

Q&A

C. Justin McCarthy

Q: If my home or business was destroyed by Superstorm Sandy, am I entitled to any property tax relief?

A: In the aftermath of Superstorm Sandy, New Jersey law provides for potential property tax relief for properties that experience "material depreciation" between October 1 and January 1 for the subsequent tax year. The applicable statute is found at 54:4-35.1 and states the following:

"When any parcel of real property contains any building or other structure which has been destroyed, consumed by fire, demolished, or altered in such a way that its value has materially depreciated, either intentionally or by the action of storm, fire, cyclone, tornado, or earthquake, or other casualty, which depreciation of value occurred after October first in any year and before January first of the following year, the assessor shall, upon notice thereof being given to him by the property owner prior to January tenth of said year, and after examination and inquiry, determine the value of such parcel of real property as of said January first, and assess the same according to such value."

For example, storm Sandy caused severe damage to a home in Neptune New Jersey on October 29, 2012. Because this material depreciation took place between October 1, 2012 and January 1, 2013, the Neptune assessor, provided that notice from the property owner is provided by January 10, 2013, is then required by law to re-assess the value of the property as of January 1, 2013 and that new assessment shall be the basis for property tax payments in the 2013 year. It is important to note that in the event a homeowner/business owner repairs the damage caused by the storm prior to January 1, 2013, the assessor may not take the prior damage into account when revaluing the property for the 2013 tax year.



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