

TAX COURT OF NEW JERSEY



ANNUAL REPORT OF THE PRESIDING JUDGE OF THE TAX COURT OF NEW JERSEY JULY 1, 2013 - JUNE 30, 2014

The Tax Court of New Jersey
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I.

INTRODUCTION

During the 2013-2014 court year, 18,962 Complaints were docketed in the Tax Court of New Jersey. An additional approximately 925 Complaints were received by the Tax Court Clerk but not docketed as of the last day of the court year. Filings have decreased slightly as compared to the 2012-2013 court year and are expected to continue to decline during the 2014-2015 court year for a variety of reasons. First, improvements in the national economy are having a positive effect on value for some types of real property, the core issue in the vast majority of cases before the court. Historically, as real property values stabilize and increase, Tax Court filings decline. We have already seen a decline in the number of appeals to the county boards of taxation for tax year 2014, which signals a possible decline in appeals from those tribunals to the Tax Court during the coming court year. In addition, an anticipated increase in Tax Court filings as the result of Super Storm Sandy during court year 2013-2014 did not materialize. Although the storm had widespread negative effects on real property values in many areas of the State, municipal tax assessors and the county boards of taxation were proactive in adjusting tax assessments to reflect the storm's impact. As a result, appeals to the Tax Court based on the diminution in real property values as a result of the storm were few in number. The court presently is managing less than 70 appeals designated by the parties as related to Super Storm Sandy.

During the 2013-2014 court year, the court disposed of 15,747 cases, or 2,625 cases per Judge, just 16 cases per Judge short of last year's record setting 2,641 cases per Judge. Our high disposition rate is due to effective case management by our Judges, and a streamlined process for docketing Complaints, memorializing settlements and issuing judgments. Judges and non-judicial staff, including the staff in the Tax Court Management Office, have made a

concerted effort to close cases with increased efficiency and speed while maintaining the accuracy that is essential to an effective system of taxation. On the last day of the court year, 47,209 cases were pending in the Tax Court, the highest number in the history of the Tax Court.

The court had two judicial vacancies for most of the 2013-2014 court year. In addition, for most of the court year three Tax Court Judges were assigned to other parts of the judicial system. On April 1, 2014, the Hon. Kathi F. Fiamingo, J.T.C., took the oath of office, filling the vacancy created by the retirement of Judge Menyuk in January 2013. By the end of the court year, Judge Fiamingo was assigned to the Newark Tax Court chambers and was handling a full caseload. Because of the timing of her appointment to the bench, Judge Fiamingo was not included in the per Judge disposition rate for the 2013-2014 court year. The vacancy created by the retirement of the Hon. Francine I. Axelrad, P.J.A.D., on September 1, 2013 was not filled as of the end of the court year. At the end of the court year, the seven Judges assigned to the Tax Court had caseloads averaging 6,750 cases each.

II.

THE COURT

The Tax Court was established on July 1, 1979 as a trial court with statewide jurisdiction to review State and local property tax assessments. Over the past thirty-five years, the court has disposed of over 330,000 cases. By publishing more than 1,250 of its opinions, the court has established a uniform and coherent framework for the resolution of tax disputes in New Jersey. The court's opinions, both published and unpublished, are available on the judiciary's website for a period of two weeks, after which they are collected by Rutgers-Camden Law School for inclusion in its free online library. The development of a body of legal precedents benefits the State and its taxpayers by facilitating the implementation of tax policy, as decided by our Legislature and Governor, and providing a reliable structure in which to resolve tax conflicts. In addition to deciding tax disputes, Tax Court Judges hear Superior

Court cases in which the Judges' expertise in taxation is desirable. Tax Court Judges have helped resolve complex issues relating to taxation and asset valuation in business, matrimonial, foreclosure, condemnation, and other cases.

There was one judicial vacancy on the Tax Court at the start of the 2013-2014 court year. On September 1, 2013, the Hon. Francine I. Axelrad, P.J.A.D., retired. Judge Axelrad held the position of Tax Court Judge, creating a second vacancy for the Tax Court.¹ On April 1, 2014, Judge Kathi F. Fiamingo took the oath of office as a Judge of the Tax Court. As a result, as of the last day of the 2013-2014 court year the court had one vacancy. In addition to the seven Judges assigned to the Tax Court, during most of the 2013-2014 court year one Tax Court Judge was assigned to the Superior Court, Appellate Division, and three Tax Court Judges were assigned to Superior Court trial divisions. In this way, the court contributed to the disposition of cases by the judiciary overall.

