

# Alternative Veterans' Exemption

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Sayville Public Schools  
Public Hearing  
January 8, 2015

# January 8, 2015 Public Hearing

- \* The basis for this Public Hearing is for the Board of Education to consider adopting the Statutory Basic Maximums, as defined by Real Property Tax Law Section 458-a, subdivision 2, paragraphs (a), (b) and (c).
- \* Legal Notice was posted in the Suffolk County News on December 18, 2014
- \* **If Adopted, the task of administering this law lies with the Local Tax Assessors who are required to approve/deny each application for exemption**

# Overview

- \* In December 2013, Governor Cuomo signed legislation which amended Real Property Tax Law (RPTL) 458-a
- \* The new legislation now allows school districts the ability to “opt-in” to the partial alternative veterans’ real property tax exemption
- \* Previously, only counties, cities, towns and villages were allowed to provide this partial tax exemption

# If Partial Exemption is Adopted...

- \* If the exemption is approved, the District would NOT forfeit any tax revenues
- \* **HOWEVER**, there would be a “tax shift” increasing the tax burden to the non-exempt homestead property owners

# The Alternative Veterans' Exemption..

- \* 15% reduction in assessed value for veterans who served in a defined period of war
- \* 10% additional reduction in assessed value for veterans who served in a combat zone
- \* Additional percentage exemption in assessed value to a disabled veteran equal to assessed value X 50% of his/her service connected disability ratings
- \* Boards can also extend the exemption to Gold Star Parents (parents of a child who died in the line of duty while serving during a period of war)

# Select Maximum Limits.....

- \* School Districts may select the State Basic Maximums

or

- \* Reduce or Increase the State Basic Maximums

# Choices of Maximum Exemptions:



	Reduced Maximums		Basic Max		Increased Max*
Wartime	6,000	9,000	12,000	→	54,000
Combat Zone	4,000	6,000	8,000	→	36,000
Disability	20,000	30,000	40,000	→	180,000
					High Appreciation Municipalities



# Basic Maximum Benefit...

- \* The lesser of \$12,000 or  $\$12,000 \times$  the latest equalization rate for veterans who served in a define period of war
- \* In addition, the lesser of \$8,000 or  $\$8,000 \times$  the latest equalization rate for veterans who served in a combat zone
- \* In addition, the lesser of \$40,000 or  $\$40,000 \times$  the latest state equalization rate for a service-connected disability



# Adopting the State Basic Max Level..

- \* Using the 2014-15 data provided by the assessor's office, there are currently a total of 773 Alternative & Eligible Funds Veterans within the District:
- \* Adopting the State Basic Max Level would shift approximately \$1,690,000 in taxable properties – to exempt properties
- \* ***A homeowner would see an increase of approximately \$0.14 per \$100 of assessed value***
- \* ***A homeowner with an average assessed home of \$40,000 would see an increase of approximately \$56 per year***

# Additional Information

- \* The School District DOES NOT make the eligibility determination for veterans
- \* If adopted, the District will notify the Town of Islip Assessor's Office and they will notify veterans accordingly
- \* Must be adopted by March 1<sup>st</sup> to be effective for the 2015-16 school year
- \* Sources for additional information:
  - \* NYS Department of Taxation & Finance – [www.tax.ny.gov](http://www.tax.ny.gov)
  - \* Division of Veterans' Affairs – [www.veterans.ny.gov](http://www.veterans.ny.gov)

# School Districts Adopting the State Basic Maximums (\$12K, \$8K, \$40K)

- \* Cold Spring Harbor
- \* Commack
- \* Elwood
- \* Half Hollow Hills
- \* Lindenhurst
- \* Northport
- \* West Babylon
- \* East Islip
- \* Connetquot
- \* West Islip
- \* Islip
- \* Brentwood
- \* Sachem