



# *Plainview-Old Bethpage CSD School Property Tax Bills*



*October 23, 2017*

# Glossary of Property Tax Terms



**Taxable Assessed Value:** The assessed value of a parcel (or an entire assessment roll) against which the tax rate is applied to compute the tax due.

**Assessed Value:** A figure in dollars determined by an assessor which reflects a property's worth in relation to other properties on an assessment roll and which, unless exempt, is used to compute a tax dollar obligation by multiplying it by a tax rate.

**Tax Levy:** The amount of money that taxing authorities (municipal, school or special taxing districts) require to be collected through the property taxes to fund their operating budgets.

**Class 1:** Includes one, two and three-family houses and residential condominiums of three stories or less and most residential vacant land.

**Class 2:** Includes apartment buildings, residential cooperatives and residential condominiums of four stories or more.

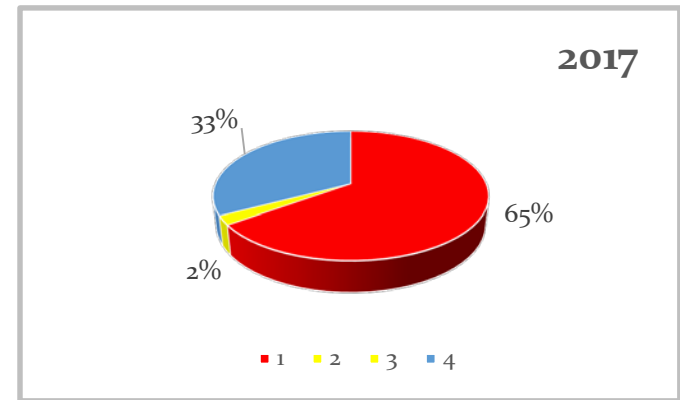
**Class 3:** Includes all public utility equipment defined as real property in state law.

**Class 4:** Includes all properties not defined in the first three classes. This class contains primary commercial and business properties and vacant land.

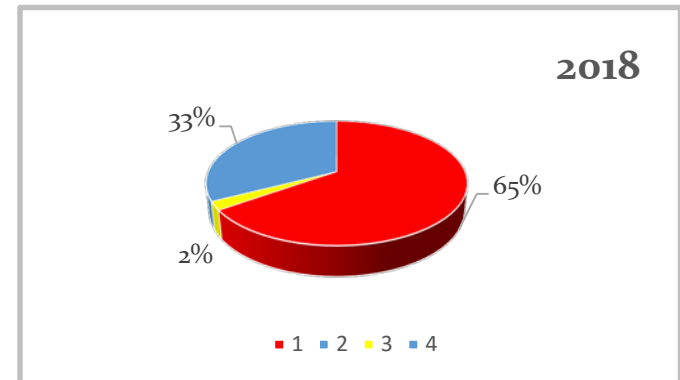
**Adjusted Base Proportions:** The portion of the total tax levy paid by property owners in each of the four classes.

# Taxable Assessed Value

Year	Class	Value	% Change
2017	1	8,820,897	-3.92%
	2	0	
	3	305,125	-26.58%
	4	4,438,509	-12.59%
	Total	13,564,531	-7.56%



Year	Class	Value	% Change
2018	1	8,521,562	-3.39%
	2	0	
	3	288,063	-5.59%
	4	4,246,737	-4.32%
	Total	13,056,362	-3.75%