As of the last day of the court year, the seven Judges assigned to the Tax Court were: Presiding Judge Patrick DeAlmeida, Judge Vito L. Bianco, Judge Mala Sundar, Judge Joseph M. Andresini, Judge Christine M. Nugent, Judge Mary Siobhan Brennan, and Judge Kathi F. Fiamingo. The Judges maintained chambers and heard cases in Hackensack (Judge Andresini), Newark (Judge Nugent, Judge Brennan, and Judge Fiamingo), Morristown (Judge Bianco), and Trenton (Presiding Judge DeAlmeida and Judge Sundar). Each Judge is designated to hear local property tax cases from specific geographic areas. These cases are assigned according to the location of the property at issue. Cases concerning State taxes are individually assigned by the Presiding Judge.

Table 1 categorizes filings and dispositions for the 2013-2014 court year. The analysis represents Tax Court cases only and does not include Superior Court cases or miscellaneous

¹ Judge Axelrad is serving on recall in the Superior Court, Chancery Division, Family Part, Camden Vicinage.

tax applications handled by Tax Court Judges. An examination of the table shows that the vast majority of the court's cases, 99%, involve local property tax. The remaining 1% of cases concern assessments by the Director, Division of Taxation, of State taxes, such as gross income tax, corporation business tax, sales and use tax, transfer inheritance tax, as well as other taxes, homestead rebate cases, and challenges to equalization tables and school aid ratios. Although small in number, these cases tend to be complicated and often involve complex legal questions that require significant judicial resources.

TABLE 1
TAX COURT OF NEW JERSEY
CATEGORIES OF CASES FILED
COURT YEAR 2013-2014

A. Cases filed by general category		
Local property tax cases	99%	18,554
State tax and Equalization Table cases	1%	257
Total	100%	18,811
B. Local property tax cases filed during the court year		
Regular cases	56%	10,480
Small claims cases	44%	8,074
Total	100%	18,554
C. State tax and Equalization Table cases filed during the court year		
State tax cases (other than Homestead Rebate & related cases)	82%	212
Homestead rebate & related cases	16%	40
Equalization Table cases	2%	5
Total	100%	257

More detailed Tax Court statistics for the 2013-2014 court year can be found in the Appendix.

III.

THE TAX COURT MANAGEMENT OFFICE

The Tax Court Management Office is the administrative arm of the Tax Court. Cheryl A. Ryan has been the Clerk/Administrator since her appointment on October 1, 2005. This office provides the support services necessary for the efficient functioning of the court. Not only is the office responsible for case flow management, record keeping and case management functions necessary to move cases to disposition, but it also manages the resources needed to support the Tax Court Judges and support staff in four locations. Specifically, the Tax Court Management Office accepts papers for filing, assigns local property tax cases, prepares calendars and judgments, responds to attorney and litigant inquiries and provides procedural guidance.

During the court year, the office was comprised of two case management teams that were responsible for docketing, screening, data processing, calendaring, records management and administrative services. At various stages in the litigation process each team provides taxpayers, attorneys, and tax administrators with information about the filing of complaints, opinions of the court, judgments and other information regarding the review of state and local property tax assessments. The staff of the Tax Court Management Office also furnishes sample forms, court rules and pamphlets explaining Tax Court procedures.

The Tax Court continues to move forward with IT staff from the Administrative Office of the Courts in developing electronic filing, which will include electronic file jackets, and increased public access to Tax Court case information and documents. Our case types lend themselves well to electronic filing, given the data-intensive nature of most matters. We anticipate implementation of electronic filing prior to the tax year 2015 filing deadlines for the majority of our appeals. Judges, staff, the Supreme Court Committee on the Tax Court, and the Tax Court bar have been involved in the development process, as well as in identifying

changes to court rules that will be necessary to implement electronic filing. We anticipate increased efficiencies in docketing, noticing and the issuance of judgments once the electronic filing system is fully implemented.

