

Understanding Your Property Tax Bill

New Jersey property taxes are billed in four quarterly installments, generally due February 1, May 1, August 1, and November 1.

Why are the first- and second-quarter bills based on the prior year?

The current year's tax rate not finalized when the first two installments are billed. Therefore, each of these installments is generally based on one-quarter of the prior year's total property taxes.

These amounts are preliminary payments toward the current year's final tax bill.

Why may the third- and fourth-quarter installments be higher?

Once the current year's tax rate is certified, the property's total annual tax is calculated. The amounts already billed for the first and second quarters are deducted, and the remaining balance is generally divided between the third and fourth quarters.

If the annual property tax has increased, the third- and fourth-quarter installments may be higher because the first two installments were based on the prior year.

This does not create an additional tax. It is the process used to collect the correct total amount due for the year.

What is an estimated tax bill?

If the final tax rate is not available in time to issue the regular third-quarter bill, the municipality may issue an estimated bill for the third-quarter installment.

After the final tax rate is certified, the fourth-quarter installment is adjusted so that the total amount billed for the year equals the property's actual annual tax.

Who determines the amount of my property taxes?

A property tax bill includes amounts collected for several taxing entities, including the municipality, school district and county.

The municipality issues and collects the combined tax bill but does not independently determine every portion of the total tax rate.

Do unpaid prior taxes increase my current installment?

No. A delinquent balance does not change the amount originally calculated for the current quarterly installment.

However, unpaid taxes remain due and may accrue interest. The total amount required to bring an account current may therefore include prior unpaid taxes, interest, and the current installment.