

Clerk

From: Brian Fitts <homerassessor@twcny.rr.com>
Sent: Thursday, August 15, 2024 11:45 AM
To: Bookkeeper; Clerk; CouncilMember Leach; Councilmember Williams; Dan Ellis; Deputy Supervisor; Supervisor; Councilmember Head
Subject: Fwd: Senior Citizen Exemption
Attachments: Homer 2023 Taxable Value.pdf; Homer Current SC Values.pdf; Senior Income Level_113000_07082024.xls; Homer Impact Tax Rate Calculation form.xls

Hello all,

Here is a forward of the email that I sent to Mike which includes the attachments that I reference. Thanks.

b

----- Forwarded Message -----

Subject:Senior Citizen Exemption
Date:Fri, 12 Jul 2024 15:06:30 -0400
From:Brian Fitts <homerassessor@twcny.rr.com>
To:Mike Park <supervisor@townofhomer.org>

Hi Mike,

I've finished calculating the estimated impact of adjusting the Senior Citizen income limit to a maximum of \$58,400. I'm using the 2023 assessment roll and 2024 Town of Homer levy for this estimate. Here's the thought train:

1) see attached Homer 2023 Taxable Value
-2023 Town taxable assessment value = \$351,611,638
-2024 Town levy = \$470,739
-levy (\$470,739) divided by taxable assessment value (\$351,611,638) x 1000 = rate (\$1.338804)

2) see attached Homer Current SC Values & Senior Income Level_...
-The Town currently has 36 property owners that receive the exemption with varying levels (5%-50%) of reduction in their Town taxes. If the Town were to raise the income limit to \$58,400 then every one of these property owners would receive a 50% break on their Town taxes. Currently, the total exemption amount is \$1,103,827. That amount would increase to \$1,812,800 (current total assessment of \$3,625,600 x 50%) which is a difference of \$708,973. This is noted on line C315 on the attached spreadsheet "Senior Income Level_..." This is the amount our taxable base would be reduced.
-The State generates a report for assessors of property owners that may qualify for the Senior Citizen exemption if the income limit is \$58,400. See attached "Senior Income Level_...". There are 293 property owners that could potentially qualify for the exemption at an income level of \$58,400. I have gathered each of their assessments and assumed that all will receive a 50% reduction. (*keep in mind, not all will apply and not all will qualify for a 50% break. So, this is a worst case scenario) The total assessment

amount is \$38,930,900 (line C312). 50% off would be \$19,465,450 (C314). Add this to the \$708,973 from above then the total potential reduction to the taxable base would be \$20,174,423 (C317).

3)see attached & Homer Impact Tax Rate...

-To calculate the impact you have to look at what a reduced taxable base on a constant levy amount would do to the tax rate. This is illustrated by the spreadsheet "Homer Impact Tax Rate.."

-Again, levy (\$470,739) divided by taxable assessment value (\$351,611,638) x 1000 = rate (\$1.338804)

-If the taxable base is reduced by \$20,174,423 then the adjusted base is \$335,007,547

-Now, levy (\$470,739) divided by taxable assessment value (\$335,007,547) x 1000 = rate (\$1.405159) So, worst case scenario the rate is increased \$.07 per thousand of assessment.

-the average taxable assessment in the Town is \$116,582. See "Homer 2023 Taxable Value" \$351,611,638 total taxable value divided by the number of parcels (3,016).

What does this all mean? If the tax rate goes up \$.07 per thousand of assessment then multiply that by the average taxable assessment of \$116.58 (\$116,582 divided by 1000) equals \$8.16. The average taxpayer would see an \$8.16 per year increase in their taxes. My personal thought on the subject is that I encourage the Town to adopt the new income limit. The reduction in taxes for a small part of our population is significant in their lives while the resulting impact to the rest of the Town is minimal. Look things over and let me know if you have any questions. Take care and have a great weekend.

b

--

Brian M. Fitts
Assessor
Town of Homer
31 North Main Street
Homer, NY 13077
607-749-3153

R/S	Name	# Parcels	Land		Total Assessed Value	Taxable Value			
			Assessed Value	Land		County	Town/City	School	Village
1	Taxable	2,899	73,562,838	0	350,784,722	335,606,852	333,747,469	338,634,090	143,756,106
5	Special Franch.	11	0	0	9,008,649	9,008,649	9,008,649	9,008,649	4,516,933
6	Utility	33	298,801	0	8,905,378	8,855,520	8,855,520	8,855,520	832,172
8	Wholly Exmpt	73	4,731,800	0	37,716,964	0	0	0	0
Town Totals:		3,016	78,593,439	0	406,415,713	353,471,021	351,611,638	356,498,259	149,105,211

