

AUG 09 2019

Certificate of the Final State Equalization Rate
for the 2019 Assessment RollTOWN OF WOODBURY
SUPERVISOR'S OFFICEMr. Frank J. Palermo , Supervisor
Town of Woodbury
P.O. Box 1004
Highland Mills, NY 10930County of Orange
Town of Woodbury
Municipal Code: 335800
Final State Equalization Rate: * 37.71 *

I, Brian F. Moon, hereby certify that on July 31, 2019 the State Office of Real Property Tax Services established a final State equalization rate of 37.71 for the above named municipality.

Brian F. Moon
Real Property Analyst 2

Note: Since your locally stated level of assessment has been confirmed, it has been established as the final state equalization rate pursuant to RPTL § 1211. Notice of final rate will be filed with the clerk of the county legislative body and in the office of the State Comptroller.

Ms. Julie Rose , Appointed Assessor
Town of Woodbury
P.O. Box 1004
Highland Mills, NY 10930

2019 Equalization Rate Status

Municipal Code	Municipal Name	(A) 2018 State Equalization Rate	(B) 2019 State Equalization Rate and Status	(C) Percentage Change in Estimate of Full Value
330900	City of Middletown	16.35	15.25 Final	7.21%
331100	City of Newburgh	100.00	100.00 Final	4.78%
331300	City of Port Jervis	40.00	41.00 Final	-2.44%
332000	Town of Blooming Grove	17.15	16.17 Final	6.06%
332200	Town of Chester	59.00	58.20 Final	1.37%
332400	Town of Cornwall	100.00	95.00 Final	5.26%
332600	Town of Crawford	39.00	37.50 Final	4.00%
332800	Town of Deerpark	56.20	56.20 Final	0.00%
333000	Town of Goshen	62.00	61.00 Final	1.64%
333200	Town of Greenville	63.40	62.58 Final	1.31%
333400	Town of Hamptonburgh	100.00	100.00 Final	0.00%
333600	Town of Highlands	100.00	100.00 Final	0.00%
333800	Town of Minisink	47.00	47.00 Final	0.00%
334000	Town of Monroe	18.55	18.15 Final	2.20%
334200	Town of Montgomery	65.00	61.00 Final	6.56%
334400	Town of Mount Hope	59.00	56.00 Final	5.36%
334600	Town of Newburgh	34.00	32.20 Final	5.59%
334800	Town of New Windsor	16.75	15.48 Final	8.20%
335000	Town of Tuxedo	16.60	16.55 Final	0.30%
335001	Village of Tuxedo Park	15.05	14.72 Final	1.13%
335200	Town of Walkill	21.00	19.75 Final	6.33%
335400	Town of Warwick	14.10	13.70 Final	2.92%
335401	Village of Florida	14.48	13.94 Final	3.84%
335403	Village of Greenwood Lake	14.44	13.92 Final	3.69%
335405	Village of Warwick	14.49	13.91 Final	4.15%
335600	Town of Wawayanda	68.00	65.50 Final	3.82%
335800	Town of Woodbury	38.23	37.71 Final	1.05%
336000	Town of Palm Tree		18.25 Final	0.00%
336001	Village of Kiryas Joel		No Rate Yet	

Column C is the percentage change in the estimate of full value between the 2018 State equalization rate and the 2019 State equalization rate due to the change in full value standard.

This percentage change is important because county and school taxes are apportioned according to a municipality's share of the full value of the county or the school. A municipality will be apportioned a larger share of the tax levy if its full value increases by a larger percentage than others, or if its full value decreases less than the decrease for other municipalities in the county or school.

The information shown in columns B and C is subject to change as other rates are established in the county. You will be sent a complete report when we have established 2019 State equalization rates for all municipalities in your county.

May the equalization rate be used in an assessment appeal?

