

New York State Law requires all properties in your municipality (except in New York City and Nassau County) to be assessed at a uniform percentage of market value each year. This means that all taxable properties in your city, town or village must be assessed at market value or all at the same uniform percentage of market value each year. State Law also requires your assessor to include the estimate of the market value for each property, the assessment for each property and the uniform percentage for all taxable property on the tentative assessment roll.

This pamphlet explains how your assessor can comply with the law by keeping assessments up-to-date and equitable each year. The fairness, or equity, of the real property tax depends on whether similar properties are treated alike. By keeping assessments up-to-date each year, assessors can go a long way toward ensuring that taxpayers do not pay more or less than their fair share of taxes.

### **Who is responsible for assessments and who is responsible for taxes?**

Assessments are determined by the assessor, an elected or appointed local official, who independently estimates the market value of real property in your community. Market value is how much your property would sell for under normal conditions. Once the assessor estimates the market value of your property, the assessment is calculated.

As mentioned above, New York State law requires all properties to be assessed at a uniform percentage of value within your community. Your assessment is a percentage of market value. That percentage of market or full value at which properties are assessed within a community is called the Level of Assessment (LOA). For example, a LOA of 50 percent would indicate that assessments are at half of the market value; whereas, an LOA of 100 percent represents a community that is assessing at full value.

Your taxing jurisdiction (school district, town, county, etc.) is responsible for developing and adopting a budget. There are several steps involved

in this process. Revenue from all sources other than the property tax is determined. These revenues are subtracted from the budget to arrive at the tax levy – the total amount to be raised through the property tax.

The tax rate for properties in your community is then determined by dividing the tax levy by the total taxable assessed value of taxable real property in your community (tax levy ÷ total taxable assessed value = tax rate).

### **What is the difference between the market value and assessed value of my property?**

The market value of your property is generally defined as what your property would sell for under normal conditions. For residential properties, your assessor generally determines market values by comparing a property with similar properties that have sold in similar neighborhoods, giving consideration to other factors possibly affecting market value.

In many communities, where assessments are maintained at a uniform percentage of 100, your assessment is market value. In other words, your assessed value would equal market value. If your community is assessing at a fractional percentage of market value, your assessment should be based upon the percentage being used throughout the community. For instance, if the market value of your home is \$100,000, and your community is assessing at 30 percent of market value, your assessment should be \$30,000.

### **Won't my taxes increase if my assessment is adjusted?**

First, as noted above, your assessor does not increase your taxes. *Assessors are trained to be appraisal professionals; it is their job to make sure that the assessments are accurate and equitable, which provides the basis for fair distribution of taxes among the property owners within the assessing unit.* Keeping assessments up-to-date each year is necessary for fair tax distribution.

Next, keeping values up-to-date each year does not necessarily mean that your assessment will increase. Market values of properties may stay the same or go down, which means that some properties should see a decrease in assessed values.

If your assessment does increase, it doesn't mean that your taxes will automatically increase. In some cases, a municipality will go from a fractional level of assessment to 100 percent. If the original level of assessment was 10 percent, and the current level of assessment is 100 percent, your assessed value could go from \$9,000 to \$90,000, and you might not see any increase in taxes.

In addition, if your assessment increases, but the assessments of most other properties increase more, your share of the taxes could decrease. For instance, if your assessment increased by 3 percent, but most other property owners saw increases of 5 percent, you'll likely see a decrease in taxes (assuming your school and municipal budgets remain stable and the tax levy does not increase).

### **How does the assessor decide which assessments to change and by how much?**

In order to maintain a uniform LOA, each year your assessor will need to analyze all of the properties in the municipality to determine which assessments need to be changed. If assessments have been kept up-to-date each year, or if the real estate market has been fairly stable, it is possible that few assessments will need to be adjusted.

Where assessments do need to be changed, in some cases, your assessor will be able to increase or decrease the assessments of a neighborhood or group of properties by applying real estate market trends to those properties. This is possible only when assessments are at a uniform level. In other cases, the assessor will need to conduct physical reinspections for reappraisals of properties. Every assessing unit should be keeping assessments at a fair and uniform level every year.

### **Why does State Aid require 100 percent of market value?**

It's much easier for taxpayers to understand assessments and determine whether they're overassessed when assessments are kept at market value. While State law does authorize municipalities to assess at market value or some uniform percentage thereof, the State Aid program requires towns and cities to keep their assessments at market value.

