March 25, 2020

Tax Appeals, Residential Evictions, Postponed Due to COVID-19

Tax Appeal Deadlines Extended

The Supreme Court of New Jersey has extended the filing deadlines for tax appeals, based upon its finding that the national state of emergency and the State of Emergency and Public Health Emergency declared by Governor Murphy in Executive Order 103 in connection with the COVID-19 public health crisis have resulted in "corporate and residential taxpayers [being] severely disrupted in their ability to meet filing deadlines in property tax appeals before the County Boards of Taxation and the New Jersey Tax Court."

Based on its finding due to the COVID-19 public health crisis, the Supreme Court, by Order entered on March 19, extended the filing deadlines to the later of (a) May 1, 2020, or (b) 30 days following a determination by the Governor that the State of Emergency declared under Executive Order 103 has ended.

Without this extension, the statutory filing deadlines and rules controlled. The statutory filing deadline for property assessment appeals for properties in non-revaluation districts for 2020 is April 1. For properties in revaluation districts the statutory deadline is May 1. Taxpayers with property assessments in excess of $1 million may file directly with the Tax Court of New Jersey. Taxpayers with property assessments of $1 million or less have to file with the County Board of Taxation in the County in which the property is situate.

The Supreme Court's Order also addresses appeals of actions of the Director of the Division of Taxation or the Division itself in connection with other taxes, such as sales and use, income, and corporate business taxes, which require appeals from actions by the Director or the Division to be filed within 90 days after said action. In those cases, the deadline for filing appeals of such actions are likewise extended to the later of (a) May 1, 2020, or (b) 30 days following a determination by the Governor that the State of Emergency declared under Executive Order 103 has ended.

Moratorium on Residential Eviction

In Executive Order 106, also promulgated on March 19, Governor Murphy found that "many New Jerseyans are or will be experiencing substantial loss of income as a result of business closures, reduction in hours, or layoffs related to COVID-19, impeding their ability to keep current on rent and mortgage payments." He also determined that "housing and stability are important to public health." Therefore, he placed a moratorium on the eviction of a homeowner or other person from a residential property as a result of an eviction or foreclosure proceeding. The moratorium took place immediately and will remain in effect for no longer than two months following the end of the Public Health Emergency or the State of Emergency established by Executive Order 103, whichever is later. Executive Order 106 does not prohibit the initiation of eviction or foreclosure proceedings during the time Executive Order 106 is in effect, but the enforcement of all "judgments for possession, warrants of removal, and writs of possession, shall be stayed while this Order is in effect, unless the court determines on its own motion or motion of the parties that enforcement is necessary in the interest of justice." The Order does not affect any scheduling or payment of rent which is due, or any other contractual provisions, such as landlord or lender's rights to pursue personal guarantees and security deposits.

For more Day Pitney alerts and articles related to the impact of COVID-19, as well as information from other reliable sources, please visit our COVID-19 Resource Center.

COVID-19 DISCLAIMER: As you are aware, as a result of the COVID-19 pandemic, things are changing quickly and the effect, enforceability and interpretation of laws may be affected by future events. The material set forth in this document is not an unequivocal statement of law, but instead represents our best interpretation of where things stand as of the date of first publication. We have not attempted to address the potential impacts of all local, state and federal orders that may have been issued in response to the COVID-19 pandemic.

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