Exemption Code	Exemption Name	Exemption Count	Land		Total Assessed Value	Exemption Amounts			
			Assessed Value	Value		County	City/Town	School	Village
41800	AGED CTS	2	42,300	198,600	99,300	99,300	99,300	44,800	
41801	AGED C&T	30	515,400	3,043,700	1,026,952	1,004,527	0	498,725	
41804	AGED S	4	155,000	383,300	0	0	120,570	0	
Total Exemptions Exclusive Of System Exemptions:		36	712,700	3,625,600	1,126,252	1,103,827	219,870	543,525	
Total System Exemptions:		0	0	0	0	0	0	0	
Town Totals:		36	712,700	3,625,600	1,126,252	1,103,827	219,870	543,525	

What happens during a reassessment?

The purpose of the reassessment is to ensure that all properties are assessed fairly at a uniform level of assessment. (Typically, assessments are adjusted to 100 percent of market value at the time of a reassessment.) To analyze the real estate market, the assessor will review recent property sales and other indicators. All assessments in the municipality will be reviewed to determine where assessments should be increased, decreased or remain the same. This may or may not include visual reinspection of some or all of the parcels. Mailers may be sent to homeowners asking them to correct/update the information on their property. Those whose assessments are adjusted will receive notification in the mail.

Will my school district receive less State Aid after the reassessment?

No. The State Aid to Public Education formula developed by the Legislature uses a variety of factors to determine the amount of State Aid a school district will receive each year. One of those factors is real property wealth, or the total market value of real property in the school district. The measure of real property wealth is not based on local assessments, but rather is determined by the state for each school district.

In fact, in order to ensure that the State Aid formula is equitable for all school districts, it can not be based on assessments. Since some municipalities have assessments that are up-to-date, while others may be as much as 100 years old, State Aid based on those assessments would not be equitable. Instead, the state's measure of real property wealth is used in the formula to calculate the State Aid for each school district.

A similar myth exists around the misconception that the higher an equalization rate, the lower will be a school district's State Aid. This is also incorrect, and no such correlation exists. Again, it is the State's estimate of a district's property wealth that is used in the State Aid formula.

Does New York State require reassessments?

New York State's Real Property Tax Law addresses the issue of assessment equity. While it doesn't require assessments to be at 100 percent of market value, it does establish a standard that assessments be fair at a uniform percentage of market value.

However, there is no statutory mechanism for enforcement of adherence to that standard. Employees of the State Office of Real Property Tax Services do consult with municipal officials and recommend steps to provide fair assessments, and the agency does administer State Aid programs to provide incentives for reassessments. Beyond those steps, the role of ORPTS is largely an advisory one.

For More Information

The ORPTS website (www.tax.ny.gov) has links to various publications and information:

- The Real Property Tax Primer
- How the Property Tax Works
- Fair Assessments
- Understanding the Equalization Rate
- Information on STAR and other exemptions
- Municipal Profiles, including local government information and statistics
- What To Do If You Disagree With Your Assessment
- How Estimates of Market Value are Determined for Residential Properties
- Real Property Tax in New York State: Common Myths and Misunderstandings
- A Closer Look at the Tentative Assessment Roll

Also, don't hesitate to contact local assessors and/or county directors of real property tax services (contact information is available from the Municipal Profiles section of the ORPTS website).

Reassessment Frequently Asked Questions



New York State Department of
Taxation and Finance
Office of Real Property Tax Services



NYS Department of Taxation and Finance
Office of Real Property Tax Services
W. A. Harriman Campus
Albany, New York 12227

ASSESSMENT DISCLOSURE TAX RATE CALCULATION

DATE: 2/27/2024

COUNTY: Cortland

SWIS: 110200

MUNICIPALITY: City of Cortland

TAX DISTRICT INFORMATION

RATE INFORMATION

DISTRICT CODE	DISTRICT NAME	prior levy	prior taxable	prior rate						
xxxxxx	Cortland County	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">impact levy</td> <td style="width: 33%;">current taxable</td> <td style="width: 33%;">impact rate</td> </tr> <tr> <td style="text-align: center;">/</td> <td></td> <td style="text-align: center;">= #DIV/0!</td> </tr> </table>			impact levy	current taxable	impact rate	/		= #DIV/0!
impact levy	current taxable	impact rate								
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xxxxxx	Town of Homer	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">prior levy</td> <td style="width: 33%;">prior taxable</td> <td style="width: 33%;">prior rate</td> </tr> <tr> <td style="text-align: center;">\$475,500.00</td> <td style="text-align: center;">355,181,970</td> <td style="text-align: center;">1.338750</td> </tr> </table>			prior levy	prior taxable	prior rate	\$475,500.00	355,181,970	1.338750
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Town of Homer Revaluation Costs:

