

UNDERSTANDING YOUR SCHOOL TAX BILL



ANYTOWN CENTRAL SCHOOL DISTRICT School Tax Bill

Fiscal Year: 7/1/22 to 6/30/22 Warrant Date: 9/1/23

Make Checks Payable to:

Anytown Central School District
123 School Street
Anytown, NY 12345

John and Jane Taxpayer
123 Main Street
Anytown, NY

To Pay in Person

Anytown District Office
123 School Street
Anytown, NY

Address Legal Description

109901 99.90-1-99
Address: 123 Main Street
Municipality: Anytown
School: Anytown CSD
NYS Tax and Finance School District Code: 123
210-1 Family Roll Sect. 1
Parcel Acreage: 0.5
Estimated School Aid: \$10,000,000

Property Taxpayer's Bill of Rights

The assessor estimates the Full Market Value of this property as of July 1, was: \$200,000

The total Assessed Value of this property is: \$180,000

The Uniform Percentage of Value used to establish assessments in your municipality was: 90.00

If you feel your assessment is too high, you have the right to seek a reduction in the future. For further information, please ask your assessor for the booklet, "How to File a Complaint on Your Assessment." Please note that the period for filing complaints on the above assessment has passed.

Exemption	Value	Tax Purpose	Full Value Estimate
Residential STAR	\$27,000	School	\$30,000

2023 School Taxes for this Property

(before accounting for STAR)

	Tax Levy	Percent Change from prior year	Taxable Assessed Value (before accounting for STAR)	Rate per \$1,000	Tax Amount
Anytown SD Taxes	\$25,000,000	3.0	\$180,000.00	\$20.00	\$3,600.00

Tax savings through the New York School Tax Relief Program: \$540

Note: Legislation requires that this year's STAR tax savings generally may not exceed last year's by more than 2%.

Total School Taxes Due: \$3,060

PENALTY SCHEDULE	Penalty/Interest	Amount	Total Due
Pay by: 09/30/22	\$0.00	\$3,060	\$3,060
11/01/23	\$61.20	\$3,060	\$3,121.20

1. FISCAL YEAR & WARRANT DATE

The fiscal year is the one-year period for which taxes are being collected. When you see the Warrant Date, this date represents the date that schools may begin collecting the taxes for that fiscal year.

2. FULL/FAIR MARKET VALUE

This is the value of a property with regard to normal market conditions.

Assessed value

The estimated value of a property, usually determined by your local assessor.

Uniform Percentage of Value

After determining the market value of a property, this number will compare it with the market value of the municipality. This is done to fairly apportion the share of taxes when the school district is within multiple municipalities. To summarize the end goal is to have property owners with similar market values pay a similar amount in school taxes.

3. TAX EXEMPTIONS OR SAVINGS

On your tax bill you will see any tax exemptions that are associated with the property. This shows the taxpayer how much of their assessed value is exempt from their school taxes. These exemptions can come from programs like the STAR program.

4. TAX AMOUNT

This amount is derived from multiplying the assessed value of the property by the tax rate for each \$1,000 worth of property. Please note that there may be some differences between the taxable value of the property & the full market value of the property due to exemptions being applied.

5. TAX SAVINGS THROUGH EXEMPTIONS (STAR)

The amount that taxpayers save from programs like STAR is calculated by multiplying the value of the exemption by the school tax rate for the taxing jurisdiction.

6. TOTAL AMOUNT DUE

You may find the total amount of school taxes due after the savings have been applied here. This amount will be due to the school district by the warrant date indicated on the bill. Please note that there are often penalties given for any payments received after a specific date. School districts often defer to the county to pursue tax collection after a payment has been past its due date for an extended period of time.



LIBRARY TAXES

Although not shown here, many school districts collect taxes on behalf of a local library. This is generally an administrative function, with the libraries and their finances completely separate from the school district.





