



Date: September 19, 2016

To: Members, Assembly State & Local Government Committee

From: Neil Eicher, Vice President, Government Relations & Policy

Cc: Jillian Lynch, Committee Aide, Assembly Democratic Office
Matthew Gould, Committee Aide, Assembly Republican Office
Cindy Lombardi Hespe, OLS Aide, Office of Legislative Services

Re: **A-3888 – Prohibits certain third-party property tax appeals.**

On behalf of the New Jersey Hospital Association and its over 400 members, we write to express our strong support for **A-3888**, sponsored by Assemblyman Reed Gusciora (D-Trenton), which would address third-party property tax appeals.

This legislation would protect taxpayers and municipalities by prohibiting a third party from filing a property tax appeal with respect to the property of others. As you may know, current law allows any property taxpayer to challenge the assessment or exempt status of any other property in the county, in addition to their own. The sponsor's stated intention is to reduce the number of costly tax appeals and bring certainty to local government finances, as local government representatives are best suited to challenge assessments or the exempt status of a property.

The New Jersey Hospital Association supports this common sense reform that will bring stability to municipalities, property taxpayers, and property tax exempt organizations. Since the sweeping decision issued last June by a New Jersey tax court that Morristown Medical Center was not entitled to tax exemption on nearly all of its property, municipalities and their nonprofit hospitals have been left with extreme uncertainty. The result has been a slew of property tax lawsuits across the state, pitting local governments against the hospitals that serve their residents.

While NJHA continues to seek a permanent legislative solution to the broader property tax issue affecting hospitals, the urgent need to prevent third parties from interposing is an important step that has gained broad support. Protecting municipalities and nonprofit hospitals from third-party challenges to mutually beneficial assessments and agreements is paramount to rebuilding the cooperation and fiscal certainty that is needed.

We urge you to support this important piece of legislation. Thank you for your time and consideration. Please do not hesitate to contact us at (609) 275-4251.