Parcels: 3025

Fee:

	\$/parcel	\$14.88	Total \$45,000
Start 1/1/2025	24 months	\$1,875 \$/month	
	36 months	\$1,250 \$/month	

Postage:

Data Mailers	@ \$.69 /letter	\$2,087
Disclosure Statements	@ \$.69 /letter	\$2,087

Total: \$49,175 w/ postage.

State Aid:

	\$2/parcel	Low	\$6,050
	\$5/parcel	High	\$15,125



Understanding the Equalization Rate

A guide for property owners

In New York State, the property tax is a local tax, raised and spent locally to finance local governments and public schools. While the state does not collect or receive any direct benefit from the property tax, this tax is still of major importance as the largest single revenue source for the support of municipal and school district services. More than \$26 billion is raised in local property taxes across the state annually.

The New York State Office of Real Property Tax Services (ORPTS) is statutorily obligated to administer an equalization program in order to assure equitable property tax allocation among nearly 4,000 taxing jurisdictions in New York State, and to insure the proper allocation of state aid to education funds, among other purposes. Equalization seeks to measure the relationship of locally assessed values to an ever-changing real estate market. Each year, ORPTS calculates equalization rates for each of the state's more than 1,200 assessing units.

Why is equalization necessary?

Equalization is necessary in New York State because: (1) there is no fixed percentage at which property must be assessed; (2) not all municipalities assess property at the same percentage of market value; and (3) taxing jurisdictions, such as most school districts, do not share the same taxing boundaries as the cities and towns that are responsible for assessing properties. Most of the state's more than 700 school districts distribute their taxes among segments of several municipalities, many of which have different levels of assessment. The number of municipal segments in a school district can range from one to fifteen or more.

What is an equalization rate?

At its simplest, an equalization rate is the state's measure of a municipality's level of assessment (LOA). This is the ratio of total assessed value (AV) to the municipality's total market value (MV). The municipality determines the AV; the MV is estimated by the state. The equalization rate formula is:

$$\frac{\text{Total assessed value (AV)}}{\text{Total market value (MV)}} = \text{Equalization rate}$$

Equalization rates do not indicate the degree of uniformity among assessments within a municipality. (More information regarding uniformity is available in the pamphlet, Publication 1112, *Fair Assessments – A Guide for Property Owners*.)

What does your equalization rate mean?

- An *equalization rate of 100* means that the municipality is assessing property at 100 percent of market value.
- An *equalization rate of less than 100* means that the municipality's total market value is greater than its assessed value.
- An *equalization rate of greater than 100* means that the total assessed value for the municipality is greater than its total market value.

There would be no need for equalization if all municipalities assessed all property at 100 percent of market value every year.

What is the relationship between the state's equalization rate and the municipality's level of assessment?

In New York State, each municipality is authorized to assess at market value or some fraction of market value. A level of assessment (LOA) of 50 percent means that assessments are at half of market value; an LOA of 100 percent means a community is assessing at 100 percent of market value. Regardless of the LOA chosen by a municipality, all of the assessments in the municipality are required by law to be at a uniform percentage of market value.

For example School District AB needs to raise \$1 million through property taxes (thus, a levy of \$1 million). The district contains all of Town A and all of Town B. Each town has a total assessed value of \$10 million. If the \$1 million tax levy simply were allocated on the basis of the assessed values, the taxpayers in both towns would evenly split the levy, with each town paying \$500,000.

However, through the equalization process, the state determines that that the two towns have different levels of assessment. Town A has an equalization rate of 33.33 and Town B has an equalization rate of 50.00.

Towns A and B can be compared for the purpose of dividing the \$1 million school district tax levy between them:

	Town A	Town B
Assessed value (AV) of each town	\$10 million	\$10 million
Equalization rate of each town	33.33	50.00
Market value of each town	\$30 million	\$20 million
Market value of school district AB = \$50 million		
Percent of market value (and, therefore, percent of levy) for each town	60%	40%
Tax levy to be raised from each town	\$600,000	\$400,000
Tax rate for each town (tax levy ÷ assessed value) x 1000	\$60 per \$1000 AV	\$40 per \$1000 AV

You can see that Town A is responsible for 60 percent (\$30 million ÷ \$50 million) of the full value in School District AB, and Town B is responsible for 40 percent (\$20 million ÷ \$50 million) of the full value. This means that the taxpayers in Town A will have to pay a total of \$600,000 (60% of the \$1 million tax levy) and those in Town B will have to pay \$400,000 (40% of the \$1 million tax levy).