In the meantime, the Tax Court Management Office has continued to improve its current case management system and case processing procedures by taking advantage of existing technology to manage cases and assist litigants. Enhancements include electronic transmission of documents and correspondence, streamlining procedures for processing complaints and judgments and expediting processing fees. Additionally, in preparation for electronic filing, our current case management system has been updated to incorporate requirements that will be necessary for implementation of the new system.

Various reports and information are available on the Tax Court website to provide timely and efficient service to litigants and the public. For example, the Tax Court provides reports on the judgments entered each month and new cases docketed. Other information available on the court's website includes: published and unpublished Tax Court opinions, notices regarding important changes to Tax Court policies, all state and local property Tax Court forms, the Rules of the Tax Court (Part VIII), a small claims handbook, the Tax Court's standard form interrogatories, as well as the Annual Reports of the Presiding Judge and the Biennial Reports of the Supreme Court Committee on the Tax Court. Links to access the State's twenty-one county boards of taxation are also available on-line.

IV.

CASELOAD

A.

FILINGS AND DISPOSITIONS

Table 2 in the Appendix (page a) summarizes the history of filings and dispositions of Tax Court cases since court year 1983-1984. At the beginning of the 2013-2014 court year,

the Tax Court had an inventory of 43,994 cases. Tax Court cases docketed during the court year totaled 18,811 and an additional 151 previously closed cases were reinstated. Thus, the aggregate total number of cases in inventory was 62,956. This figure does not include the additional approximately 925 complaints received but not docketed as of the last day of the court year. Dispositions for the court year totaled 15,747 cases, resulting in an inventory of 47,209 cases at the end of the court year.² Due to several years of increasing filings, the Tax Court Judges were not able to clear the calendar. However, the court accomplished a great deal by resolving approximately 36% of the caseload pending at the beginning of the court year and by issuing opinions in several notable cases described in detail later in this report. The inventory of cases at the close of the court year constitutes approximately three years of dispositions at the current rate of disposition. That is not consistent with our objective of closing standard track cases within eighteen months to two years after filing. As of the last day of the 2013-2014 court year, approximately 38% of the court's caseload was in "backlog" (cases over two years old). We find that this is an unacceptably high number, but one that can reasonably be expected given the increase in case filings since 2008, judicial vacancies, and the assignment of Tax Court Judges to other courts.

B.

PRODUCTIVITY

Table 3 in the Appendix (page b) indicates the number of dispositions per Tax Court Judge per year for the past fifteen years. Dispositions per judge in the past nine court years (2005-2006 through 2013-2014) have been greater than they have been in any other court year since the establishment of the Tax Court. The increase in the number of total dispositions, as well as dispositions per Judge, reflects the significant efforts of the Judges and the staff to

2. The figures do not include miscellaneous tax applications and Superior Court cases assigned to Tax Court Judges.

respond to challenges of an increasing caseload.

It should be noted that dispositions per Judge per year is not the sole measure of the quantity and quality of the court's work. The court has developed a significant body of law through published opinions reported in Volumes 1 to 28 of the New Jersey Tax Court Reports. The published opinions reflect a fraction of the written and oral opinions issued by Tax Court Judges during the 2013-2014 court year. A description of the most significant Tax Court opinions, as well as significant published opinions of appellate courts, follows.

C.

DECISIONS

1. SUPREME COURT OF THE UNITED STATES

During the 2013-2014 court year, one petition for certiorari was filed with the Supreme Court of the United States in a case that originated in the Tax Court. The petition was denied.

2. SUPREME COURT OF NEW JERSEY

During the 2013-2014 court year, five petitions for certification were filed with the Supreme Court of New Jersey in cases that originated in the Tax Court. During the court year, the Supreme Court denied seven petitions for certification and granted one petition for certification, some of which were filed during the prior court year. In one matter, certification was vacated as improvidently granted. The Court rendered two opinions in matters that originated in the Tax Court:

A. **Harlan W. Waksal v. Director, Division of Taxation**
215 N.J. 224 (2013)

Under the plain language of the Gross Income Tax Act, N.J.S.A. 54A:5-1(c), a worthless nonbusiness debt, in the form of an unpaid loan to the taxpayers' relative, does not constitute a sale, exchange or other disposition of property. As a result, the taxpayers may not, when calculating their taxable income, offset their capital gains from other sources by the amount of the worthless nonbusiness debt.