**WHAT ARE
EQUALIZATION
RATES AND WHY ARE
THEY USED?**



A tale of two houses, two towns, one school district and two tax bills Town A and Town B are in different towns within the same school district. The houses in both towns recently sold for the same amount. **So, the two houses have the same market value and should pay the same amount in school taxes.**

However, Town A and Town B use different assessment practices, which means that the houses have different assessed values – and assessed values are used in the computation of property tax bills. Therefore, for the houses in Town A and Town B to pay the same in taxes, the tax rates (**per \$1,000 of assessed value**) must be different for each town. The process of equalization is used to determine these tax rates. Essentially, **full market value serves as a common denominator, or equalizer, in the process of setting tax rates.**

Equalization rates indicate the ratio of the assessed value to market value in the municipality. They are used in an effort to fairly apportion the share of taxes when a taxing jurisdiction, such as a school district, contains multiple municipalities. They are designed to ensure that owners of properties with similar full market values pay an equivalent amount of taxes.

House A

Full Market Value
\$250,000

Assessed At
\$185,000



Full Market Value
\$250,000

Assessed At
\$250,000

House B



Tax Bill for House A

Full Market Value:	\$250,000
Equalization Rate:	74.00
Assessed Value:	\$185,000
Town Tax Rate:	\$27.03 per \$1,000
TOTAL TAXES DUE:	\$5,000

Tax Bill for House B

Full Market Value:	\$250,000
Equalization Rate:	100.00
Assessed Value:	\$250,000
Town Tax Rate:	\$20.00 per \$1,000
TOTAL TAXES DUE:	\$5,000

In this example, House A and House B pay an equivalent amount of taxes due to the different tax rates.

Remember: Assessed Value × Tax Rate = Total Tax Bill

$$\frac{\text{Assessed Value}}{1,000} = \text{Total Tax Bill}$$

In the example given, properties in Town A are assessed at 74% of full market value (an equalization rate of 74) and Town B properties are assessed at full market value – an equalization rate of 100.

School districts calculate the total full market value of all properties in each municipality. Equalization rates allow them to determine the share of the tax levy to be paid by each town, a necessary step to calculating tax rates for each town. The process is designed to:

- Fairly apportion the tax levy among the municipalities in a school district ; and
- Ensure that the amount of taxes paid by owners of similar properties in the district is similar – regardless of the town and its assessment practices.

School Taxes and Assessment Process

TIMELINE

01



SPRING



SCHOOL DECISIONS

Each Spring, the school districts work on creating a school budget for the upcoming year. This budget is then brought to the voters/taxpayers in the school district. The budget contains the total amount of tax money that will be collected from the taxpayers, otherwise known as a tax levy.

02



SUMMER



LOCAL (MUNICIPAL) DECISIONS

Local Municipalities usually release their tentative assessment rolls on the first of May and submit a final by the beginning of July. These rolls list out the assessed value of each property in the municipality.

03



LATE SUMMER



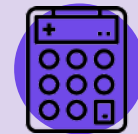
STATE DECISIONS

Using the Local Municipality rolls, the state then publishes equalization rates. These rates show the state's determination of the property assessments relative to full market values for each municipality. You can find more information on the state's role in property taxes by visiting www.tax.ny.gov

04



LATE SUMMER/FALL



CALCULATIONS

Usually beginning in August, the districts will set the tax rates based on the budget and tax levy approved by the public. The calculation also takes into account the state equalization rates and assessment rolls for each municipality. After these rates are created, the school district will print tax bills which are derived from the property assessments. Tax bills are usually mailed close to the beginning of the school year (early September) and are due within 30 days.

A NOTE ABOUT PROPERTY TAX EXEMPTIONS

Though all property is assessed, not all of it is taxable. Some properties, such as those owned by religious organizations or governments are completely exempt from paying property taxes. Others are partially exempt, such as senior citizens, persons with disabilities, veterans who qualify for an exemption on part of their homes, and homeowners who are eligible for the School Tax Relief (STAR) program. Most exemptions are offered by local option of the taxing jurisdiction (municipality, county or school district).

Check with your assessor to determine what exemptions are available in your community or visit the New York State Department of Taxation & Finance website at:

www.tax.ny.gov/pit/property/exemption/index.htm

