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TO: County Tax Administrators

FROM: Shelly Reilly, Assistant Director, Division of Taxation

DATE: January 2, 2026

SUBJECT: Revised Memorandum of Judgment

The Tax Court recently issued a published opinion, Ades v. Borough of Deal, 33 N.J. Tax 487 (Tax 2025), reinforcing the long-held position that the Freeze Act is not applicable when the County Board of Taxation does not decide the value on the merits; in this particular case, the county board found the taxpayer failed to overcome the presumption of correctness. While the taxpayer in Ades was represented by legal counsel, the court noted that the lack of clarity on county board memoranda of judgments can lead *pro se* litigants to believe their assessments are subject to the Freeze Act in all cases.

Furthermore, the courts have held that the Freeze Act does not apply to exempt status (see, e.g., Hackensack City v. Bergen County, 30 N.J. Tax 240 (Tax 2017)) or to Farmland Assessment (Belmont v. Wayne, 5 N.J. Tax 110 (Tax 1983)), only to judgements of value. Following that legal reasoning, the Freeze Act is also inapplicable to the deductions for senior and disabled citizens and honorably discharged veterans.

For clarity, the Division has revised the instructions for the Memorandum of Judgment to indicate certain judgment codes for which the Freeze Act is not applicable. Additionally, the Explanation field has been made mandatory for all codes to state clearly on the face of the judgment the county board's disposition. For the codes for which the Freeze Act is inapplicable, the "Explanation" should populate with a statement that "The Freeze Act does not apply to this judgment". The Division has worked with the vendors to update the back-end of the appeals system to effectuate these changes.

This change is to provide clearer guidance and ensure that all parties understand when the Freeze Act applies and when it does not. It should be used for appeal judgments beginning with Tax Year 2026.

Thank you in advance for your cooperation.