

Here's the Real Story on the Real Property Tax System in Upstate New York.

FACT: Your property tax assessment is only one person's opinion of your home's market value, and the market is constantly changing. If the assessor's opinion is wrong, you can be stuck with overpaying your taxes for years.

FACT: Each town is required by law to provide a "fair and impartial" grievance process through its Board of Assessment Review. But board members are selected by each town, and can be handpicked to see things the town's way. Board members also have a conflict of interest when they're residents of the town... because if they lower your tax assessment, they effectively raise their own taxes.

FACT: Most town grievance boards give you only ten minutes to state your case. And the Board of Assessment Review members never inspect your property. So how can they make an informed, fair and impartial decision? Boards also routinely deny tax relief in more complicated cases, forcing towns into long and expensive legal battles. And who pays for those? You guessed it—the taxpayers.

FACT: The grievance process is even less fair to you, the homeowner. The assessor who set your assessment doesn't have to present a case to the board at your hearing, because under the law, his decision is "presumed correct."

FACT: Adding to the inequities, you can't argue that your neighbor with a similar house is assessed too low, even if you can show he worked around the system. For example, if your neighbor lowers his sale price by rolling the realtors' commission payment into the contract, he has effectively reduced the purchase (officially reported) price. The buyer then uses the sale price to justify a lower assessment.

FACT: If you're not satisfied with the outcome of your town's grievance process, you also have the right to challenge your assessment in State Supreme Court. But a court challenge is very costly. Only owners of the most expensive properties in the county can justify the cost incurred when an impartial State Supreme Court judge hears a case. Clearly, the grievance process is not fair and equitable to all taxpayers.

FACT: Worse yet, if you take your case in court, the town doesn't reimburse your legal expenses or appraisal costs—even if the court finds the town's assessment was wrong. Those costs can easily exceed your savings.

FACT: The timing of reassessments also adds to the inequity. Reassessment requires each town to gather extensive data and carefully check the value of each property within its borders. Since every town's timeline is different—and some towns haven't revalued their property in five years, or longer—lots of residents can hide behind their old assessments, while others are assessed at current market value. This leads to a countywide inequity among taxpayers.

FACT: If you want to build a new home, there's no process in place to get a preliminary tax assessment for new construction. The town won't review your building plans, even though you're required to file them. Once the property is built, you're stuck with the town's assessment—unless you want to start a costly legal battle... or you tear down your new house.

FACT: Real property taxes are one of the biggest sources of tax revenue in the state of New York—and one of the main reasons people are leaving the state.

“Fair and Equitable”?

More like Unjust and Random.

It's Time To Change The System We Fund As Taxpayers.