B. Advance Housing, Inc. v. Township of Teaneck
215 N.J. 549 (2013)

Property owned by a non-profit organization and used as housing for individuals with psychiatric disabilities qualifies for an exemption from local property taxes pursuant to N.J.S.A. 54:4-3.6. The fact that the organization does not require residents at the property to participate in counseling and other services offered by the organization does not vitiate the exemption.

3. SUPERIOR COURT, APPELLATE DIVISION

During the 2013-2014 court year, appeals from 33 Tax Court decisions were filed with the Superior Court, Appellate Division. Table 4 (page c) provides the number of Tax Court cases appealed to the Appellate Division over the past twenty-nine years. Table 5 (page d) shows the disposition of Tax Court cases by the Appellate Division during the 2013-2014 court year. Appellate Division opinions in appeals from Tax Court matters are published either in the New Jersey Superior Court Reports or the New Jersey Tax Court Reports. Significant published opinions issued by the Superior Court, Appellate Division during the 2013-2014 court year in cases that originated in the Tax Court included:

A. Atlantic City Showboat, Inc. v. Director, Division of Taxation

28 N.J. Tax ____, 2013 N.J. Tax LEXIS 25 (App. Div. 2013),
certif. denied, 217 N.J. 303 (2014)

The Tax Court correctly held that the amount charged by an electric public utility for the distribution of electricity to consumers through the local distribution infrastructure is subject to sales and use tax.

B. Waterside Villas Holdings, LLC v. Township of Monroe

434 N.J. Super. 275 (App. Div.), certif. denied, 217 N.J. 589 (2014)

A tax assessor's omission of a word from his statutorily required recitation of N.J.S.A. 54:4-34 in a request for income and expense information from the owner of income-producing property does not excuse the property owner's failure to respond to the request. As a result, the taxpayer's appeal of the assessment on its property is limited to a reasonableness hearing as outlined in Ocean Pines, Ltd v. Borough of Point Pleasant, 112 N.J. 1 (1988).

C. **BIS, LP, Inc. v. Director, Division of Taxation**
28 N.J. Tax __, 2014 N.J. Tax LEXIS 6 (App. Div. 2014)

The Director, Division of Taxation is required to refund to the taxpayer corporation business taxes paid on the taxpayer's behalf by a related entity, even though the taxpayer has insufficient nexus with New Jersey to be subject to taxation.

4. TAX COURT

Published Tax Court opinions are reported in the New Jersey Tax Court Reports. As of the date of this report, there are 27 complete volumes of the New Jersey Tax Court Reports and a 28th volume which is partially complete.

(1) LOCAL PROPERTY TAX CASES

The following published opinions of the Tax Court concerning local property taxes were among the most significant of the 2013-2014 court year:

A. **Paramus Associates, LLP/Home Depot USA, Inc. v. Borough of Paramus**
27 N.J. Tax 274 (Tax 2013)

A taxpayer that receives two separate requests from a tax assessor pursuant to N.J.S.A. 54:4-34 for income and expense information relating to separate parcels operating as a single economic unit subject to a single lease agreement satisfies the statute by providing a single response incorporating income and expense information about both parcels. As a result, the appeal-limitation provision of N.J.S.A. 54:4-34 was not triggered.

B. **90 Riverdale, LLC v. Borough of Riverdale**
27 N.J. Tax 328 (Tax 2013)

Both the appraisal expert of the taxpayer and the appraisal expert of the municipality failed to offer a credible opinion of the true market value of the subject property. The opinion of the taxpayer's expert was predicated on the removal of a large area of the second floor of the property, without substantiating the necessity or cost for the removal. The municipality's expert offered an opinion of value without reliable supporting analysis of market data.

C. **Orient Way Corp. v. Township of Lyndhurst**
27 N.J. Tax 361 (Tax 2013), aff'd, ___ N.J. Tax ___ (App. Div. 2014)

A taxpayer who assumed responsibility for the remediation of contaminated industrial property it intends to redevelop is not precluded from seeking a reduction in the assessed value of the property to account for the contamination. The incidental use of the property by an entity not responsible for the contamination, not related to the polluters of the property, and which does not contribute to the contamination while awaiting approval of a remediation plan does not preclude a reduction in the assessed value to account for anticipated remediation costs. In addition, a government-approved remediation plan is not a necessary predicate for the consideration of contamination when determining assessable value. Finally, an arm's length sale of contaminated property to a purchaser intending to remediate the property and aware of an estimate of remediation costs is credible evidence of the true market value of the property as contaminated.

