

INSTRUCTIONS TO TAXPAYER

1. TAXPAYERS REQUIRED TO FILE RETURN:

- a. Only local exchange telephone companies, and telegraph and messenger systems, companies, corporations and associations that were subject to tax as of April 1, 1997, under Chapter 4, Laws of 1940, as amended and owning tangible goods and chattels, exclusive of inventories, are required to file a return. (*Local exchange telephone company* means a telecommunications carrier providing dial tone and access to 51% of a local telephone exchange.)
- b. Taxpayers required to file this return must file a separate return in each municipality in which tangible personal property used in business, exclusive of inventories, was owned as of the assessment date.

2. DUE DATE FOR FILING RETURN FORMS:

The return form must be filed on or before September 1, 2016, with the assessor for the taxing district in which the business personal property is located.

3. DEPRECIATION:

- a. Except as may be otherwise provided by regulation, net value for depreciable personal property shall be the depreciated value of such property as reported to the Internal Revenue Service for federal income tax purposes in accordance with the Internal Revenue Code of 1986 and the rules and regulations promulgated thereunder, in effect on January 1, 2016, for the last complete reporting year immediately preceding the listing date, and adjusted to such listing date for additional depreciation, additions and disposals.
- b. If requested by the assessor, taxpayer must furnish depreciation schedule filed with the federal income tax return for the calendar year 2015 or for the latest fiscal year ended prior to January 1, 2016.

4. ADJUSTMENTS:

Any adjustments entered on line 4 of Schedule A must be fully explained in writing and attached to the return form.

5. PROPERTY FULLY DEPRECIATED:

Include in this item not less than 20 percent of original cost of tangible personal property used in business which had been fully depreciated but which, as of the assessment date, remained in use or was held for use.

6. GROUP AND COMPOSITE ACCOUNTS:

A taxpayer holding items of like property in more than one taxing district may apply to the Director of the Division of Taxation for permission to report net value on the basis of average valuations of such property in group or composite accounts. He must show that it is impractical to report separately with respect to each item.

7. PERSONAL LIABILITY OF OWNERS OF TANGIBLE PERSONAL PROPERTY USED IN BUSINESS FOR TAX:

The person owning tangible personal property used in business is personally liable for the tax due thereon [N.J.S.A. 54:4-2.47(b)].

8. TAXABLE SITUS:

Tangible personal property used in business and subject to taxation is assessable and taxable in the taxing district where such property is "found" [N.J.S.A. 54:4-2.47(b)]. As a general rule, property is "found" in the taxing district where it has acquired a permanent location. This is a question of fact which must be resolved by consideration of all the circumstances in the particular case.

9. PENALTIES:

If any taxpayer shall refuse or neglect to file a return as required by section 54:4-2.48 of the Revised Statutes, the assessor shall value the taxable personal property of such taxpayer at such amount as he may, from any information in his possession or available to him, reasonably determine to be the taxable value at which such property is assessable. Any taxpayer who fails or neglects to file a return within the time required shall be assessed a penalty of \$100 for each day of such delinquency, but not in excess of the greater of \$100 or 25% of the tax. All penalties shall be added to and become part of the tax and shall be enforceable and collectible in the same manner as the tax or pursuant to the penalty enforcement law (Chapter 58 of Title 2A of the New Jersey Statutes) in a summary manner. Such penalties shall be assessed by the assessor and be payable to and recoverable by the tax collector of the taxing district. The assessor, upon request made on or before the last date for filing any return as fixed by law, may extend the time to file such return to a date not later than the end of a two-month period next following such last date for filing, for good cause shown. (N.J.S.A. 54:4-2.49).

INSTRUCTIONS TO ASSESSOR

- A. For those taxing districts which shall have completed and put into operation for the tax year 2017 a district-wide adjustment of real property taxable valuations to conform to the percentage level, established for expressing the taxable value of real property in the county, and if a statement to such effect has been included by the assessor in the affidavit prescribed by section 54:4-36 of the Revised Statutes, the average ratio to be entered in line 2, Schedule B shall be the same level as is established for the taxable value of real property in the county aka the county percentage level (currently 100% in all counties).
- B. For those taxing districts not meeting the requirements set forth in paragraph A above for the tax year, 2017 there shall be entered in line 2, Schedule B, the lower of the 2016 county percentage level (100%) or the average ratio of assessed to true value of real property in the taxing district promulgated by the Director of the Division of Taxation as of October 1, 2016, for State school aid purposes pursuant to C.86, P.L. 1954 (N.J.S.A. 54:1-35.1 et seq.). **If the Director's 2016 average ratio is the lower, it shall not be rounded off but shall be used exactly as published by the Director.**