

# A Reassessment Discussion



# Reassessment (Section 102 RPTL)

- A systematic analysis of all locally assessed parcels to ensure that all assessments are at a stated uniform percentage of value as of the valuation date of the assessment roll upon which the assessment appear.

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

- **Assessments are determined by the Assessor and are based on market value. 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.**
- **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 assessed value = tax rate).**

# The Job of the Assessor

- **Provide fair assessments by determining the market value of each property**
- **Help taxpayers understand assessments**
- **Work with the county, state, and contractors to ensure assessments are fair**
- **Process exemptions, such as STAR, Senior Citizens, Agriculture, and Veterans**
- **Maintain the assessment roll and related data using computerized software**

# Assessment and Taxes

Although assessments play an integral part of tax calculation, the amount of the tax levy is the controlling factor in the amount of taxes we all pay.

# Reassessment

So why  
do we need  
reassessments?

# EQUITY is the GOAL

When assessment equity exists, it ensures that the tax burden is distributed equally and fairly among ALL taxpayers.

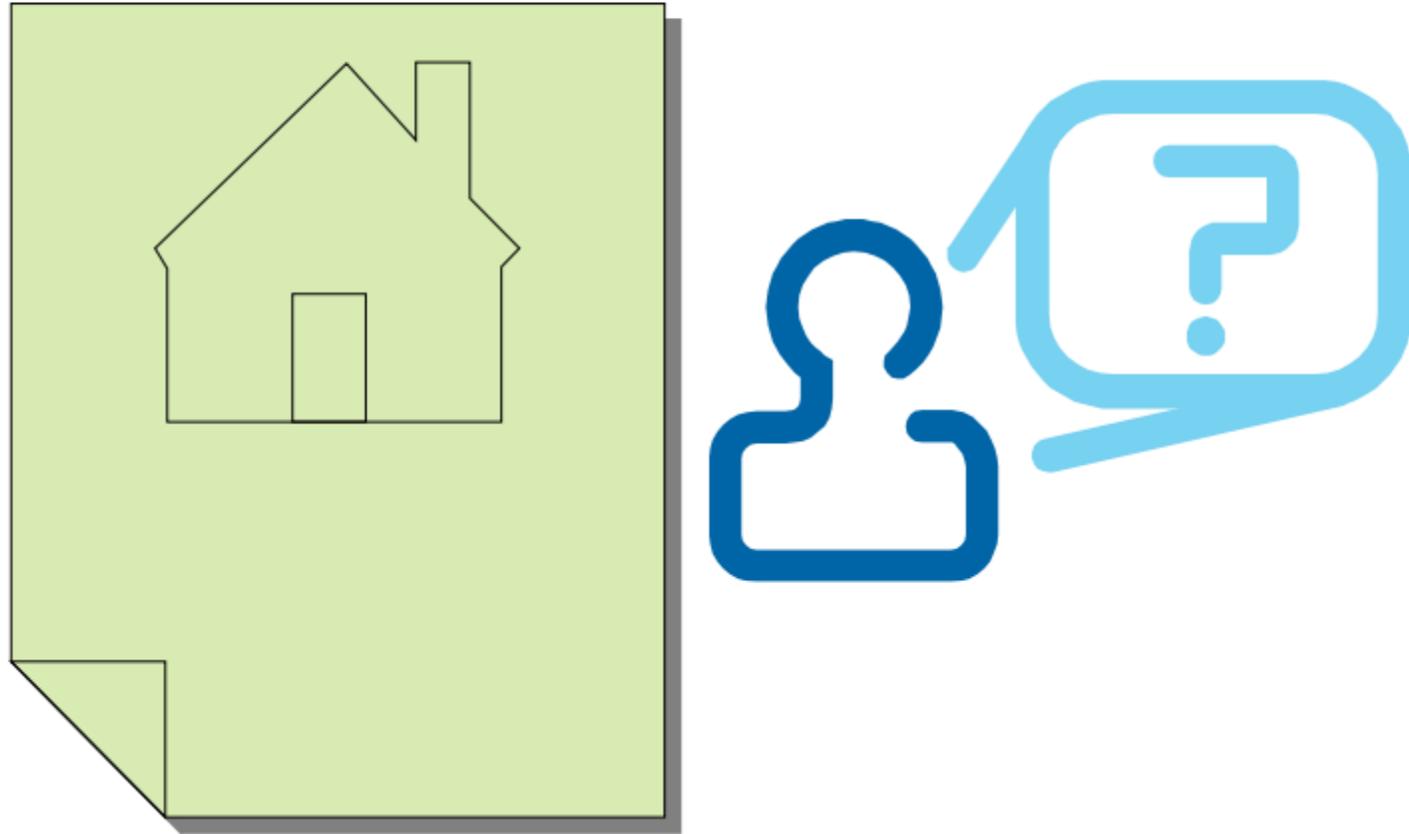
# New York State Assessment Standard

- The "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 and the parcel's market value