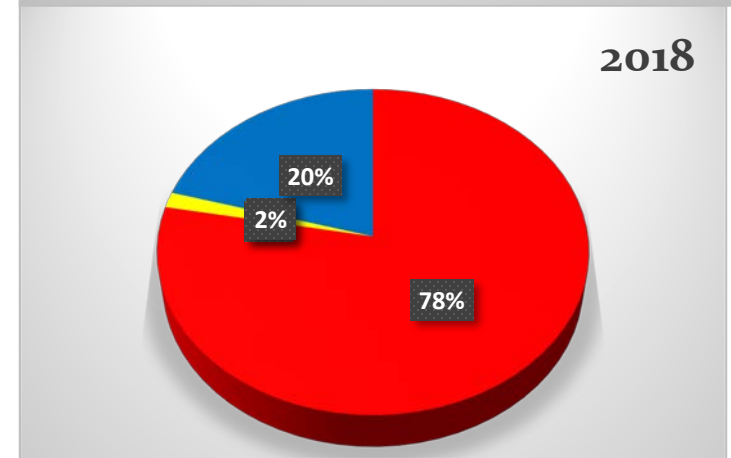
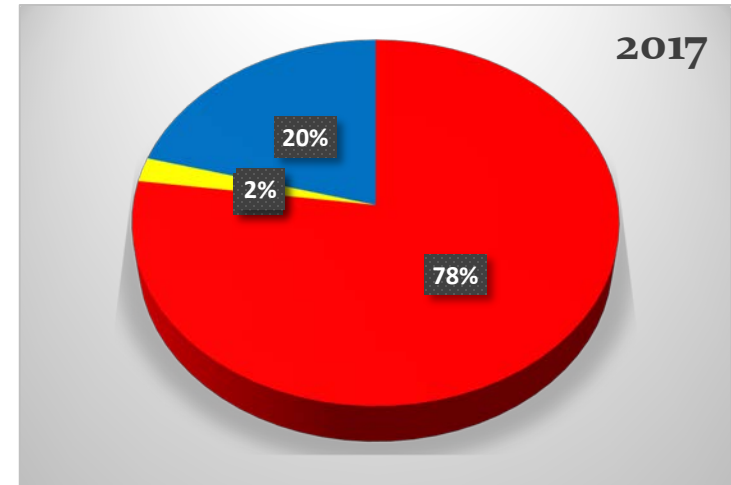


Assessed values are set by the Nassau County Department of Assessment. Total taxable assessed values in Plainview-Old Bethpage decreased by 3.75%. As a percentage, Class 1 assessed values decreased less than the total assessed value. This causes a smaller shift in tax burden to Class 1 when compared to the previous year.

# Adjusted Base Proportions

Year	Class	Value	% Change
2017	1	77.96%	1.06%
	2	0.00%	0
	3	1.52%	-28.03%
	4	20.52%	-1.10%
	Total	100.00%	

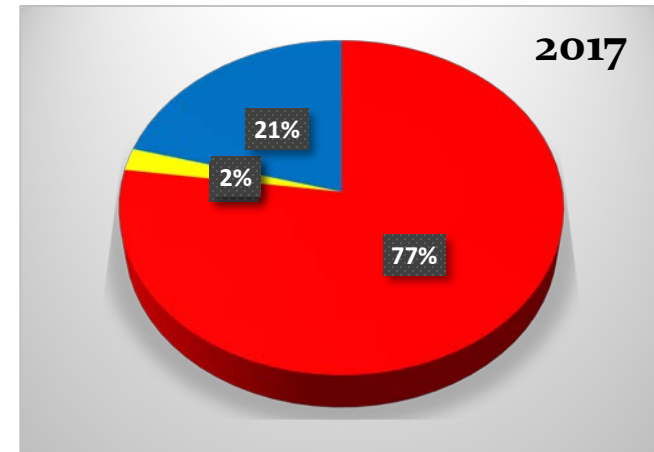
Year	Class	Value	% Change
2018	1	77.96%	0.00%
	2	0.00%	0
	3	1.50%	-1.27%
	4	20.54%	0.11%
	Total	100.00%	



