

Town of Cuba 2023 Reassessment Project

**Information for Property Owner
March 1, 2023**

**Ryan Reed
Assessor**

**Joseph H. Emminger
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

$\$10,000,000 / \$500,000,000 = \$20.00 \text{ per thou.}$
Tax Rate x Your AV/1000 = Your Share of Levy

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

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
- Most Importantly..

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 Inequitable Assessments

2018



Mrs. Smith

**Full Market Value =
\$100,000**

**Assessed Value =
\$100,000**

2018



Mrs. Jones

**Full Market Value =
\$100,000**

**Assessed Value =
\$100,000**

Effect of Inequitable Assessments

2023



Mrs. Smith

**Full Market Value =
\$300,000**

**Assessed Value =
\$100,000**

2023



Mrs. Jones

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

**Assessed Value =
\$100,000**

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	\$105,000 (5% increase)
Total Value of the Town	\$40,000,000	Total Value of the Town	\$44,000,000 (10% avg. increase)
Tax Levy	\$1,500,000	Tax Levy	\$1,500,000
Tax Rate	\$30 per \$1,000	Tax Rate	\$27.27 per \$1,000
Your Property Tax Bill	\$3,000	Your Property Tax Bill	\$2,897 (decrease \$103)

Assessments Vs. Taxes What's the difference

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

Last Year		This Year	
Your Assessment	\$100,000	Your Assessment	\$105,000 (5% increase)
Total Value of the Town	\$40,000,000	Total Value of the Town	\$44,000,000 (10% avg. increase)
Tax Levy	\$1,500,000	Tax Levy	\$1,542,855 (2.85% increase)
Tax Rate	\$30 per \$1,000	Tax Rate	\$28.57 per \$1,000
Your Property Tax Bill	\$3,000	Your Property Tax Bill	\$3,000 (no change)

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	\$95,000 (5% decrease)
Total Value of the Town	\$40,000,000	Total Value of the Town	\$47,500,000 (18.75% avg. decrease)
Tax Levy	\$1,500,000	Tax Levy	\$1,542,855 (2.85% increase)
Tax Rate	\$30 per \$1,000	Tax Rate	\$32.46 per \$1,000
Your Property Tax Bill	\$3,000	Your Property Tax Bill	\$3,085.60 (increase \$85.60)

Remember!!

- **Property Taxes** – based on value
- **Value** is defined as market value – what a willing seller will pay a willing buyer in a fair and open real estate market.
- You want to only pay your share of the tax pie

19

Equalization Rates

- When a Municipality is not at 100%, it is the percentage of value you are assessed at- **Very Confusing**
- In Cuba, we are at 74.00%, which means a home assessed at \$74,000, Has a Full Market Value of \$100,000. Last year the equalization rate was 83%
- Cuba will be at 100% after the 2023 program
- Easier to understand-Your Assessed Value when it equals your Market Value?

20

- 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.



21

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

22

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

23

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

26

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!

27

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?

27

2023 Town of Cuba Assessment Schedule

- Public Meeting – January 2023
- Impact Notices Mailed to taxpayer – March 2023
- Informal Hearings – March – April 2023
- Notification of Hearing Results – by May 1, 2023
- Tentative Assessment Roll – May 1, 2023
- Grievance Day – May 23, 2023
- Final Assessment Roll – July 1, 2023

28

What can taxpayers do when they have questions or concerns regarding their assessed value?

- Most information at the assessor's office is open to the public.
- Check the town's website, library and the assessor's office for information regarding assessments and sales.
- You'll be able to make an appointment for an Informal Review AFTER 3/1/23. This number will also be listed on the mailing you'll receive in next month.

29

Impact Disclosure Notice

ORPS

30

What do you need when challenging
your value

- You want to use Comparable sales of homes-similar style, size, age, neighborhood.
- If your home has had an Arms Length sale in the last 3± years, that will influence value.
- Make sure your property inventory matches what the assessor has-Square Footage, Bedrooms, Bathroom etc.
- If information about your property is incorrect, or you feel you have condition issues that effect value, allow an inspection.

