

Excerpt from Executive Summary:

Strategy 7: Consolidate the Property Assessment Function

According to the New York State Department of State, approximately 70 percent of the state's 554 villages have shifted the responsibilities of assessing to their respective towns. Consolidating the Village's property assessment function at the Town level has often been discussed as an opportunity to eliminate a duplication of service, streamline government and achieve cost savings. Both the Village of Croton-on-Hudson and the Town of Cortlandt Assessor maintain an assessment roll for all properties in the Village of Croton-on-Hudson. The Village rolls are used for the sole purpose of levying Village property taxes. The Town rolls in the Village of Croton-on-Hudson are currently utilized to levy Town, County and school district property taxes to Village property owners.

The Village may want to consider consolidation of the property assessment function at the Town level as it is re-organizing the Engineering Department. This Study outlines the process for consolidation as well as lays out considerations for the Village's deliberations on the matter.

Excerpt from Current State Section of Report

Real Property Assessment

The Village Assessor reports to the Village Engineer. The Village Assessor works part-time; typically working one day a week throughout the year. The primary function of the Assessor is estimating the value of the 3,039 parcels within the Village. The values are then converted into property assessments that must be maintained at a uniform percentage of market value each year. This involves obtaining and evaluating information on property sales, building permits, and MLS activity on all properties in the Village. The building permit activity data is provided by the Assistant Village Engineer on an annual basis. The Assessor then certifies a tentative assessment roll. Prior to the establishment of the final assessment roll, the Board of Assessment Review (BAR), which in the Village of Croton-on-Hudson is the Board of Trustees, may request the assessor to provide evidence to support the assessment being grieved by property owners. The BAR then determines the final assessment roll. The Assessor indicates that there are currently approximately 100 assessment changes each year. In addition to property valuation, the assessor approves and maintains property tax exemptions such as senior citizen, veterans and firefighter.

Excerpt from Strategies Section

Strategy 7: Property Assessment

According to the New York State Department of State, approximately 70 percent of the state's 554 villages have shifted the responsibilities of assessing to their respective towns. Consolidating the Village's property assessment function at the Town level has often been discussed as an opportunity to eliminate a duplication of services, streamline government and achieve cost savings.

The Village Board of Trustees and administration requested that this study process review the logistics involved and possible implications of consolidating the function at the Town level to inform their consideration and possible policy deliberations of this matter. Thirteen villages in Westchester County have terminated their assessing unit status. The most recent consolidations in Westchester County occurred in 2017 and included: Tarrytown, Dobbs Ferry, Hastings-on-Hudson and Elmsford.

Town Operations

The Town of Cortlandt Assessor maintains the assessment rolls for all properties in the Village of Croton-on-Hudson. The Town rolls in the Village of Croton-on-Hudson are currently utilized to levy Town, County and school district property taxes.

Legal Authorization to Opt Out

The Village is not required to be a assessing unit. Pursuant to Section 1402 of the Real Property Tax Law (RPTL), the Village may cease to be an assessing unit and opt to levy its tax based on the assessment rolls prepared by the Town of Cortlandt. Under this option, there is no separate administrative or judicial review of assessments for village purposes. In this model the Village would use the Town tax roll and would have no responsibility for the preparation, maintenance or defense of the roll. (RPTL, §1402(3)).

Village Property Tax Bill Impact Considerations

It is important to note that the Town rolls are already used for Town, County, school district and library property tax bills. Village officials indicate that Village property taxes reflect approximately 25% of the total annual property taxes paid by Village property owners. Should the Village opt out, the assessed values set by the Town would then also be used to levy Village property taxes.

The Village assessor prepared a comparison by parcel of the assessed values and the full values of each property which reflected a wide range of differences. A summary of the Village Assessor's findings are included in **Appendix G: Approximate Change in Full Value Using Town Assessments**. Based on this comparison data set of Village and Town assessed values for each parcel, this Study then modeled the potential impact on property tax bills by parcel using the 24/25 Village tax levy. The data set available excluded new construction and did not exclude exemption values. As such, the study assessment could only provide a rough approximation of the impact on property tax bills. **Table 16: Consolidation of Assessment Function - Approximate Impact on Village Tax Bills** presents a summary of the range of approximate tax increases and tax decreases and the approximate number of properties experiencing increases or decreases.