# New York State Equalization Rate

- The NYS Office of Real Property Tax Services (NYSORPTS) periodically performs a Market Value Survey which assists that office in establishing an Equalization Rate.
- An Equalization Rate is an overall measure of a municipality's level of assessment relative to market value.
- The Market Value Survey conducted by NYSORPTS also provides a measure of assessment equity within the property class groups sampled.

# Why Does Equity & Uniform Assessing Matter?



# NON-UNIFORM ASSESSING

Property A  
Present Market  
Value  
\$100,000



Assessed Value  
\$80,000

Property B  
Present Market  
Value  
\$100,000



Assessed Value  
\$120,000

If Tax rate = \$20/1000

Estimated Taxes = \$1,600

Estimated Taxes = \$2,400

# UNIFORM ASSESSING

Property A  
Market Value  
\$100,000



Assessed Value  
\$100,000

Property B  
Market Value  
\$100,000



Assessed Value  
\$100,000

If Tax rate = \$20/1000

Estimated Taxes = \$2,000

Estimated Taxes = \$2,000

## Things to keep in mind regarding property values & equity. . .

- First, the real estate market is constantly changing
- Second, not all properties will change in value at the same rate.

# Changes in Property Values

- Different types of properties in different locations do 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!

# How Is Market Value Determined?

- The Assessor does NOT create market value
- Market Value is determined by the interaction of buyers and sellers.
- The assessor monitors and analyses real estate transactions to establish market value estimates for real property within the town.

# 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
- As communities age, Ranch Style homes may become more popular

# What Drives Market Value?

- Economic Influences
- Interest Rates
- Availability of amenities and jobs
- Commuting Distance to industry
- Consumer needs and the condition and amenities of a property

These among other factors may influence property values.

# Reassessment - What It Does

- Produces equity by eliminating unfair assessments
- Distributes tax burden fairly within the municipality
- Increases taxpayer confidence and understanding

## Reassessment- What It Does NOT Do

- Generate additional revenue
  - Prevent tax shifts
- Compensate taxpayers for prior inequities

