Bond Case Briefs

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TAX - NEW JERSEY

MT Freehold BPE LLC v. Township of Freehold

Tax Court of New Jersey - February 27, 2026 - N.J.Tax - 2023 WL 12256191

Property owners brought action against township, challenging local property tax assessments on multiple commercial properties. Township moved to dismiss, contending that owners responses to assessor's requests for income information were false under statute requiring owners of income-producing property to provide income and expense data to tax assessors.

The Tax Court held that:

- As an issue of first impression, term "false," for purposes of statute requiring owners of income-producing property to provide income and expense data to tax assessors, implicates a deliberate intent to falsify or misreport information, i.e., with knowledge of the same, and
- Owners' responses to assessor's request for income information were not "false" under statute requiring owners of income-producing property to provide income and expense data to tax assessors.

For purposes of statute requiring owners of income-producing property to provide income and expense data to tax assessors, which provides that if owner fails to respond, or renders a false or fraudulent account, then assessor shall value property at such amount as he may, from any information in his possession or available to him, reasonably determine to be the full and fair value, word "true" connotes/means a good faith response, which is full, direct, and honest without evasion or fraud, and without suppression, misrepresentation or concealment of facts with which the proponent of the question ought to be made acquainted; it follows that "false" should be construed to mean intentionally or wilfully untrue.

For purposes of statute requiring owners of income-producing property to provide income and expense data to tax assessors, even in a non-response situation which deprives the assessor of the most current income and expense information available for use in setting an assessment, the unavailability of that information does not affect an assessor's ability to assess a property; this is because statute authorizes assessor to reasonably determine full and fair value of real property at issue from any information that is available to or in possession of assessor and set assessment accordingly.

Term "false," for purposes of statute requiring owners of income-producing property to provide income and expense data to tax assessors, which provides that if owner fails to respond, or renders a false or fraudulent account, then assessor shall value property at such amount as he may, from any information in his possession or available to him, implicates a deliberate intent to falsify or misreport information, i.e., with knowledge of the same.

Property owners' failure to multiply monthly gross base rental income by 12 and input that amount on each statement accompanying tax assessor's request for income information was an unintentional, inadvertent mistake, and thus owners' responses to assessor's request were not "false" under statute requiring owners of income-producing property to provide income and expense data to tax assessors; while mistake did underreport properties' gross annual base rental income, owners did not omit reporting income on properties, rather, they mistakenly inputted their monthly income, not annual, inputted amount was full and true, and owners accurately reported rentable area of properties and provided all information required under schedule, none of which was disputed or alleged to be false.