Yes. Property owners in New York State (except in Nassau County and New York City) may use the equalization rate as one piece of evidence in assessment grievance cases before the Board of Assessment Review and in State Supreme Court. Residential property owners also may use the State equalization rate in assessment cases brought under the provisions of Small Claims Assessment Review. More information on assessment challenges is available in ORPTS's publication entitled *Contesting your assessment in New York State*.

How do equalization rates relate to school property taxes?

The equalization rate is used to estimate the total market value of an entire taxing jurisdiction and/or segments of jurisdictions. The following formula is used to estimate a municipality's total market value:

$$\frac{\text{Current Total Assessed Value}}{\text{Current Equalization Rate}} = \frac{\text{Total Market Value}}{\text{Estimate (also known as Equalized Full Value)}}$$

In order for a school district to fairly distribute its property tax levy (the total amount of school taxes to be collected), the levy needs to be divided in proportion to the total market value of each municipal segment. This allows for an equitable distribution of taxes based upon the market value of each municipality or segment. For example School District AB needs to raise \$1 million through property taxes (thus, a levy of \$1 million). The district contains all of Town A and all of Town B. Each town has a total assessed value of \$10 million. If the \$1 million tax levy simply were allocated on the

basis of the assessed values, the taxpayers in both towns would evenly split the levy, with each town paying \$500,000.

However, through the equalization process, the state determines that that the two towns have different levels of assessment. Town A has an equalization rate of 33.33 and Town B has an equalization rate of 50.00.

Towns A and B can be compared for the purpose of dividing the \$1 million school district tax levy between them:

	Town A	Town B
Assessed Value (AV) of each Town	\$10 million	\$10 million
Equalization Rate of each Town	33.33	50.00
Market Value of each Town	\$30 million	\$20 million
Market Value of School District AB = \$50 million		
Percent of Market Value (and, therefore, percent of levy) for each Town	60%	40%
Tax Levy to be raised from each Town	\$600,000	\$400,000
Tax Rate for each Town (Tax Levy÷Assessed Value) x 1000	\$60 per \$1000 AV	\$40 per \$1000 AV

You can see that Town A is responsible for 60 percent (\$30 million ÷ \$50 million) of the full value in School District AB, and Town B is responsible for 40 percent (\$20 million ÷ \$50 million) of the full value. This means that the taxpayers in Town A will have to pay a total of \$600,000 (60% of the \$1 million tax levy) and those in Town B will have to pay \$400,000 (40% of the \$1 million tax levy).

It is the change in a town's total market value, as reflected in the equalization rate, relative to the change in the market value of other

municipalities in a taxing jurisdiction, such as a school district, that may cause a particular town's share of the tax levy to increase or decrease. If one municipality's market value increases, but all the other municipalities in the taxing jurisdiction increase to a larger degree, then the first municipality's share of the tax levy will decline.

For more information

To learn more about equalization, assessments and other aspects of property tax administration, you may wish to talk with your assessor or county director of real property tax services. More detailed information also is available on the ORPTS website at www.tax.ny.gov

STATE OF NEW YORK
Andrew M. Cuomo, Governor



NYS Department of Taxation and Finance
Office of Real Property Tax Services
W.A. Harriman State Campus
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Understanding the Equalization Rate

A Guide For Property Owners



New York State Department of
Taxation and Finance
Office of Real Property Tax Services

In New York State, the property tax is a local tax, raised and spent locally to finance local governments and public schools. While the State does not collect or receive any direct benefit from the property tax, this tax is still of major importance as the largest single revenue source for the support of municipal and school district services. More than \$26 billion is raised in local property taxes across the state annually.

The New York State Office of Real Property Tax Services (ORPTS) is statutorily obligated to administer an equalization program in order to assure equitable property tax allocation among nearly 4,000 taxing jurisdictions in New York State, and to insure the proper allocation of State Aid to Education funds, among other purposes. Equalization seeks to measure the relationship of locally assessed values to an ever-changing real estate market. Each year, ORPTS calculates equalization rates for each of the state's more than 1,200 assessing units.

