

**RULES GOVERNING THE COURTS OF THE STATE OF NEW JERSEY
RULE 8:11. SMALL CLAIMS DIVISION; PRACTICE AND PROCEDURE**

(a)(1) The small claims division will hear all state tax cases in which the amount of refund claimed or the taxes or additional taxes sought to be set aside with respect to any year for which the amount in controversy as alleged in the complaint does not exceed the sum of \$5,000 exclusive of interest and penalties; provided, however, that if there is no tax in controversy, the jurisdictional amount will be applied to interest and penalties. This provision will not apply to State tax cases where no actual tax amount due is yet specified (for example, in nexus cases where no tax returns have yet been filed).

(2) The small claims division will hear all local property tax cases in which the property at issue is a class 2 property (1-4 family residence) or a class 3A farm residence and all other local property tax cases in which the prior year's taxes for the subject property were less than \$25,000. Cases raising exemption or abatement issues are not eligible for the small claims division. Local property tax cases in the small claims division shall be assigned to the small claims track.

(b) The general rules of practice and procedure in the Tax Court shall apply to the small claims division, except as otherwise provided in Part VIII. A pretrial conference may be held at the time that the case is scheduled for a hearing. The pretrial conference and the hearing shall be informal and the court may hear such testimony and receive such evidence as it deems necessary or desirable for a just and equitable determination of the case. All testimony shall be given under oath and a verbatim record shall be made of the proceeding.

(c) A complaint for review of a local property tax assessment on property that is in common ownership with and contiguous to other property will be regarded as a small claims complaint for all purposes, including assignment and filing fee calculation, only if each of the separately assessed parcels included in the complaint is within the jurisdiction of the small claims division. If one or more of the separately assessed parcels is outside the jurisdiction of the small claims division, the complaint shall not be regarded as a small claims complaint.

(d) In state tax cases, if it appears at any time before the close of proofs that the amount of refund claimed or the taxes or additional taxes sought to be set aside or amount in controversy exceeds the jurisdictional amount of the small claims division, the relief to be granted need not be limited to such jurisdictional amount, and the court may in its discretion retain the matter in the small claims division or transfer the matter to the general calendar.

(e) In local property tax cases, if it appears at any time before the close of proofs that a parcel of property under appeal is not within the jurisdiction of the small claims division, the court may in its discretion retain the matter in the small claims track or transfer the matter to the standard track.

Note: Adopted June 20, 1979 to be effective July 1, 1979; amended July 22, 1983 to be effective September 12, 1983; amended November 5, 1986 to be effective January 1, 1987; amended November 7, 1988 to be effective January 2, 1989; amended July 13, 1994 to be effective September 1, 1994 amended July 5, 2000 to be effective September 5, 2000; amended July 28, 2004 to be effective September 1, 2004; paragraph letters added, paragraphs (a), (b), (c) and (e) amended July 9, 2008 to be effective September 1, 2008; paragraphs (a) and (e) amended July 23, 2010 to be effective September 1, 2010; paragraph (a)(1) amended August 1, 2016 to be effective September 1, 2016.