

Bethpage School District
Public Hearing
Property Tax Exemptions

November 22, 2016

Public Hearing

- Board of Education wants to hear community input
- Speakers can approach the microphones to express opinions
 - Speakers will be limited to three minute comments
- Please state your name when you have the microphone
- The Public Hearing portion of this meeting will last for:
 - 30 Minutes on the Veterans Exemption
 - 30 Minutes on the Volunteer Firefighters/Ambulance Workers Exemption
- The Board will be listening tonight and deliberating during the next week
- The Board will make a decision at the November 29th meeting
- NYS law says only the Board of Education can make this decision

Thanks to Veterans, Volunteer Firefighters & Ambulance Workers

The Board of Education and the entire community appreciates the sacrifice and service of our Volunteer Firefighters, Ambulance Workers and Veterans.

Thank you!

New York State Approved Exemptions

Bethpage School District has approved those Exemptions that are income based

- Approved
 - Low Income Persons with Disabilities
 - Low Income Senior Citizens
- Not Approved
 - Veterans
 - Gold Star Parents

Nassau County Approved Exemptions

Bethpage School District has not approved any

- Volunteer Firefighters
- Volunteer Ambulance Workers

Who pays for the exemption?

- New York State does NOT pay for the exemption
- Nassau County does NOT pay for the exemption
- Bethpage School District does NOT pay for the exemption
- Other taxpayers of Bethpage (everyone who is not a Volunteer Firefighter, Ambulance Worker or Veteran) pay more in taxes

Strategy of Bethpage School District has been to keep taxes low for everyone

School District Tax Levies for Past Three Years

- 2014- 0.78% Increase \$499,523
- 2015- 0.0% Increase \$0
- 2016- 0.17% Decrease (\$105,193)

**Total Tax Levy Increase over the past three years=
\$394,330**

Exemptions for Veterans, Firefighters & Ambulance Workers

- Volunteer Firefighters & Ambulance Workers
 - Dates back to 2006
 - 10% Reduction of assessed valuation (with a high cap)
- Veterans
 - 1984 New York State authorized county and towns to give exemption
 - 2014 school districts were authorized to give the Alternative Veterans Exemption (those who served during designated time of war including from the Persian Gulf War to present)
 - 2016 amended to include Cold War Veterans (Served 1945 to 1991)
 - Varying scales depending on service

Nassau School Districts

- Majority (48 of 53) of Nassau School Districts have approved the Veterans Property Tax Exemption
- Majority (44 of 53) of Nassau School Districts have approved the Volunteer Firefighters/ Ambulance Workers Property Tax Exemption



Volunteer Firefighters/ Ambulance Worker Exemption

Volunteer/Ambulance Workers Firefighters

- There are about 160 Volunteer Firefighters/Ambulance Workers in Bethpage*
 - About 50 of them live in Plainedge School District (and receive the exemption there)
 - About 40 of them do not currently own a home in Bethpage (e.g., living with their parents)
 - About 70 of them own homes and would benefit from the exemption

*Note, they must be associated with a Firehouse for 5 years of service to be eligible

Volunteer Firefighters

- If there are 70 Volunteer Firefighters entitled to the exemption, then based on the typical tax bill in Bethpage the savings would be about **\$756** per Firefighter home
- 70 Firefighters at **\$756** per home total **\$52,908**
- That would be the cost passed on to other taxpayers in Bethpage and would cost about **\$9.34** per year
- **NOTE:** These numbers reflect school and library assessments


Veterans Exemptions

Veterans' Exemptions

- Based on information received from Nassau County in 2015
 - 687 Veterans live in Bethpage and are eligible to receive the exemption
 - Plus an additional 349 who are Eligible Funds Veterans

Bethpage 2015 Veteran Exemption Estimates

EXCODE	DESCR	SCHDIST	NAME	EXEMPTION_COUNT
41131	ALT VET EX-WAR PERIOD-COMBAT	3021	BETHPAGE UFSD	230
41141	ALT VET EX-WAR PERIOD-DISABILITY	3021	BETHPAGE UFSD	33
41121	ALT VET-NON-COMB	3021	BETHPAGE UFSD	319
41161	COLD WAR VETERAN	3021	BETHPAGE UFSD	62
41171	COLD WAR VETERAN DISABILITY	3021	BETHPAGE UFSD	1
41101	VETS EX BASED ON ELIGIBLE FUND	3021	BETHPAGE UFSD	349



Those in this final category will have the option to move into a different classification if they choose.

Veterans' Exemptions

- There are multiple Veterans' Exemptions (Alternative, Cold War, Disabled, Eligible Fund, Combat Zone and Gold Star Parents)
- All have different levels of exemptions (some as high as 50%)
- Veterans can receive more than one exemption (e.g., Cold War Veteran can also get a disability exemption)

Veterans Exemptions Simplified

- Assuming 15% reduction with a cap of \$12,000 Fair Market Value on a typical Bethpage home there would be an average savings of **\$368** for the typical Veteran
- 687 homes @ **\$368** per would be an average savings to Veterans of **\$252,988**
- **NOTE:** These are averages- Some can get much more with others getting much less, depending on the number of exemptions

However. . .

- There are 349 Veterans who are classified as Eligible Fund who can choose to change their classification
- If all of them did so, then the cost to the rest of the taxpayers would increase more significantly
- Because it is their option, it is hard to determine the exact cost
 - If none of them chose the option, the cost would be **\$44.06**
 - If all of them chose the option, the cost would rise to **\$124.10**

Estimating the Impact on Taxpayers

- We have incomplete information from the County Assessor's Office, but . . .
- Our best estimate is that Veterans would see a savings of **\$368** and Volunteer Firefighters would see a savings of **\$756**
- There would be a resulting shift of taxes toward other taxpayers in Bethpage anywhere between **\$53.40 to \$133.44** per Bethpage household

Impact on Taxpayers

- Using the lower estimate of **\$53.40** per year
 - Firefighters/Ambulance Exemption would cost **\$9.34** per year to taxpayers (17% of total)
 - Basic Veterans Exemption would cost **\$44.06** per year to taxpayers (83% of total)

Impact on Taxpayers

- Using the higher estimate of **\$133.44** per year
 - Firefighters/Ambulance Exemption would cost **\$9.34** per year to taxpayers (7% of total)
 - Basic Veterans Exemption would cost **\$124.10** per year to taxpayers (93% of total)

FYI- Comparing Increases

- The entire tax levy increase for the past three years has been **\$394,330**
- The projected increase to the rest of the Bethpage residences will range from **\$305,896** to as high as **\$754,961** depending on what the Eligible Funds Veterans decide to choose

Caveats

- Projections on Veterans is based on basic exemptions and not taking into account that some people might be entitled to two or more exemptions
- The world of Nassau County Assessments is unpredictable at best
- While Bethpage had a **DECREASE** in our Tax Levy, almost everyone's taxes went up this year

Caveats

- We are outlining what should happen, but need to note that the County variables (assessed valuation, adjusted base proportion and assessment challenges) could play havoc with our projections

Questions?

*Public is encouraged to approach
the microphones to make
comments.*