It is the change in a town's total market value, as reflected in the equalization rate, relative to the change in the market value of other municipalities in a taxing jurisdiction, such as a school district, that may cause a particular town's share of the tax levy to increase or decrease. If one municipality's market value increases, but all the other municipalities in the taxing jurisdiction increase to a larger degree, then the first municipality's share of the tax levy will decline.

For more information

To learn more about equalization, assessments, and other aspects of property tax administration, you may wish to talk with your assessor or county director of real property tax services. More detailed information also is available on the ORPTS website at www.tax.ny.gov.

Clerk

From: Brian Fitts <homerassessor@twcny.rr.com>
Sent: Monday, August 19, 2024 2:24 PM
To: Dan Ellis
Cc: Clerk; Bookkeeper; Deputy Supervisor; Supervisor
Subject: Re: Senior Citizen Exemption Information
Attachments: Local Law 2023 - __ Senior Ciitzen Property Tax Exemption ENACTING.doc

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Dan,

Attached is a copy of the local law that the Town of Pompey passed in 2023. It has an example of the maximum sliding scale. Let me know if you need anything else. Take care.

b

On 8/16/2024 8:47 AM, Dan Ellis wrote:

Hi Brian:

No rush. Thank you and enjoy the weekend.

Best regards,

Dan Ellis
Attorney to the Town

The information contained in this message is legally privileged and confidential information only for the use of the individual or entity named above. If the reader of the message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please immediately notify me by telephone at (518) 708-9798 and delete this message.

From: Brian Fitts <homerassessor@twcny.rr.com>
Sent: Friday, August 16, 2024 8:45 AM
To: Dan Ellis <attorney@townofhomer.org>
Cc: Clerk <clerk@townofhomer.org>; Bookkeeper <bookkeeper@townofhomer.org>; Deputy Supervisor <deputysupervisor@townofhomer.org>; Supervisor <supervisor@townofhomer.org>
Subject: Re: Senior Citizen Exemption Information

Hi Dan,

I'm currently on a flight to Indianapolis. I'll get you something later this evening. Have a great weekend. Thanks.

b

Sent from my iPhone

On Aug 16, 2024, at 8:34 AM, Dan Ellis <attorney@townofhomer.org> wrote:

Hi Brian:

Thanks for all the information at the board meeting. Just for my reference, could you send me an example of the full sliding scale that starts with the \$58,XXX threshold as the max income limit for exemption?

Best regards,

Dan Ellis
Attorney to the Town

The information contained in this message is legally privileged and confidential information only for the use of the individual or entity named above. If the reader of the message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please immediately notify me by telephone at (518) 708-9798 and delete this message.

From: Clerk <clerk@townofhomer.org>
Sent: Thursday, August 15, 2024 11:33 AM
To: Bookkeeper <bookkeeper@townofhomer.org>; CouncilMember Leach <councilmemberleach@townofhomer.org>; Councilmember Williams <councilmemberwilliams@townofhomer.org>; Dan Ellis <attorney@townofhomer.org>; Deputy Supervisor <deputysupervisor@townofhomer.org>; Supervisor <supervisor@townofhomer.org>; Councilmember Head <councilmemberhead@townofhomer.org>
Cc: homerassessor@twcny.rr.com <homerassessor@twcny.rr.com>
Subject: Senior Citizen Exemption Information

Good Morning,

Per Brian's presentation last night, please see the attached Senior Citizen Exemption Information.

Thank you,

Heather M. Hill
Town Clerk
31 North Main Street
Homer, NY 13077
607-749-4581
www.townofhomer.org

IN THE MATTER

Of

**LOCAL LAW 2023-1 TO AMEND ARTICLE
III OF CHAPTER 149 OF THE TOWN CODE
ENTITLED "TAXATION," TO INCREASE
THE INCOME LIMIT FOR THE SENIOR
CITIZEN TAX EXEMPTION PURSUANT TO
SECTION 467 OF THE REAL PROPERTY
TAX LAW**

