of the Tax Section. He is a former law clerk to the Honorable Harold A. Kuskin of the New Jersey Tax Court.

David A. Schneider is an experienced trial lawyer and licensed Pennsylvania State Certified General Appraiser, the state's highest commercial appraiser designation. Mr. Schneider concentrates his practice on valuation related litigation, including complex real estate tax appeals for commercial and industrial property owners, eminent domain cases, and real estate tax exemption and tax immunity matters. Mr. Schneider is a former law clerk to Pennsylvania Superior Court Judge Ricard B. Klein, retired.

William J. O'Kane, Jr. is an accomplished trial lawyer. He has tried more than 25 cases to verdict. Mr. O'Kane earned the New Jersey Supreme Court's designation as a Certified Civil Trial Attorney, an honor granted to only 2% of attorneys practicing in the State of New Jersey.

Alex Paul Genato concentrates his practice in the areas of local property taxation, eminent domain, redevelopment, and state tax matters. He has extensive experience in the prosecution of complex commercial and industrial real estate tax appeals in states throughout the Mid-Atlantic Region. Mr. Genato advises clients regarding property tax issues, liabilities, exemptions, and farmland assessment qualification. Mr. Genato is a member of the New Jersey Supreme Court Committee on the Tax Court for the 2018-2020 term and has served as a Committee member since 2012. He is a former law clerk to the Honorable Vito L. Bianco of the New Jersey Tax Court.

William T. Rogers is experienced in all aspects of real estate tax appeal litigation. William represents private property owners at trial, motion practice and settlement in the prosecution and defense of property tax appeals, condemnation matters, municipal lien matters and other litigation, and has represented numerous government and public entities. He represents clients in a variety of industries and handles matters throughout New Jersey and New York. William is the Immediate Past President of the Garden State Bar Association.

Jennifer N. McCracken specializes in complex commercial and industrial property tax appeals and eminent domain litigation. Ms. McCracken advises clients on property tax issues, liabilities, and valuation at all stages of prosecution. Ms. McCracken was a law clerk for the Honorable Michael J. Gilmore of the Tax Court of New Jersey. She also served as a Law Clerk for the IRS Office of Chief Counsel in Philadelphia, where she was admitted to the Student Practice Program of the United States Tax Court.

Andrew T. Fede represents commercial and residential taxpayers in local property tax matters. He has served as a condemnation commissioner, including cases involving the valuation of property for construction for the George Washington Bridge. His experience includes other civil litigation and appellate work, and he has argued five times before New Jersey's Supreme Court.

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SAMPLE PROPERTY TYPES HANDLED

Residential/Commercial

Office
Retail
Apartments, condos & co-ops
Hotels & conference centers
Skilled nursing facilities
Assisted living facilities
Hospitals
Lab/R&D
Residential developments
Corporate headquarters
Data centers
Malls (super-regional to strip malls)
Bank branches
Restaurants

Industrial

Manufacturing
Warehouse/distribution
Oil refineries
Astro space plant
Pipelines
Steel mills
Power plants, including nuclear
Industrial headquarters
Chemical plants
Food processing
Extruding
Oil & LNG terminals
Lumber mills
Self-storage
Pollution control equipment

Special

Golf courses
Contaminated properties
Casinos
Amusement parks
Water parks
Ski resort
Flyers skate zones
4,000 ac. bombing range
Vacant land
Farmland
Wetlands
Armory
Prisons
Cell towers
Mines & quarries