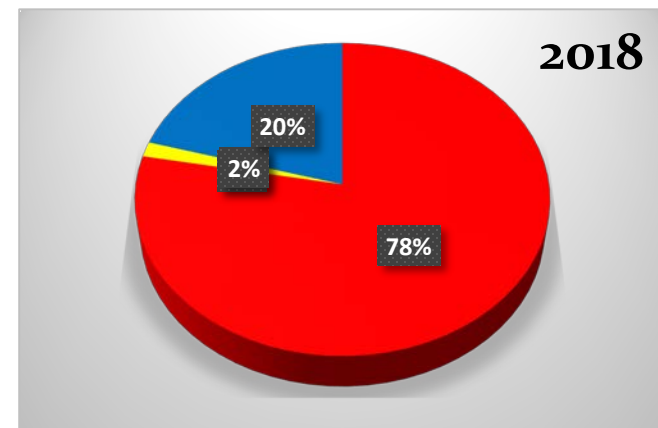
The Nassau County Legislature sets “Base Proportions” annually. Base Proportions distribute the tax burden among the four tax classes. This year, the Nassau County Legislature did not increase the Class 1 burden in Plainview-Old Bethpage.

# Real Property Tax Used to Compute Tax Rate

Year	Class	Value	% Change
2017	1	93,546,325.12	1.30%
	2	0.00	0
	3	1,827,642.91	-27.86%
	4	24,616,243.97	-0.87%
	Total	119,990,212.00	0.23%



Year	Class	Value	% Change
2018	1	94,346,877.73	0.86%
	2	0.00	0
	3	1,819,986.32	-0.42%
	4	24,854,129.95	0.97%
	Total	121,020,994.00	0.86%



The share of the Class 1 property tax burden is the same as the overall tax levy increase because there was no change in the Class 1 adjusted base proportion from 2017 to 2018.

# Summary

- The total District tax levy increased by \$1,030,782 and was more than \$1,000,000 below the 2% tax cap.
- Due to declining taxable assessed values, the median tax bill in Plainview-Old Bethpage is essentially unchanged from 16-17 to 17-18.
- Corrections to assessed valuations and an active tax grievance process make it impossible to give a general statement about the correlation between the school tax levy and an individual's experience with their property tax bill.



# PILOTs

## (Payment in Lieu of Taxes)

School districts are becoming increasingly concerned about the impact of PILOTs and the ability for school districts to raise revenue in the tax cap era.



# PILOTs

## (Payment in Lieu of Taxes)

- In 1969, legislation was enacted for the creation of Industrial Development Agencies (IDAs) to facilitate economic development.
- Property owned or controlled by IDAs are exempt from property and mortgage recording taxes. The value of these exemptions can be passed through to assisted businesses.
- Purchases related to IDA projects can be exempt from State and local sales tax.
- While IDA properties are tax exempt, businesses occupying IDA-owned properties typically make PILOT payments that are shared with the local tax jurisdictions.





# PILOTs & the Tax Levy

- PILOTs are a deduction in the tax levy limit calculation; therefore, they do not grow with the allowable levy growth factor or the tax base growth factor.
- The statute creating the IDA removes the property from the tax rolls.
- In generating a position on proposed PILOTs, a community must consider the potential for increased job growth and industrial development against the side-effects of removing property from the tax rolls and from the tax-cap calculation.



# PILOTs & the Tax Levy

- In 2016-17, the County of Nassau Industrial Development Agency entered into various PILOTs within Plainview-Old Bethpage that reduced property tax revenue by \$987,271.
- PILOT payments to the district from the Agency totaled \$853,380.
- The net loss in revenue to the district due to PILOTs was \$133,891.



