

January 21st 2011

To: Mayor and Borough Council.

From: Therese dePierro, Certified Tax Assessor.

2010 Tax Assessors Office Annual Report

The ratable base declined from \$2,062,790.700 to \$2,058,322,500 from 2010 to 2011, a decrease of \$4,468,200. That equates to \$75,244.49 in tax dollars. The decline is due to current market conditions.

We had thirty four County Tax Appeals in 2010. Seven were withdrawn, one was dismissed, thirteen had stipulations, five were judgments and the rest were upheld. There was a total loss of \$1,323,600 in assessed value which equates to \$22,289.42 in tax dollars (which reflects a loss of about 4.92% of total ratable base under appeal).

We had Forty Five State Tax Appeals, and eighteen are still pending. 2010 was a loss of \$3,760,400 assessed value. That equates to \$63,325.14 in tax dollars (which reflects a total loss of about 3.40% of the total ratable base under appeal). The loss was minimized by trying to have appeals withdrawn for prior years or step down the reductions. There were two withdrawn in 2008, seven withdrawn in 2009 and one dismissed, and four withdrawn in 2010.

The outlook for tax appeals this year is not good. Due to market conditions, we have seen a number of sales below assessment levels. The deadline for filing tax appeals is April 1, 2011. At that time, we'll have a better idea as to our potential ratable losses.

The unstable real estate market will continue to have consequences on our ratable base but we will continue to settle cases which will favor the Borough and minimize loss as best we can.