Why is equalization necessary?

Equalization is necessary in New York State because: (1) there is no fixed percentage at which property must be assessed; (2) not all municipalities assess property at the same percentage of market value; and (3) taxing jurisdictions, such as most school districts, do not share the same taxing boundaries as the cities and towns that are responsible for assessing properties. Most of the state's more than 700 school districts distribute their taxes among segments of several municipalities, many of which have different levels of assessment. The number of municipal segments in a school district can range from one to fifteen or more.

What is an equalization rate?

At its simplest, an equalization rate is the state's measure of a municipality's level of assessment (LOA). This is the ratio of total assessed value (AV) to the municipality's total market value (MV). The municipality determines the AV; the MV is estimated by the state. The equalization rate formula is:

$$\frac{\text{Total Assessed Value (AV)}}{\text{Total Market Value (MV)}} = \text{Equalization Rate}$$

Equalization rates do not indicate the degree of uniformity among assessments within a municipality. (More information regarding uniformity is available in the pamphlet, *Fair Assessments – A Guide for Property Owners*.)

What does your equalization rate mean?

- *An equalization rate of 100 means that the municipality is assessing property at 100 percent of market value.*
- *An equalization rate of less than 100 means that the municipality's total market value is greater than its assessed value.*
- *An equalization rate of greater than 100 means that the total assessed value for the municipality is greater than its total market value.*

There would be no need for equalization if all municipalities assessed all property at 100 percent of market value every year.

What is the relationship between the State's equalization rate and the municipality's level of assessment?

In New York State each municipality is authorized to assess at market value or some fraction of market value. A level of assessment (LOA) of 50 percent means that assessments are at half of market value; an LOA of 100 percent means a community is assessing at 100 percent of market value. Regardless of the LOA chosen by a municipality, all of the assessments in the municipality are required by law to be at a uniform percentage of market value.

Equalization rates are the state's measure of each municipality's LOA. Each local assessor is required by law to state the municipal LOA on each year's assessment roll. The state determines the equalization rate by analyzing the locally stated LOA. In accordance with national standards, ORPTS reviews the work of the assessor and determines whether the stated LOA is within adequate tolerances to be used as the equalization rate. *If certain criteria are met, the LOA becomes the rate.* In municipalities where ORPTS cannot accept or confirm the LOA, ORPTS uses its own independent estimate of total market value to compare to the total assessed value.

What is the benefit of having the locally determined LOA accepted as the equalization rate?

Where assessors are accurately stating the LOA on the tentative assessment roll, they will be indicating the equalization rate upon which school taxes are distributed. When municipalities keep assessments up-to-date each year, they will be adjusting assessed values to reflect market changes, resulting in a consistent LOA and equalization rate from year to year.

What does it mean when your municipality's equalization rate decreases?

A falling equalization rate means that market values are rising faster than assessed values. Keeping assessments up-to-date annually can result in consistent equalization rates each year.

Why do equalization rates need to be established each year?

The Real Property Tax Law requires that annual State equalization rates be established for each county, city, town and village. Equalization rates are calculated each year to reflect that year's assessment roll and current market values for each assessing unit.

What are equalization rates used for?

Aside from apportionment of taxes among municipal segments of school districts and counties, and distribution of State Aid for Education, some of the less recognized uses of equalization rates include:

- ✓ establishment of tax and debt limits;
- ✓ allocation of costs, such as for jointly operated hospitals among participating localities or an injury to a volunteer firefighter, among others;
- ✓ determination of state assessments (special franchise) or approval of local assessments (state-owned land);
- ✓ determination of ceilings (railroad and agricultural values) and exemptions;
- ✓ determination of level of STAR exemptions;
- ✓ apportionment of sales tax revenues and joint indebtedness; and
- ✓ as evidence in court proceedings on the issue of assessment inequity and small claims assessment review hearings.