As **Table 16** indicates, the model predicts that more properties will see a reduction than those that will experience an increase. This also means that the parcels anticipated to experience an increase will have an average increase per parcel greater than the average decrease.

Table 16: Consolidation of Assessment Function Approximate Impact on Village Tax Bills

Approximate Impact on Village Property Tax Payments Due to Shift to Town Property Assessment Rolls		
	Increase in Tax Bill	Decrease in Tax Bill
	Number of Properties	Number of Properties
\$0	0	1
\$1-\$99	183	400
\$100-\$199	170	321
\$200-\$399	285	366
\$400-\$599	217	186
\$600-\$799	157	105
\$800-\$999	102	65
\$1,000-\$1,199	90	54
\$1,200-\$1,399	44	39
\$1,400-\$1,599	33	49
\$1,600-\$1,799	21	22
\$1,800-\$1,999	17	14
\$2,000-\$4,999	40	44
\$5,000-\$9,999	4	6
\$10,000-\$14,999	0	2
\$15,000-\$19,999	0	1
\$20,000-\$24,999	0	1
Total Properties	1,363	1,676
<i>This is a model to present an approximate impact only.</i>		

Other Considerations

- The Town would be required by law to use the May 1 taxable status date for the Village tax purposes. Construction and demolition after this date would not be subject to the Village tax roll.
- The Village would continue to levy, collect and enforce the collection of delinquent taxes and has the option to have delinquent taxes collected by the County.
- The Village would no longer be responsible for making or defending assessments.
- The Village would no longer have an assessor or board of assessment review. The Village would no longer be responsible to defend in small claims court or tax certiorari proceedings. The Village would; however, receive notice of such proceedings (RPTL, §§708(3), 730(8)).
- The Village could retain its Village exemption options.
- Opting out results in cost savings to the Village of approximately \$32,000 per year.

Opt Out Process⁴

The Village could opt out of its assessment roll by passing a local law, subject to permissive referendum. The NYS Office of Real Property Tax Services has prepared a model law which can be found at https://www.tax.ny.gov/pdf/publications/orpts/vlg_assessment_options.pdf.

Should a valid petition for a referendum be filed, the Village must take the necessary steps to call for and hold a referendum on the local law. Should the Village electorate vote yes to ceasing the Village assessment unit, the village will thereafter levy its taxes on a copy of the appropriate portion of the town assessment roll. The local law will be effective for all village taxes levied, unless the local law is subsequently rescinded.

If the Village's local law initially takes effect between village taxable status date and the corresponding village tax levy, the village will not cease to be an assessing unit until the following year.

The Village must follow the legal procedures for filing the local law with the New York State Department of State. In addition, the Village must forward a copy of the local law to the NYS Office of Real Property Tax Services within 10 days of the adoption.

⁴ New York State Office of Real Property Tax Services

APPENDIX G

Approximate Differential in Full Value Using Town Assessment Rolls

**Comparison of Property Full Value
Village of Croton-on-Hudson and Town of Cortlandt**

<u>2024</u> <u>Approx. Parcels</u>	<u>Approx. Change in Full Value</u> <u>Assuming Town Values</u>
14	-90% to -61%
31	-60% to -51%
43	-50% to -41%
85	-40% to -31%
103	-30% to -21%
385	-20% to -11%
758	-10% - 1%
71	0%
667	+1% to +10%
423	+11% to +20%
227	+21% to +30%
98	+31% to +40%
58	+41% to +50%
29	+51% to +60%
24	+61% to +70%
23	+70% or more
3,039	Total Parcels
71	No Change
1,549	Increases
1,419	Decreases
51%	% Increase
49%	% Decrease or No Change
459	Increase 21% or more
15%	% Increase 21% or more
232	Increase 31% or more
8%	% Increase 31% or more

Source: Village Assessor