D. **Victor Aliotta v. Township of Belleville**
27 N.J. Tax 419 (Tax 2013)

The subject property in this matter had multiple structures and uses. A residence, which was income-producing, occupied a portion of the property. The remainder of the parcel was used as a contractor's yard, which was leased to various commercial tenants to store, park, repair, and maintain commercial vehicles. In addition, two trailers and a Quonset hut were located on the property. The court determined that the trailers and Quonset hut were real property subject to local property taxes. The court applied the income approach to determine the true market value of the portion of the property used as a contractor's yard and to determine the value of the residence. The cost approach was used to determine the value of various structures on the property.

E. **Marina District Dev. Co, LLC v. City of Atlantic City**
27 N.J. Tax 469 (Tax 2013), appeal pending

The court adopted the income approach to determine the true market value of an Atlantic City casino hotel. The municipality's appraisal expert's averaging of the subject property's annual net income over a four-year period to determine the property's net operating income lacks credibility, as averaging does not reflect the expert's weighing of various factors having an impact on the subject property's future earning potential. In addition, the expert's failure to extract business value through application of a hypothetical management fee inflated the expert's opinion of the subject property's true market value. The opinion of value offered by the taxpayer's appraisal expert was credible and adopted by the court.

F. **510 Ryerson Road, Inc. v. Borough of Lincoln Park**
28 N.J. Tax ____, 2014 N.J. Tax LEXIS 13 (Tax 2014)

In a case in which a taxpayer's challenge to the assessment on real property has been limited under N.J.S.A. 54:4-34 to a reasonableness hearing pursuant to the holding in Ocean Pines Ltd v. Borough of Point Pleasant, 112 N.J. 1 (1988), the responses of other taxpayers to the tax assessor's request for income and expense information are within the scope of discovery. Nothing in the text of N.J.S.A. 54:4-34 renders such responses confidential. In addition, in Ocean Pines, the Court held that a taxpayer in these circumstances "shall be entitled to discovery of any information relied on by the assessor in arriving at the subject valuation." The court ordered the disclosure of the responses of other taxpayers to the assessor's requests for income and expense information. In addition, at the Ocean Pines hearing, the municipality established that the assessment on the subject property was reasonable.

(2) **STATE TAX CASES**

The following published opinions of the Tax Court concerning State taxes were among the most significant of the 2013-2014 court year:

A. **Robert Hill v. Director, Division of Taxation**
27 N.J. Tax 311 (Tax 2013), appeal pending

The Director, Division of Taxation was not estopped from recovering erroneously issued refund of gross income tax. Neither the Division's review of the taxpayer's income tax returns prior to issuing the refund nor alleged telephonic advice from a Division employee regarding the amount of tax due precluded recovery of the erroneous refund. The Director's recovery of the refund is not barred by the fact that under the laws of Pennsylvania, where plaintiffs live, any claim for a credit of taxes paid to New Jersey as a result of the recovery of the erroneous refund would be untimely.

B. **Ironbound Intermodal Industries, Inc. v. Director, Division of Taxation**
27 N.J. Tax 347 (Tax 2013)

Plaintiff's container storage services and chassis repair services provided at its three Newark facilities are exempt from sales and use tax based on the exemption in N.J.S.A. 54:32B-8.12. Plaintiff's places of business are marine terminal facilities within the meaning of the statute because plaintiff's services are necessary and convenient to the loading, uploading and handling of cargo at Port Newark and support the legislative purpose of the statutory exemption to assist in the expansion of the shipping industry in New Jersey and to remain competitive with nearby states.

C. **Village Super Market of PA, Inc. v. Director, Division of Taxation**
27 N.J. Tax 394 (Tax 2013), appeal pending

Plaintiff, a Pennsylvania corporation, has sufficient nexus with New Jersey to be subject to corporation business tax. Plaintiff's relationships with both its New Jersey limited partnership and its New Jersey parent corporation create nexus. The entities are in the same line of business, are parties to the same cash management agreement created under New Jersey law, have common agents, managers, officers and directors, and share the same principal place of business.