**RESOLUTION ENACTING
LOCAL LAW**

The **TOWN BOARD OF THE TOWN OF POMPEY**, in the County of Onondaga, State of New York, met in regular session at the Town Hall in the Town of Pompey, located at 8354 U.S. Route 20, Manlius, NY, County of Onondaga, State of New York, on the ____th day of _____, 2023, at 6:30 p.m. The Meeting was also livestreamed on the video platform commonly referred to as Zoom and on the Town's Facebook page. The meeting was called to order by Renee Rotondo, Supervisor, and the following were present, namely:

Renee Rotondo	Supervisor
David Angello	Councilor
Ann Christmas	Councilor
Bill Lipe	Councilor
James Loomis	Councilor

Absent:

The following resolution was moved, seconded and adopted:

WHEREAS, the State Legislature has passed, and Governor Hochul has signed legislation that authorizes municipalities to increase the income limits for the Senior Citizen Tax Exemption pursuant to Section 467 of the Real Property Tax Law;

WHEREAS, a Local Law has been introduced before the Board, to wit: Local Law No. 2023- 1, amending Chapter 149 of the Town Code entitled “Taxation” as follows:

**LOCAL LAW 2023-1, A LOCAL LAW AMENDING
ARTICLE III OF CHAPTER 149 ENTITLED “TAXATION”
THAT INCREASES THE INCOME LIMITS FOR THE
SENIOR CITIZEN PROPERTY TAX EXEMPTION:**

Be it enacted by the Town Board of the Town of Pompey, Onondaga County, New York as follows:

Section 1. Article III, Section 149-6 of Chapter 149 of the Town Code is amended as follows:

§149-6 Exemption granted.

Pursuant to § 467 of the Real Property Tax Law, real property owned by one or more persons, each of whom is 65 years of age or over, or real property owned by husband and wife or by siblings, one of whom is 65 years of age or over, shall be exempt from taxation to the extent set forth below:

Income Limits by Tax Year				
Exemption	2006	2008 (Beginning 7-1-2007)	2009 Beginning 7-1-2008)	2010 (Beginning 7-1-2009)
50%	\$26,000	\$27,000	\$28,000	\$29,000
45%	\$27,000	\$28,000	\$29,000	\$30,000
40%	\$28,000	\$29,000	\$30,000	\$31,000
35%	\$29,000	\$30,000	\$31,000	\$32,000
30%	\$29,900	\$30,900	\$31,900	\$32,900
25%	\$30,800	\$31,800	\$32,800	\$33,800
20%	\$31,700	\$32,700	\$33,700	\$34,700
15%	\$32,600	\$33,600	\$34,600	\$35,600
10%	\$33,500	\$34,500	\$35,500	\$36,500
5%	\$34,400	\$35,400	\$36,400	\$37,40

Assessed Value Exempt from Taxation

\$50,000 or Less	50%
\$50,001 - \$50,999	45%
\$51,000 - \$51,999	40%
\$52,000 - \$52,999	35%
\$53,000 - \$53,899	30%

\$53,900 - \$54,799	25%
\$54,800 - \$55,699	20%
\$55,700 - \$56,599	15%
\$56,600 - \$57,499	10%
\$57,500 - \$58,399	5%

~~Strikeout~~ – removed language

Underline – added language

Section 2. Effective Date

This local law shall take effect immediately upon filing with the Secretary of State.

WHEREAS, the Town Board held a public hearing on December 28, 2022 and January 4, 2023 at which the time the public was given an opportunity speak either in favor or against the Local Law;

WHEREAS, for the reasons set forth in the discussion by the Board at the January 4, 2023 meeting, it is in the best interest of the people of the Town of Pompey to increase the income limits as set forth in Local Law 2023-1;

NOW, THEREFORE, BE IT

RESOLVED, that the Town Board of the Town of Pompey, County of Onondaga, State of New York, hereby approves Local Law 2023-1; and further be it

RESOLVED, that the Town Clerk is hereby directed to file Local Law 2023-1 with the Secretary of State within 20 days of adoption of this Local Law pursuant to Municipal Home Rule Law.

I, **NICOLE REID**, Town Clerk of the Town of Pompey, **DO HEREBY CERTIFY** that the preceding Resolution was duly adopted by the Town Board of the Town of Pompey at a regular meeting of the Board duly called and held on the ___th day of _____ 2023; that said Resolution was entered in the minutes of said meeting; that I have compared the foregoing copy with the original thereof now on file in my office; and that the same is a true and correct transcript of said Resolution and of the whole thereof.

I HEREBY CERTIFY that all members of said Board had due notice of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town of Pompey, this ___th day of _____, 2023.

DATED: _____, 2023
Pompey, New York

NICOLE REID
Town Clerk of the Town of Pompey
Onondaga County, New York