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Bill would restore fairness to Westchester homeowners

Lloyd Tasch

As president of the Westchester County Chapter of the New York State Assessor's Association, I would like to respond to Paul Vitale's June 4 Community View ("Bill unfair to commercial property owners") concerning the recent passage of the commercial assessment ratio ("CAR") bill by the Assembly and now under consideration by the Senate. Mr. Vitale alleges that the "CAR" bill will shift the tax burden from homeowners to commercial property owners, including owners of condominiums and cooperatives. This is untrue.

In fact, what this bill does is mitigate further shifts of property taxes from commercial properties onto the backs of homeowners. Since the early 1990s, commercial properties have been the beneficiary of huge tax windfalls as a result of the flawed methodology and the application of equalization rates in commercial tax certiorari proceedings. Commercial businesses need residential consumers and vice versa, but the balance has been disrupted to the detriment of the homeowner.

In the case of cooperatives and condominiums, this particular class of property enjoys the benefits of low taxes and typically pays 50 percent less than that of a similarly valued residential home. In addition, cooperatives and condominiums receive virtually all the same exemption benefits as other residential property such as STAR, senior and veteran's exemptions. Yet, unlike residential property, many cooperative complexes throughout the county pay almost no school property tax as a result of these exemptions. The proposed CAR bill will not increase their assessments, but it will help mitigate future certiorari losses if and when litigated.

According to data provided by the Westchester County Tax Commission in its annual reports, despite the tremendous commercial construction that has occurred throughout Westchester County, commercial property owners as a class paid 9 percent less than they paid 11 years ago, while residential taxes have doubled.

The "CAR" bill will help prevent the further erosion of the commercial tax base, and bring some sanity and fairness back to the tax certiorari process. Certiorari attorneys, The Westchester County Association, local chapters of the Builder's Institute and commercial taxpayers are naturally opposed to this bill. What about homeowners, who represent 73 percent of this county?

We agree that property taxes are too high, and we strongly urge the passage of this bill by the Senate. We believe that the Senate will not fall prey to the "scare tactics of raising taxes" by self-interested parties. Since its original introduction in 2005, this bill continues to have the overwhelming support of county school districts and municipal officials who recognize the blatant unfairness of the current system.

Nearly half of all states have some form of assessment classification between commercial and residential property. In New York City, commercial property owners pay nearly five times more than the amount of a similarly-valued residential property. In Nassau County, commercial property owners pay approximately two times more than the amount of a similarly-valued residential property. In Westchester County, however, commercial property owners pay less than similarly valued residential property. No wonder residential taxes in Westchester are the highest in the nation.

The writer is assessor for White Plains.