D. **J&J Snack Food Sales Corp. v. Director, Division of Taxation**
27 N.J. Tax 532 (Tax 2013), appeal pending

Plaintiff's purchase of parts used to make pretzel warmer/display cases are subject to sales and use tax, even where after assembly the cases are shipped to plaintiff's out-of-state customers. The cases are not part of the manufacturing process of the pretzels, plaintiff's primary business, and are not, therefore, exempt from tax. In addition, the Director, Division of Taxation is not estopped from assessing the tax by a prior audit determination that the purchases of parts are exempt. Prior decision was based on misinterpretation of legal precedents and plaintiff failed to establish detrimental reliance on prior erroneous exemption determination. Interest and penalties, however, were abated.

E. **Propark America New York, LLC v. City of Hoboken**
27 N.J. Tax 565 (Tax 2014)

Because the Legislature enacted the municipal parking tax statute without a provision for the refund of overpaid taxes, the city is not obligated to refund plaintiffs' voluntary overpayment resulting from plaintiffs' mistake of law. Absent specific legislative provisions regarding a refund, or legislative history indicating that refund authority was intended, the court finds no refund is due.

F. **Regent Corp. of Union, Inc. v. Director, Division of Taxation**
27 N.J. Tax 577 (Tax 2014)

The Director, Division of Taxation, validly exercised his statutory authority to interpret N.J.S.A. 54:10A-4(f), the investment company qualification provision, through his promulgation of N.J.A.C. 18:7-1.15. The regulation's three-prong business test is a reasonable interpretation of the statute and comports with legislative intent. The Director correctly concluded that the taxpayer's satisfaction of two of the three prongs of the test was insufficient to qualify for preferential tax treatment under the statute.

G. Estate of Lillian Garis Booth v. Director, Division of Taxation
27 N.J. Tax 600 (Tax 2014)

Director, Division of Taxation's disallowance of federally allowed marital deduction when computing New Jersey estate tax was proper. The Director is not bound by an Internal Revenue Service determination that a New Jersey resident decedent had a common-law marriage with a person who was paid by the decedent's estate to settle probate litigation in which common law spouse status was alleged. The Director would be bound by an IRS determination based on a court's legal and factual findings on the merits that a common-law marriage existed.

H. New Cingular Wireless PCS, LLC v. Director, Division of Taxation
28 N.J. Tax 1 (Tax 2014)

No reasonable basis exists for the Director, Division of Taxation's determination that plaintiff's deposit into an Escrow Account on behalf of its customers under the supervision of a federal court judge pursuant to a settlement agreement of federal class action claims does not constitute repayment of erroneously collected sales tax to plaintiff's customers pursuant to N.J.S.A. 54:32B-20(a). In addition, the court concludes that plaintiff's sales tax refund claim does not constitute a claim on behalf of a class prohibited by N.J.S.A. 54:49-14(c).

I. Andrew Gray, Executor Jochman Estate v. Director, Division of Taxation
28 N.J. Tax 28 (Tax 2014)

The Director, Division of Taxation erroneously included the value of a Qualified Personal Residence Trust and Grantor Retained Unitrust in decedent's estate when calculating inheritance tax. There is no basis to consider the trusts as transfers made in contemplation of death or to take effect at or after death.

J. Claudette Lugano v. Director, Division of Taxation
28 N.J. Tax 49 (Tax 2014), appeal pending

Plaintiff's registration as a domestic partner of decedent with the decedent's employer did not fulfill the statutory requirements of the New Jersey Domestic Partnership Act. Parties must register their domestic partnership with the appropriate government officials in accordance with the statute to qualify as domestic partners under New Jersey law. As a result, plaintiff is not entitled to exemption from transfer inheritance tax as a Class A beneficiary of decedent. In addition, benefits paid under the Federal Reserve Bank Pension system to plaintiff are not exempt from the tax.

V.

SUPREME COURT COMMITTEE ON THE TAX COURT

The Supreme Court Committee on the Tax Court is comprised of members of the bench and tax bar, as well as representatives of taxpayers' groups, local, county, and state tax administrators, and others concerned with the administration of New Jersey tax laws. The committee fulfills a vital role in its advisory capacity by developing and recommending rule changes affecting the operation of the court. The committee meets quarterly and will next issue a report in January 2016.

Respectfully submitted,

A handwritten signature in black ink, reading "Patrick DeAlmeida". The signature is written in a cursive style with a large initial "P".