Think of it this way, if you estimate your home to be worth \$100,000 but the assessed value is \$90,000, you might think your property is underassessed. However, if the level of assessment is less than 100 percent of market value, you might be overassessed. If, indeed, your home's market value is \$100,000, but you're municipality is assessing at 80% of market value, your assessed value should be \$80,000. ( $\$100,000 * .80 = \$80,000$ .) In this case, your property is overassessed by \$10,000.

It almost goes without saying that it's very easy to be confused when assessments aren't kept fair and at market value (and it's also much more difficult to explain).

### **If my home is physically reinspected, do I have to let the assessor in?**

While you are not required to let the assessor or data collector in your home, your cooperation, along with that of all other property owners in your community, helps assure that your assessment will be fair and based on complete and accurate information. Without such cooperation, data collectors are forced to estimate how many bedrooms, bathrooms, etc., there are in your home. Later, if you disagree with the assessment for your property and ask that it be lowered, assessment officials will need precisely the information you refused to provide in order to rule on your request for a lower assessment.

(continued)

If it is really inconvenient to allow an inspection at that time, tell the data collector that and try to make an appointment for some other date. However, if you can spare the ten minutes or so that will usually be required, we urge that you allow it to proceed so that the information necessary for equitable assessment can be gathered.

Property owners are cautioned not to allow anyone into their homes without proper identification, preferably I.D. cards with photographs signed by an authorized town or city official. "No identification, no entry!"

### **How do I know that the assessor has the correct information about my property?**

Because the information about your property will be used to determine your assessment, it is in your best interest to make sure that your assessor's data is correct for your property. You can check with your assessor's office to receive a listing of the information pertaining to your property.

### **When will I know my new assessment?**

Based upon the available information about your property, your assessor will estimate the market value of your property. A notice then will be sent informing you of your new assessment. If you have any questions or disagree with the new assessment, you should arrange for an informal conference at your assessor's office to review the information on which the value is based. If the assessment official(s) feel that a mistake was made (or there is any other reason to question the accuracy of the assessment), the assessment will be amended.

Only when your assessor is convinced that all the property assessments are as accurate as possible will they be placed on the tentative assessment roll.

### **What information is on the tentative assessment roll?**

You will not find the physical inventory of your property on the tentative assessment roll, but you will find your assessment, your assessor's estimate of the market value of your property, and the exemptions you will be receiving. In most communities, tentative rolls are published on May 1, but you should check with your assessor for the details in your community.

### **What if I disagree with the assessment on the tentative roll?**

While the roll is tentative, you still have the ability to meet informally with your assessor about your assessment. If at the end of such a conversation, you still feel you are over-assessed based upon the market value of your home, you have the right to file for formal review of your assessment. More information about the assessment review process, including application deadlines and instructions, can be found in "How to Contest Your Assessment", published by this agency and available online at [www.orps.state.ny.us](http://www.orps.state.ny.us) or by calling 518-486-5446.

### **Where can I learn more?**

Your best source for information about assessment practices in your community is your assessor. The county director of real property tax services is another good source of information. Contact information for local and county officials, as well as additional information about assessments, property taxes and exemptions, is available online at [www.tax.ny.gov](http://www.tax.ny.gov)

### **What are the benefits of frequent reassessments?**

Hundreds of municipalities conduct frequent reassessments to ensure fair and accurate assessments. Aside from State Aid, the benefits include:

- ✓ **Assessment Equity for Taxpayers** - The longer it has been since a municipality has updated assessments, the more likely it is that some taxpayers are paying more than their fair share in taxes. Up-to-date assessments eliminate unfair assessments and the "sticker shock" that taxpayers experience when assessments are adjusted after years of neglect.
- ✓ **Local Control over the Equalization Rate** - By maintaining assessments at market value each year, municipalities can consistently receive an equalization rate of 100. This eliminates shifts in school and county tax apportionment due to fluctuating equalization rates.
- ✓ **Fewer Court Challenges to Assessments** - By keeping assessments up-to-date, municipalities are likely to have fewer tax certiorari cases.
- ✓ **Increased State Land Assessments** - Because State land assessments are frozen at the year of the last municipal-wide reassessment, frequent reassessments allow municipalities to make changes in market value that they could not otherwise capture.

---

**STATE OF NEW YORK**  
**Andrew M. Cuomo, Governor**

**New York State**  
**Department of Taxation and Finance**  
Commissioner, Thomas H. Mattox

**Office of Real Property Tax Services**  
W.A. Harriman Campus  
Albany, New York 12227

[www.tax.ny.gov](http://www.tax.ny.gov)  
(518) 591-5232

# FAIR ASSESSMENTS

## A Guide For Property Owners



**New York State Department of  
Taxation and Finance**

Office of Real Property Tax Services