



Reassessment Project

Information for Property Owners

**Emminger, Newton, Pigeon & Magyar, Inc.,
Town Reassessment Contractor**

Goal of the Project

The goal of the assessment equity project, is to establish uniform, fair and equitable assessments on all real property types!

Reassessment Does Not Raise Tax Levies

****** Reassessment
provides an equitable
redistribution of the
property tax. ******

Now we will show you how.



The Property Tax

- **Administered locally**
- **All revenues go to support local services; none to the state or federal governments**
- **Based on the value of real property**
- **It is an Ad Valorem (At Value) Tax**
- **The only form of taxation that provides the taxpayer the opportunity to dispute the base assessments.**
- **It's a broad tax – all property owners pay.**



Budget vs. Levy

- The taxing jurisdiction – school, town, county, etc. are responsible for developing and adopting a budget.
- Revenue from all sources other than the property tax is determined.
- These revenues are subtracted from the budget to arrive at the tax levy.
- **Total Cost – Other Sources of Aid = TAX LEVY-THE AMOUNT TO BE RAISED BY TAXATION**

More on Budgets and Taxes

- There are two additional factors besides the **levy** that determine your property taxes:
 - The **tax rate** is determined by dividing the **tax levy** by the **total taxable assessed value** of all taxable real property in your community.
 - **Assessments** – determined by the assessor. How the total tax is shared

Tax Levy / Taxable Assessed = Tax Rate

\$1,000,000 / \$50,000,000 = \$20.00 per thou.

Tax Rate x Your AV/1000=Your Share of Levy

(Hypothetical Example)



Assessments and Taxes

- **Remember**; Although assessments play an integral part of the tax calculation, **the tax levy** is the **controlling factor** in the amount of your tax bill!
- Has your AV changed since 2018? For many, it has not-But Your Tax bill has increased, because the LEVY has increased



The Job of the Assessor

- Provide fair assessments by determining the market value of each property.
- Keep inventory on all properties accurate and current.
- Help taxpayers understand assessments.
- Process exemptions, such as STAR, Senior Citizens, and Veterans.
- Maintain all changes related to the assessment roll using computerized software.



Fair Assessments??

How are assessments handled in NY State

- **The “NYS Assessment Standard” (RPTL 305):**

“all real property in each assessing unit shall be assessed at a uniform percentage of value.”

- **“value” is defined as “market value” - the most probable sale price, in a competitive and open market, between a willing and knowledgeable buyer and seller, made without duress to either party**
- **tax bills must display the municipality's uniform percentage or Equalization Rate and the parcel's market value.**

Equalization Rates

- **When a Municipality is not at 100%, it is the percentage of value you are assessed at-
Very Confusing;**
- ***Town A: 49% Eq. Rate***
- ***Town B: 55% Eq. Rate***
- ***Town C: 54% Eq. Rate***
- **All three towns will be at 100% after the "Year" program.**
- **Easier to understand-Your Assessed Value when it equals your Market Value?**



Equalization Rates

Other Benefits:

- When you are at 100% , you get the Full STAR Exemption, not a percentage based on your Equalization Rate
- Veterans get the Full Exemption, not a percentage based on your Equalization Rate

Your Assessed Value is your Market Value

Assessment Equity

- **Equity with respect to assessments and real property taxes means:**
 - **Properties are assessed at a uniform percentage of value-100%**
 - **Properties with similar values pay similar taxes**
 - **Taxpayers pay their **FAIR** share**



EQUITY is the GOAL

New York State law requires that every property within a municipality be assessed at a uniform percentage of value.

When assessment equity exists, it ensures that the tax burden is distributed equally and fairly among ALL Taxpayers



Equity versus Inequity

- **If one property or neighborhood is significantly under-assessed, not only are they paying too little in taxes, but other property owners are subsidizing that taxpayer's or neighborhood's share of the tax bill.**

Effect of Equitable Assessments

2002



Mrs. Smith

**Full Market Value =
\$70,000**

**Assessed Value =
\$70,000**

2024



Mrs. Jones

**Full Market Value =
\$70,000**

**Assessed Value =
\$70,000**

Effect of Inequitable Assessments

2023



Mrs. Smith

**Full Market Value =
\$150,000**

**Assessed Value =
\$70,000**

2023



Mrs. Jones

**Full Market Value =
\$125,000**

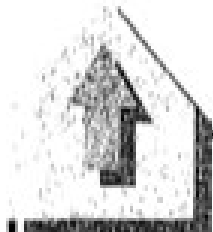
**Assessed Value =
\$70,000**

Mrs. Jones is subsidizing Mrs. Smith's taxes!

