

Office of the New York State Comptroller

Thomas P. DiNapoli • State Comptroller



Property Tax Cap

Formula for Determining Tax Levy Limit: School Districts

Base Formula

$$\left(\left[\left(\begin{array}{l} \text{Total taxes levied for prior fiscal year} \\ + \\ \text{Prior year reserve offset} \\ - \\ \text{Reserve amount (including interest earned)} \end{array} \right) \times \text{Tax base growth factor}^1 \right] + \begin{array}{l} \text{PILOTs receivable in the prior fiscal year} \\ - \\ \text{Capital tax levy exclusion, prior fiscal year} \\ - \\ \text{Tort exclusion, prior fiscal year} \end{array} \right) \times \begin{array}{l} \text{Allowable levy growth factor} \\ (1.00 \text{ to } 1.02)^2 \end{array} - \begin{array}{l} \text{PILOTs receivable in coming fiscal year} \\ + \\ \text{Available carryover, if any} \end{array} = \text{Tax Levy Limit}$$

+ Exclusions

$$\begin{array}{l} \text{Tax Levy Limit} \\ + \\ \begin{array}{l} \text{Tax levy necessary for expenditures resulting from court orders/judgments arising out of tort actions for any amount in excess of 5\% of the total taxes levied in the prior fiscal year} \end{array} \\ + \\ \text{Capital tax levy} \\ + \\ \begin{array}{l} \text{Tax levy necessary to pay for increases to the system average actuarial contribution rate (ERS) or normal contribution rate (TRS) of pension funds over 2 percentage points} \end{array} \end{array} = \text{Tax Levy Limit, with Exclusions (if applicable)}^3$$

¹ Tax base growth factor: Based on Tax and Finance determination of "quantity change," such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within the boundaries of the local government or school district.

² Allowable levy growth factor: Lesser of 1.02 or inflation factor (percent change in CPI for the 12 month period ending 6 months before the start of the coming fiscal year over the prior 12-month period), but never lower than 1.00.

³ If school districts propose to exceed this, they must get 60% voter approval for an override.



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Division of Local Government and School Accountability

	2020-21	2021-22	2022-23
<u>TAX CAP VARIABLES</u>			
1) Prior Year ("PY") Tax Levy	43,740,971	46,348,822	48,434,519
2) Tax CAP Reserve Amount	0	0	0
3) 1 + Tax Base Growth Factor	1.0076	1.0079	1.0033
4) Prior Year PILOTS	26,690,772	24,125,990	18,255,997
5) Current Year expected PILOTS	24,125,990	18,255,997	6,373,192
6) Levy for Judgements over 5% of total tax levy	0	0	0
7) Available Carryover from Prior Year	0	0	0
8.a) Pension Exclusion TRS	0	0	0
8.b) Pension Exclusion ERS	0	0	0
9) Prior Year Capital Tax Levy	4,019,207	4,250,120	4,245,582
10) Current Year Capital Tax Levy	4,250,120	4,245,582	4,028,483

<u>TAX CAP CALCULATION</u>				
TAX LEVY CAP BEFORE EXCLUSIONS				
Prior Year ("PY") Tax Levy		43,740,971	46,348,822	48,434,519
Tax CAP Reserve Amount	add	0	-	-
1 + Tax Base Growth Factor	multiply	1.0076	1.0079	1.0033
	subtotal	44,073,402	46,714,978	48,594,353
Prior Year PILOTS	add	26,690,772	24,125,990	18,255,997
Available Carryover from Prior Year		0	0	1,000
		70,764,174	70,840,968	66,851,351
Prior Year Capital Tax Levy	deduct	4,019,207	4,250,120	4,245,582
	subtotal	66,744,968	66,590,848	62,605,769
Allowable Levy Growth Factor (1 + inflation factor)		1.0181	1.0123	1.0200
	subtotal	67,953,052	67,409,916	63,857,885
Current Year expected PILOTS	deduct	24,125,990	18,255,997	6,373,192
Tax Levy CAP Before Exclusions		43,827,060	49,153,917	57,484,693

EXCLUSIONS			
Tax Levy for Judgements over 5% of total tax levy	0	0	0
Current Year Capital Tax Levy	4,250,120	4,245,582	4,028,483
Pension Exclusion TRS	0	0	0
Pension Exclusion ERS	0	0	0
Total Exclusions	4,250,120	4,245,582	4,028,483

TAX CAP	48,076,056	53,399,499	61,513,176
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ALLOWED TAX LEVY WITH MAJORITY VOTE	48,076,056	53,399,499	61,513,176
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Difference in CAP	4,335,085	5,323,443	8,113,677
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