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**Issue:**

New Jersey is one of the states with the highest property taxes, meaning residents have to pay a considerable amount of money for owning a piece of property.

**Necessary Background:**

Property tax is the amount of money an owner of land pays annually to the local government for owning a piece of property. Property taxes fund local governments, public schools, roads, police services, fire services, parks, libraries and other public necessities [1].

**Evidence of Problem Existing:**

In 2008, New Jersey had the highest property taxes in the nation, per capita [2]. In 2009, the median residential property tax of New Jersey (\$6579), property taxes as a percentage of home value (1.89%), and property taxes as a percentage of homeowner income (7.45%) were all the highest in the nation [2]. In 2010, property taxes in New Jersey totaled over \$25 billion [2]. According to the 2010 census, New Jersey property taxes accounted for about 98% of all locally collected revenues, while the national average was about 75% [2]. New Jersey ranks highest in people leaving the state, and this issue is caused partly by high property taxes [3,6]. In fact, it was found in a poll done by Monmouth University in September of 2014 that half of its students do not plan on living in New Jersey in the future, with a quarter of them stating that property taxes were the reason [7].

**Impact:**

The fact that people are leaving our state because of property taxes is a major problem. If a quarter of the residents of New Jersey do leave the state because of property taxes, as the aforementioned Monmouth University poll found, the population of New Jersey would be greatly diminished. Population decline leads to less consumption, which has a negative impact on the economy. Businesses also leave our state because property taxes are expensive and more successful businesses can thus be started in other states. If businesses continue to leave the state or set up in other states because of New Jersey's high property taxes, the economic conditions of our state would decline.

**Possible Solutions:**

There is no easy solution to solving this issue because the money raised from property taxes is needed to pay for public schools, the police force, roads and other necessities. A feasible solution could be to raise the gasoline tax, as New Jersey has one of the lowest gasoline taxes in the nation [8]. Another way of lowering property taxes is to regionalize school districts [4]. A big portion of property taxes goes to the salaries of teachers and especially superintendents of school districts. When two school districts regionalize, there is only a need for one superintendent, instead of two. Since one fewer superintendent is being paid, property taxes can be lowered. Property taxes could also be lowered by not paying public employees for unused sick leave when they retire [4]. Public employees such as teachers often save up their sick days and use them all up at once right before they retire, and get paid for up to a year without working. Since property taxes pay for the salaries of public employees, eliminating the payment of public employees for unused sick days would decrease property taxes.

**Sources:**

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8. <http://time.com/money/3824157/property-taxes-why-so-high/>