

PUBLIC HEARING

Cold War Veterans' Tax Exemption (Real Property Tax Law §458-b)

Huntington U.F.S.D.
Board of Education Meeting
Monday, November 13, 2017

Cold War Veterans' Tax Exemption

- Potential school tax exemption for Cold War veterans (active duty from 1945-1991) and qualifying family members (RPTL §458-b).
- Available only to qualifying veterans who do not receive an exemption pursuant to RPTL §458 or §458-a.
- Boards of Education must vote to opt in.
- Public hearing required in that there is a property involved owned by a cooperative corporation.
- Would result in reduced assessed value, leading to a reduction in school taxes for veteran household properties.
- No change in tax levy, therefore the total amount of veteran household tax reduction would be shifted to non-veteran households in the form of an increased tax rate.

Tax Exemption Levels & Categories

Exemption Level (full value reduction)	10%	15%	Service Disability
Reduced Maximums (2)	\$4,000/ \$6,000	\$6,000/ \$9,000	\$20,000/ \$30,000
Basic Maximum	\$8,000	\$12,000	\$40,000
General Increased Maximums (11)	\$10,000- \$30,000	\$15,000- \$45,000	\$50,000- \$150,000
High-Appreciation Maximums (13)	\$26,000- \$50,000	\$39,000- \$75,000	\$130,000- \$250,000

- Equalization rate (0.0085) must be factored in.
- School districts that have adopted have done so primarily at the “basic” 10% level.
- As per the Town assessor, there are no eligible veterans who qualify for the disability maximum.

Eligible Cold War Veterans

- **63*** – includes six new applications for 2017-18.
- Assessor cannot confirm at this time if any veterans can be removed from the 2017-18 assessment roll, therefore number above is maximum

** Source = Town of Huntington Assessor's Office*

Alternative Veterans' Exemption

(Maximum eligible properties in HUFSD – 63)

Exemption Level	Est. Total Assessed Value Reduction	Estimated Tax \$ Impact*	CW Veteran Tax Reduction*
Basic (10%)	\$4,284	\$9,955.16	(\$158.02)
Basic (15%)	\$6,426	\$14,932.74	(\$237.03)

*Based on estimated \$232.38/\$100 AV tax rate for 2017-18

<u><i>BASIC LEVEL (10%)</i></u>	2017-18 BUDGET w/out CW Exempt.	2017-18 BUDGET w/CW Exempt
BUDGET	\$126,213,223	\$126,213,223
REVENUE (includes state aid, fund balance, reserve use, other)	21,399,116	21,399,116
TAX LEVY	104,814,107	104,814,107
ASSESSED VALUATION	45,105,429	45,101,145

<u>BASIC LEVEL (10%)</u>	2017-18 BUDGET w/out CW Exempt.	2017-18 BUDGET w/CW Exempt
TAX RATE (per \$100 A/V)	\$232.38	\$232.40
TAX RATE \$ CHANGE OVER 16-17 (per \$100 A/V)	\$2.97	\$2.99
TAX RATE % CHANGE (over 16-17)	1.29%	1.30%

PROPERTY ASSESSED VALUE	ESTIMATED EXEMPTION TAX INCREASE FOR NON- VETERAN PROPERTY (at 10% basic level)
\$3,000	+ \$0.60
\$3,600	+ \$0.72
\$4,000	+ \$0.80
\$5,000	+ \$1.00
\$6,000	+ \$1.20
\$7,000	+ \$1.40
\$8,000	+ \$1.60

<u><i>BASIC LEVEL (15%)</i></u>	2017-18 BUDGET w/out CW Exempt.	2017-18 BUDGET w/CW Exempt
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REVENUE (includes state aid, fund balance, reserve use, other)	21,399,116	21,399,116
TAX LEVY	104,814,107	104,814,107
ASSESSED VALUATION	45,105,429	45,099,003

<u>BASIC LEVEL (15%)</u>	2017-18 BUDGET w/out CW Exempt.	2017-18 BUDGET w/CW Exempt.
TAX RATE (per \$100 A/V)	\$232.38	\$232.41
TAX RATE \$ CHANGE OVER 16-17 (per \$100 A/V)	\$2.97	\$3.00
TAX RATE % CHANGE (over 16-17)	1.29%	1.31%

PROPERTY ASSESSED VALUE	ESTIMATED EXEMPTION TAX INCREASE FOR NON-VETERAN PROPERTY (at 15% basic level)
\$3,000	+ \$0.90
\$3,600	+ \$1.08
\$4,000	+ \$1.20
\$5,000	+ \$1.50
\$6,000	+ \$1.80
\$7,000	+ \$2.10
\$8,000	+ \$2.40