



TAX APPEALS PRACTICE

ALERT

OPPORTUNITY IS KNOCKING TO REDUCE PROPERTY TAXES

**PROPERTY TAX RELIEF
MAKE THE MOST OF THE REAL ESTATE MARKET:
APPEAL INFLATED ASSESSMENTS**

In New Jersey, municipal real property tax assessments are subject to the state Constitution's uniformity clause. You may have an opportunity to reduce your property's tax burden, but you have to act now. Under New Jersey law, all properties are supposed to bear only their fair share of the tax burden based on a common method of valuation.

The recent economic crisis has created a downward trend in real estate values. Even though the federal economic stimulus package is now law, and interest rates are very low, the deepening recession and tight credit have had a deleterious effect on commercial and industrial property values, and rental rates.

While this environment may benefit a prospective tenant or buyer, property owners and existing tenants responsible for property taxes could be paying unfairly high property taxes. An unfair tax burden can be challenged by appealing a property's assessment. A successful appeal results in a reduced assessment and thus a reduced tax bill.

COMMERCIAL PROPERTY OWNERS NEED TO ACT NOW

Notification of 2009 tax assessments were mailed earlier this month. The deadline to file an application to contest an assessment is April 1, 2009. This deadline cannot be extended for any reason (except in extremely rare circumstances); therefore, appeals must be filed by that date.

We suggest that every owner of a substantial commercial, industrial or investment property in New Jersey evaluate his or her property's tax assessment annually to determine if an appeal is warranted. Lessees who are responsible for payment of real estate taxes, and contract purchasers committed to buying a property, also have standing to file an appeal. In addition to the cost savings, a property tax reduction makes a property more attractive to prospective purchasers.

If you own, lease or manage property in New Jersey, now is an ideal time to file a tax appeal. If your clients or business associates own, lease or manage property, urge them to contact our tax appeal lawyers.

Fox Rothschild has a statewide practice with offices in Atlantic City, Princeton and Roseland.

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