# The Property Tax

The Real Property Tax is an  
*Ad Valorem* tax

# The Property Tax

...the amount of tax paid depends on the value of the real property owned

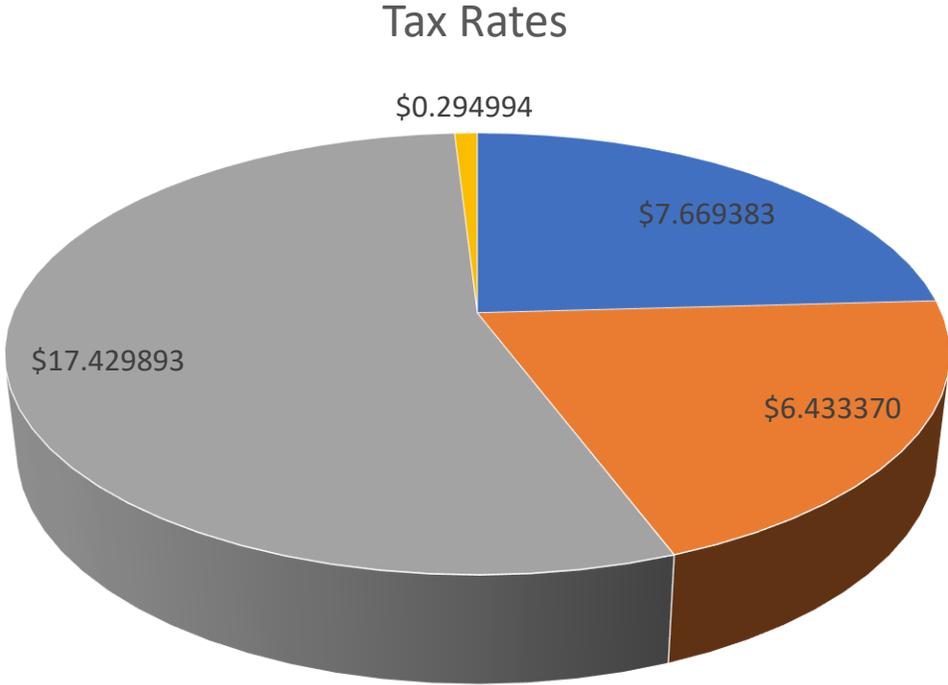
# The Property Tax

## Calculation of Property Taxes:

- Amount of Tax Levy (Budget minus Revenues)
- Divided by Taxable Assessed Value (*Assessed Value minus Exemptions*)
- Equals Tax Rate (x 1000)

# HOW THE PROPERTY TAXES ARE APPLIED

(City of Canandaigua Tax Rates from 2022-2023)



■ City

■ County

■ School

■ Library

# Reassessment Process

- Data Collection/Verification
- Inventory data file editing
- Neighborhood analysis
- Sales analysis
- Application of MASS valuation techniques
- Field Review/Appraisal
- Assessment Disclosure
- Informal meetings with taxpayers
- Tentative Roll
- Board of Assessment Review (BAR)
- Final Roll

# Assessment Change Notice

- Mailed to all properties that have had a change in value

# Common myths about reassessments

Myth#1 “The taxing jurisdictions are just trying to get more money.”

Reassessments do NOT generate additional revenue for the taxing jurisdictions. They simply add to the tax base and ensure the assessments are fair for all property owners. The only way the taxing jurisdictions receive more money is if they increase their budgets.

# Common myths about reassessments

Myth#2 “My home should not be increased as I have not done anything.”

When we are doing a reassessment project, we are valuing based on changing market conditions not physical changes. Physical changes are done the year of the change. For example, if you add a new pole barn, it is valued the year of completion, or a partial value may be applied if the project is started but not completed during the assessment roll cycle.

# Common myths about reassessments

Myth#3 “My house was increased, now my taxes are going to go up.”

This may or may not be the case, it is worded right on the change of assessment notice that just because a property assessment is increased, it does not mean that your taxes will go up. I do not really care for the wording as it does not provide enough information. It is a true statement in some cases. If your property assessment increases at a percentage less than the average, your taxes should go down. If your assessment is increased higher than the average than your taxes most likely will go up. If your assessment increases the same amount as the average, your taxes should remain about the same. Again, because reassessments are not revenue generating, adding to the tax base reduces tax rates.

# Informal Assessment Meeting

- What are Informal Meetings?
  - Informal Platform for the public to present information to the Assessor.
  - Non-confrontational
  - Information sharing
  - Time very limited – 5-10 minutes, it is important to come prepared.

# Informal Assessment Meeting

- Objectives:
  - Verify Data
  - Review Exemptions
  - Listen to taxpayers concerns and perspective
  - Correct mistakes
  - After hearing – Assessor reviews assessment(s)
    - Single Parcel
    - Group of Parcels

# Informal Assessment Meeting

- What you should **NOT** do:
  - Focus on percentage of change
  - Focus on amount of taxes
  - Focus on irrelevant issues
    - i.e.: Purchase price of property in 1975
  - Attack
  - Use the condition of your neighbor's house as a factor of your assessment without providing supporting proof of the impact on values in that specific area.

# Informal Assessment Meeting

- How to Prepare:
  - Review Data/Inventory
  - Focus on Assessed Valuation (Market Value)
  - Search for comparable sales
  - Bring relative data – recent appraisal
  - Keep a positive attitude
  - Remember the person you are meeting with is a professional appraiser/assessor with one objective in mind – to ensure that you are assessed at 100% fair market value.