Patrick DeAlmeida, P.J.T.C.

Dated: November 7, 2014

TABLE 2

THIRTY YEAR HISTORY OF TAX COURT FILINGS AND DISPOSITIONS

Year ended	Pending first day of period	Filings	Dispositions	Pending last day of period
6/30/84	**6,299	8,633	9,004	5,928
6/30/85	5,928	6,523	8,012	4,439
6/30/86	4,439	5,310	6,312	3,437
6/30/87	3,437	4,619	4,687	3,369
6/30/88	3,369	4,764	5,629	2,504
6/30/89	*2,532	6,570	4,627	4,475
6/30/90	4,475	7,901	5,262	7,114
6/30/91	7,114	11,371	6,026	12,459
6/30/92	*12,402	16,300	9,224	19,478
6/30/93	19,478	14,967	16,560	17,885
6/30/94	17,885	15,223	11,697	21,411
6/30/95	21,411	12,741	17,402	16,750
6/30/96	16,750	9,410	12,075	14,085
6/30/97	14,085	7,954	10,406	11,633
6/30/98	11,633	7,124	9,390	9,367
6/30/99	9,367	6,356	7,005	8,718
6/30/00	*9,069	5,386	6,702	7,753
6/30/01	7,753	4,815	4,515	8,053
6/30/02	8,053	5,952	5,932	8,073
6/30/03	8,073	6,639	5,444	9,268
6/30/04	9,268	8,105	5,973	11,400
6/30/05	11,400	7,332	6,719	*12,282
6/30/06	12,282	8,205	7,533	*13,120
6/30/07	13,120	10,759	8,283	*15,596
6/30/08	15,596	11,760	8,749	18,607
6/30/09	18,607	14,103	8,808	23,902
6/30/10	23,902	18,426	10,938	31,390
6/30/11	31,390	19,776	15,467	35,699
6/30/12	35,699	15,556	15,457	35,798
6/30/13	35,798	25,364	17,168	43,994
6/30/14	43,994	18,962	15,747	47,209

* Adjusted to reflect year-end physical case inventory.

** Beginning July 1, 1983, the Judiciary changed its court year to end June 30, instead of August 31.

TABLE 3

TAX COURT OF NEW JERSEY PRODUCTIVITY
DISPOSITIONS PER JUDGE 1999-2014

Year ended	Pending first day of period	Filings	Dispositions	Pending last day of period	# of Judges (full time equivalents)	Dispositions per Judge
6/30/99	9,367	6,356	7,005	8,718	6	1,168
6/30/00	*9,069	5,386	6,702	7,753	6	1,117
6/30/01	7,753	4,815	4,515	8,053	4 - Axelrad appointed to Appellate Division 6/2000; Andrew retired 10/2000	1,129
6/30/02	8,053	5,952	5,932	8,073	5 - Bianco appointed 8/2001	1,186
6/30/03	8,073	6,639	5,444	9,268	6 - Menyuk appointed 8/2002	907
6/30/04	9,268	8,105	5,973	11,400	7 - Hayser transferred to Tax Court	853
6/30/05	11,400	7,332	6,719	*12,282	7 - Kahn retired 6/2005	960
6/30/06	12,282	8,205	7,533	*13,120	6	1,256
6/30/07	13,120	10,759	8,283	*15,596	6	1,381
6/30/08	15,596	11,760	8,749	18,607	6.5 - DeAlmeida appointed 1/2008	1,346
6/30/09	18,607	14,103	8,808	23,902	7 - Kuskin retired 6/2009	1,258
6/30/10	23,902	18,426	10,938	31,390	6 - Small, Pizzuto retired 10/2009; Sundar appointed 7/2009; Andresini appointed 10/2009	1,823
6/30/11	31,390	19,776	15,467	35,699	6 - Hayser retired 10/2010; Nugent appointed 10/2010	2,578
6/30/12	35,699	15,556	15,457	35,798	6 - Brennan appointed 6/2012	2,576
6/30/13	35,798	25,364	17,168	43,994	6.5 - Menyuk retired 1/2013	2,641
6/30/14	43,994	18,962	15,747	47,209	6 - Fiamingo appointed 4/2014	2,625

* Adjusted to reflect year-end physical case inventory.

