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Ask the Biz Brain

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My property value has decreased considerably, so how do I get my New Jersey property taxes lowered? They were assessed at the height of the real estate bubble.

-- RubenGood timing.

Taxes are set by town budgets and may increase despite a reduced assessment because government costs are rising, says Martin Allen, an attorney with DiFrancesco, Bateman in Warren. Allen says even if your home's value decreased, you may not receive a reduced assessment. Many towns haven't been revalued for years and those assessments are at a ratio far less than true value. By law, there's a margin of error that assessments may fall within and not be lowered, he says.

But, if you can prove your home falls outside that corridor, it's time to call your assessor. Assessors review records and some may reassess before year end, so make your move before the books close in early January. Allen says the assessor may make an adjustment and would rather make a change now than face tax appeals next year.

When you make your plea, show sales of comparable homes that sold before, but as close to Oct. 1, 2008 as possible. Unusual sales, such as foreclosures and post-divorce sales are not helpful. Also, do not try to compare your neighbor's assessment because it may be their assessment that's incorrect.

Comparable homes are best if they're in the same neighborhood with similar characteristics to your home, including outside measured size, number of bathrooms and bedrooms and similar features such a pool or finished basement.

Allen says you must allow the assessor to inspect your home. If you're unsuccessful, consider filing a tax appeal, for which the deadline is April 1, 2009, and call an experienced tax appeal attorney.

-- Karin Price Mueller



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