21

Next Steps After Informal

- **Board of Assessment Review (BAR)**-If you are still not satisfied, you will file a formal grievance (RP-524) at the assessor's office after May 1st, 2023. Hearings will take place starting the 4th Tuesday of May.
- A formal Application is necessary and must be filed by the 4th Tuesday of May.
- **SCAR** – Small Claims Assessment Review – for owner occupied residential properties, who have already gone before the Board of Assessment Review.
- **Court challenge – must have an attorney.**

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

22

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: (hypothetical: Cuba rates)
 - 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:** Assessors raise values in response to taxing district pressure for revenue (the town needs more money).
- **Fact:** Values change in response to economic changes measurable in the market place.
- **Fact :** Tax rates should drop proportionately to assessment increases- otherwise, additional taxes are being collected.

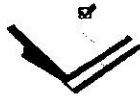
Myths and Facts

- **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.

What does "Taxable Status Date" mean to you?

- Real property is assessed with respect to its ownership and condition on that date. If you build a deck the day AFTER the taxable status date, its contribution to market value will not be reflected on the assessment roll (and your tax bill) until the following year.
- But if it is in place on taxable status date it will be valued for the current year. If your house is under construction on taxable status date, its estimated percentage of completion on that date will be the basis for the assessment.
- If the assessment roll and taxable values were constantly changing it would never be possible to set a tax rate.

Assessor's Calendar



Valuation Date	July 1 st , preceding year
Taxable Status Date	March 1 st
Exemption Filing Deadline	March 1 st
Tentative Roll Filed	May 1 st
Grievance Day	4 th Tuesday of May
Final Roll Filed	July 1 st

THANK YOU!!!

Joe Emminger
ENPM, Inc.

QUESTIONS:
585.532.5090
cuba@enpm100.com

COUNTY OF ALLEGANY
TOWN OF CUBA

2023 ASSESSMENT NOTIFICATION

FOR INFORMATION ONLY -THIS IS NOT A TAX BILL

OWNER INFORMATION

Joseph H. Emminger
2440 ABC Drive
Town of Cuba, New York

PARCEL INFORMATION

100.00-0001234
2440 ABC Drive
210 – 1 Family Res
.25 Acre

EXEMPTIONS

41855 – Res STAR

You are hereby notified in accordance with the requirements of Section 511 of the Real Property Tax Law of your preliminary assessment. New York State law requires all properties in each municipality to be assessed at market value or at a uniform level of assessment each year. To comply with the law and ensure that all property owners are assessed fairly and accurately, assessments throughout the Town of Irondequoit have been reviewed and adjusted as necessary.

Year	Assessed Value	Level of Assessment	Market Value
2022	\$183,200	74%	\$247,568
2023	\$250,000	100%	\$250,000
Net Change	+ \$66,800		

A change in your property's assessment does not necessarily indicate that your taxes will change. Your tax liability will be affected by several factors, including: changes to school/county/municipality budgets, changes to assessments of other properties, changes to exemptions and/or exemption savings amounts applicable to your property, and apportionment of school and/or county taxes among multiple municipal segments.

The information below is for comparison purposes only. It compares your prior taxes to what they would have been had your 2023 assessment been in place. **This is a hypothetical estimate based on prior year tax levies and does NOT represent your actual future tax liability.**

	<u>2022 Taxable Assessed Value*</u>	<u>2023 Preliminary Taxable Assessed Value*</u>	<u>Approximate Tax Liability</u>	
			2022	2023
County	\$183,200	\$250,000	\$999.86	\$784.55
Town	\$183,200	\$250,000	\$544.25	\$427.06
School	\$153,200	\$220,000	\$3,029.97	\$3,120.32
Approximate Total Taxes:			\$4,574.08	\$4,331.93
Change in Estimated Taxes: (\$242.15)				

Note: Special District and Village taxes, if any, are not included.

*Taxable assessed value is your property's assessed value minus applicable exemptions.

You should examine the tentative assessment roll regardless of this notice or have discussions with representatives of the assessor's offices. If you disagree with your property's assessment, in order to protect your right to assessment review, you must file a formal written complaint on the officially prescribed form (RP-524), available from your assessor or online at www.tax.ny.gov, with your Board of Assessment Review (BAR) on or before **Grievance Day: (MONTH, DAY, YEAR)**.

A publication entitled "Contesting Your Assessment in New York State" is available at the assessor's office and online at www.tax.ny.gov.

Please note that your assessor and BAR can only review your **assessed value**; they do not set and cannot adjust your taxes. If you feel that your assessment is fair but your taxes are too high, your comments should be addressed to the appropriate taxing jurisdiction.