TABLE 4

TAX COURT CASES APPEALED TO THE APPELLATE DIVISION 1985-2014

Court Year	Number of Cases
1985-1986	51
1986-1987	49
1987-1988	48
1988-1989	44
1989-1990	32
1990-1991	40
1991-1992	49
1992-1993	43
1993-1994	67
1994-1995	84
1995-1996	79
1996-1997	53
1997-1998	71
1998-1999	58
1999-2000	45
2000-2001	35
2001-2002	41
2002-2003	50
2003-2004	34
2004-2005	41
2005-2006	46
2006-2007	38
2007-2008	46
2008-2009	33
2009-2010	47
2010-2011	27
2011-2012	29
2012-2013	36
2013-2014	33

TABLE 5

ACTIONS TAKEN BY APPELLATE DIVISION ON TAX COURT CASES
COURT YEAR 2013-2014

Action	Number of Cases
Affirmed	13
Dismissed	11
Reversed & Remanded	1
Reversed	1
Motion for leave to appeal denied	3
Total Dispositions	29

TABLE 6

TAX COURT CASES PENDING, FILED AND DISPOSED
COURT YEAR 2013-2014

	Local Property Tax	State Tax	Equalization & related cases	Totals
Cases pending as of first day of period	43,298	696	0	43,994
New cases filed during period	18,554	252	5	18,811
Reinstated	144	7	0	151
Subtotal	61,996	955	5	62,956
Cases disposed	15,432	310	5	15,747
Pending	46,564	645	0	47,209

TABLE 7

CHARACTER OF COMPLAINTS FILED
COURT YEAR 2013-2014

	FILED	REINSTATED
1. Local Property Tax		
Regular	10,480	104
Small Claims (1-4 family houses)	8,074	40
TOTAL	18,554	144
2. Other than Local Property Tax (STATE)		
Regular	156	4
Small Claims (homestead and related)	101	3
TOTAL	257	7
Grand Total	18,811	151

Type of State Tax

Corporation Business	31	1
Cigarette	18	
Docketed Judgment	1	
Estate Tax	5	
Gross Income	57	2
Homestead Rebate	18	1
Insurance Premiums	2	
Inheritance Tax	13	
Litter Control Tax	1	
Mansion Tax	1	
Miscellaneous	2	
NJ Saver	2	
Partnership Withholding Tax	2	
Property Tax Reimbursement	20	
Responsible Person Status	1	
Realty Transfer Fee	1	
School Aid	5	
Sales and Use	41	2
Tobacco Products Wholesale Sales and Use	1	1
Ten Day Deficiency	35	
Total	257	7

TABLE 8

LOCAL PROPERTY TAX COMPLAINTS FILED BY COUNTY
2006-2014

	6/30/06	6/30/07	6/30/08	6/30/09	6/30/10	6/30/11	6/30/12	6/30/13	6/30/14
Atlantic	78	148	128	256	374	406	241	472	731
Bergen	1,553	2,080	2,369	2,761	3,699	3,935	3,486	5,621	3,834
Burlington	120	115	160	248	395	424	336	501	303
Camden	96	137	120	158	214	218	255	481	213
Cape May	56	116	176	110	123	104	102	117	65
Cumberland	18	22	32	52	52	51	43	127	173
Essex	1,617	2,226	2,523	2,743	3,109	3,471	2,985	4,471	3,493
Gloucester	59	70	88	111	144	121	190	412	296
Hudson	439	424	522	773	1,105	1,214	735	1,040	749
Hunterdon	54	71	48	68	91	97	70	139	115
Mercer	153	222	180	206	243	374	240	338	252
Middlesex	752	896	901	966	1,248	1,490	1,058	1,645	1,250
Monmouth	487	537	848	1,019	1,747	1,433	944	1,736	1,566
Morris	583	574	581	797	1,078	1,228	766	1,936	1,251
Ocean	268	718	555	722	1,015	876	479	996	659
Passaic	480	757	989	1,456	1,546	1,522	1,443	2,404	1,641
Salem	10	24	28	34	41	69	41	72	50
Somerset	271	229	221	316	546	619	384	653	403
Sussex	39	74	111	78	352	329	231	288	178
Union	526	586	573	711	948	1,163	1,077	1,402	1,189
Warren	55	41	48	50	77	130	99	205	143
TOTALS	7,714	10,067	11,201	13,635	18,147	19,274	15,205	25,056	18,554