# A sample of comparable sales data sheets that will be available to property owners...

| print_key  | Condition | Full Baths | # 1/2 bath | # Beds | Bldg Style | Sq Ft | Yr Built | Remodeled | Address             | Sale Date  | Sale Price | Adj Sale Price | nbhd_code | Dollar Per Sq |       |
|------------|-----------|------------|------------|--------|------------|-------|----------|-----------|---------------------|------------|------------|----------------|-----------|---------------|-------|
| 70.16-1-45 | 3         | 1          | 0          | 3      | 01         | 977   | 1959     | 0         | 70 Canandaigua Ave  | 2/25/2022  | \$ 55,000  | \$ 62,800      | 31        | \$ 64.28      | Ranch |
| 70.16-1-44 | 3         | 1          | 0          | 3      | 01         | 1392  | 1954     | 0         | 74 Canandaigua Ave  | 11/12/2021 | \$ 72,000  | \$ 83,700      | 31        | \$ 60.13      | Ranch |
| 70.16-3-20 | 3         | 1          | 0          | 3      | 01         | 1167  | 1959     | 0         | 99 Canandaigua Ave  | 5/12/2021  | \$ 80,000  | \$ 96,100      | 31        | \$ 82.35      | Ranch |
| 70.16-1-49 | 3         | 1          | 0          | 3      | 01         | 900   | 1955     | 0         | 54 Canandaigua Ave  | 8/8/2022   | \$ 137,000 | \$ 150,800     | 31        | \$ 167.56     | Ranch |
| 70.16-3-37 | 3         | 2          | 0          | 4      | 01         | 1919  | 1951     | 0         | 29 Canandaigua Ave  | 4/12/2022  | \$ 139,900 | \$ 158,000     | 31        | \$ 82.33      | Ranch |
| 70.16-3-17 | 3         | 1          | 0          | 3      | 01         | 1025  | 1952     | 0         | 111 Canandaigua Ave | 10/13/2022 | \$ 149,900 | \$ 162,300     | 31        | \$ 158.34     | Ranch |
| 70.16-1-44 | 3         | 1          | 0          | 3      | 01         | 1392  | 1954     | 0         | 74 Canandaigua Ave  | 1/18/2022  | \$ 150,000 | \$ 172,300     | 31        | \$ 123.78     | Ranch |
| 70.16-2-42 | 3         | 1          | 0          | 3      | 01         | 1249  | 1960     | 0         | 119 Seneca Dr       | 4/20/2023  | \$ 150,000 | \$ 154,100     | 31        | \$ 123.38     | Ranch |
| 70.16-1-54 | 3         | 2          | 0          | 4      | 01         | 1485  | 1952     | 0         | 32 Canandaigua Ave  | 7/15/2021  | \$ 161,000 | \$ 191,200     | 31        | \$ 128.75     | Ranch |
| 70.16-3-20 | 3         | 1          | 0          | 3      | 01         | 1167  | 1959     | 0         | 99 Canandaigua Ave  | 8/10/2022  | \$ 162,000 | \$ 178,300     | 31        | \$ 152.78     | Ranch |
| 70.16-2-56 | 3         | 1          | 1          | 3      | 01         | 1490  | 1959     | 0         | 94 Canandaigua Ave  | 12/22/2022 | \$ 162,727 | \$ 173,200     | 31        | \$ 116.24     | Ranch |
| 70.16-3-14 | 3         | 1          | 0          | 3      | 01         | 1189  | 1958     | 0         | 123 Canandaigua Ave | 9/8/2021   | \$ 164,900 | \$ 193,700     | 31        | \$ 162.91     | Ranch |
| 70.16-2-51 | 3         | 1          | 0          | 3      | 01         | 925   | 1957     | 0         | 114 Canandaigua Ave | 10/27/2022 | \$ 175,400 | \$ 189,900     | 31        | \$ 205.30     | Ranch |
| 70.16-3-13 | 3         | 1          | 0          | 3      | 01         | 1524  | 1957     | 0         | 127 Canandaigua Ave | 10/14/2022 | \$ 180,000 | \$ 194,900     | 31        | \$ 127.89     | Ranch |
| 83.08-2-23 | 3         | 2          | 0          | 3      | 01         | 1764  | 1957     | 2014      | 62 Scotland Rd      | 7/21/2022  | \$ 207,000 | \$ 229,800     | 31        | \$ 130.27     | Ranch |
|            |           |            |            |        |            |       |          |           |                     |            |            |                |           | \$ 125.75     |       |

# Formal Review Process

- Local Board of Assessment Review
- Small Claims Assessment Review (SCAR)
- Supreme Court – Certiorari/Article 7

When looking at your updated assessment, a good question to ask yourself . . .

- Is the market value estimate the assessor has derived for my property a reasonable representation of what I would expect to receive for my property if it was offered for sale on the open market?

If You Would Like More Information:

Visit the New York State Office  
of Real Property Tax Services  
Web Site at:

[www.tax.ny.gov](http://www.tax.ny.gov)

Thank You!!