Assessments Vs. Taxes

What's the difference

Your assessment could increase,
and your tax bill could decrease



Last Year



This Year

Your Assessment	\$100,000	Your Assessment: (5% increase)	\$105,000
Total Value of the Town:	\$50,000,000	Total Value of the Town: (8% avg. increase)	\$54,000,000
Tax Levy:	\$1,500,000	Tax Levy:	\$1,500,000
Tax Rate:	\$30 per \$1000	Tax Rate:	\$27.78 per \$1,000
Your Property Tax Bill:	\$3,000	Your Property Tax Bill: <u>(decrease \$83)</u>	\$2,917

Assessments Vs. Taxes

What's the difference

Your assessment could increase,
and your tax bill could stay the same

	Last Year	→	This Year	
				NO CHANGE
Your Assessment	\$100,000		Your Assessment: (5% Increase)	\$105,000
Total Value of the Town:	\$50,000,000		Total Value of the Town: (8% avg. increase)	\$54,000,000
Tax Levy:	\$1,500,000		Tax Levy: (2.86% Increase)	\$1,542,855
Tax Rate:	\$30 per \$1000		Tax Rate:	\$28.57 per \$1,000
Your Property Tax Bill:	\$3,000		Your Property Tax Bill: (no change)	\$3,000

Assessments Vs. Taxes

What's the difference

Your assessment could decrease,
and your tax bill could increase

Last Year		→	This Year	
Your Assessment	\$100,000		Your Assessment: (5% decrease)	\$95,000
Total Value of the Town:	\$50,000,000		Total Value of the Town: (5% avg. decrease)	\$47,500,000
Tax Levy:	\$1,500,000		Tax Levy: (2.86% increase)	\$1,542,855
Tax Rate:	\$30 per \$1000		Tax Rate:	\$32.48 per \$1,000
Your Property Tax Bill:	\$3,000		Your Property Tax Bill: (increase \$85.60)	\$3,085.60

- **Nothing that takes place during this project by the contractor or assessor will change the total dollar figure to be raised (tax levy). They only determine the proportionate amount you pay.**





Why are Frequent Reassessments Necessary?

- 1. The real estate market is constantly changing**
- 2. Not all properties will change in value at the same rate.**

As Values change, so does your share of the Tax Levy-You only want to pay your fair share



How Is Market Value Determined?

- **The Contractor/Assessor do NOT create market value**
- **Market value is determined by the interaction of buyers and sellers.**
- **The assessor/contractor monitors and analyzes real estate transactions to establish market value estimates for real property within the town. The contractor utilizes only licensed appraisers to do this.**
- **The Assessor uses several comparable sales that match your property**



What Drives Market Value?

- ***Location, Location, Location***
- **Some locations are more desirable than others.**
 - **Some people may desire lakefront or lake-view property.**
 - **Some people may prefer to be near a city**
 - **Others may want to get back to nature**



What Else Drives Market Value?

- **Economic influences**
- **House Style (Ranch vs. 2 Story) and Size-
Number of Bedrooms/Bathrooms**
- **Type and size of Land**
- **Interest rates**
- **Availability of amenities and jobs**
- **Commuting distance to industry**
- **Consumer needs and the condition and
amenities of a property-Construction
Grade and Condition**



Changes in Property Values

- **One thing is a given. Different types of properties, in different locations, change in value at a different pace.**
- **After a period of time without a reassessment and systematic analysis of all property values, the equity may diminish.**
- **Loss of assessment equity will result in some people paying more than their fair share in taxes and some people paying less!**



The question to ask yourself . . .

- **Is the market value estimate the assessor has derived for your property a reasonable representation of what you would expect to receive for your property if it was offered for sale on the open market?**

Assessment Schedule

- Public Meetings – Check your town assessor website
- Impact Notices Mailed to Taxpayer – Check your town assessor website
- Informal Hearings – Check your town assessor website
- Notification of Hearing Results – 1st Week of May
Tentative Assessment Roll – Check your town assessor website
- Grievance Day – Check your town assessor website
- Final Assessment Roll – Check your town assessor website



Presumption of Law: The Burden of Proof is on **YOU!**

- **Your assessment is assumed to be correct due to the fact that the Town has invested considerable resources (time & money) to ensure that experienced and skilled professionals are utilized.**
- **Taxpayer MUST present convincing evidence that assessor's judgment was incorrect – present Condition issues-internal or external, appraisal reports, review of comparable sales**



Assessor's Job – Fair Assessments

- **Assessors have no interest to overvalue or undervalue any real property. The objective is to produce an equitable assessment roll for the fair distribution of the real property tax burden.**



FACT:
In the Year of a Reval...

- The tax rate usually **decreases** creating the illusion that the town has **reduced** taxes.
- This creates a misconception that the **increased** assessments are causing the **increase** in tax bills.



FACT:
In a Non-Reval Year....

- If the municipality needs **MORE** money, they will raise the **LEVY** causing a **HIGHER** tax rate.
- Your assessment did not raise your taxes

Example:

- 2018 tax rate \$10.00 per thousand/AV
\$100,000. Total Taxes = \$1,000
- 2023 tax rate is \$13.00 per thousand/AV
\$100,000. Total Taxes \$1,300



Myths and Facts

- **Myth**: Tax levies grow at a faster rate in municipalities that conduct reassessments.
- **Fact**: “Budget” or dollar driven systems force the tax rate to float and require the budget to be set without regard to the underlying taxable value.
- This is the key to your tax rate-What is the Levy-Has it increased, decreased or stayed the same. This will determine your taxes paid.

Myths and Facts

- **Myth**: The assessor sets the property taxes
- **Fact**: Property tax levies and rates are set by school boards, town boards, fire district boards, and county legislatures, **Not by assessors!!!**
- **Fact**: The assessor is only responsible for placing a fair market value on each property.

Assessor's Calendar



Valuation Date	Check assessor website
Taxable Status Date	Check assessor website
Exemption Filing Deadline	Check assessor website
Tentative Roll Filed	Check assessor website
Grievance Day	Check assessor website
Final Roll Filed	Check assessor website

THANK YOU!!!

ENPM, Inc.

QUESTIONS:

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