# Plainview-Old Bethpage Tax Levy History since the Inception of the Tax Cap



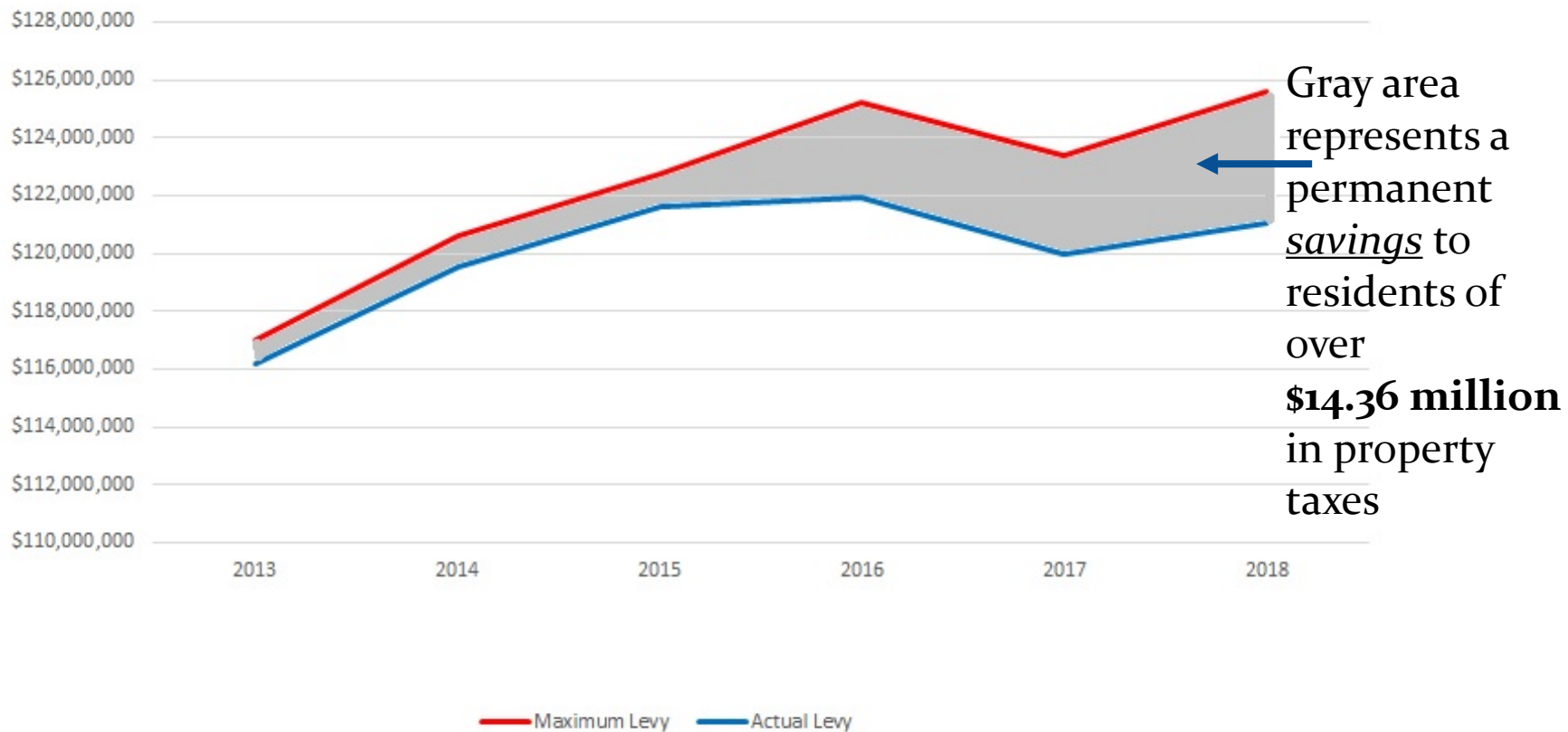
# Tax Levy History in the Tax Cap Era

- Since the inception of the NYS Tax Cap, Plainview-Old Bethpage has never levied the maximum allowable property tax.
- This decision saves residents money and those savings continue to grow over time.

	2013	2014	2015	2016	2017	2018	
Maximum Levy	\$117,023,961	\$120,613,457	\$122,754,002	\$125,238,384	\$123,413,038	\$125,589,219	
Actual Levy	\$116,179,927	\$119,536,134	\$121,638,961	\$121,910,510	\$119,980,417	\$121,020,994	
					<b>Cumulative Difference</b>		<b>\$14,365,118</b>

# Maximum Allowable Tax Levy vs. Actual Tax Levy

Maximum Allowable Tax Levy vs. Actual Tax Levy





Questions  
!  
Answers

# *POB Schools*



*A Smart Investment*  
**THANK YOU!**