

Long Island Real Property Tax Alert

By Arthur K. Feldman and Willets S. Meyer

First Nassau County Reassessment Tax Bills Arrive October 2003.

This month, Nassau County property owners will receive their first half 2003/04 School tax bills. These will be the first bills based on the new assessments from Nassau County's historic reassessment. You may recall the impact notice sent by the County in August 2002. For a number of reasons, including spiraling tax rates, these bills may bear little resemblance to the impact notice. In most cases "savings" will be smaller and increases will be greater.

The Reassessment Reconsidered.

Despite Nassau County's attempt to reassess at 1% of market value, they actually assessed residential properties at approximately .88% of market value. This rate should drop even further next year. This seemingly small difference has a considerable impact. For example, where Nassau County claimed that a \$10,000 assessment translated into a \$1,000,000 market value, the .88% ratio reveals that Nassau County actually valued the property at \$1,136,363. Thus, if you thought that your assessment and market value looked fair, check again using .88%. Having trouble figuring out if the assessment is fair? Feel free to contact us.

Our Voices Count: Nassau County Fees Defeated.

We recently wrote to our Nassau County commercial clients letting them know that Nassau County was attempting to implement a \$250 filing fee for the "privilege" of protesting an assessment. Opposition to this law mobilized quickly and effectively, and Nassau County's attempt to balance its budget on the back of overtaxed commercial property owners was thwarted. At the same time, Nassau County's effort to insert itself into the landlord/tenant relationship for commercial properties was also defeated. The so-called tax escheatment provision would have created another layer of County bureaucracy and would have done nothing positive for either landlords or tenants.

Suffolk County Joins the Fray.

Nassau County is not alone in its efforts to create anti-business and anti-taxpayer legislation. Over the course of the summer, some towns in Suffolk County began pushing for limitations on annual changes to equalization rates. In simple terms, the equalization rate measures the percentage of market value at which properties are assessed. As market values rise, the equalization rate tends to fall. Typically, the lower the equalization rate, the lower your assessment should be. Proponents of the law sought to limit the annual drop in equalization rates, which would have limited a property owner's rights to a lower and fairer assessment. This ill-conceived legislation was halted, but, stay tuned.

Still To Come: Nassau County Hearings on Residential Grievances Filed in January 2003.

Because of the high volume of residential grievances generated by the reassessment, Nassau County's review of residential grievances is proceeding slowly. We do not anticipate hearings to begin until the Winter or Spring of 2004. We will continue to apprise our clients of results as soon as they are received. In the interim, if you have recently refinanced, please forward us a copy of the mortgage appraisal.

The Changing Nassau County Calendar -

March 1, 2004: 2004/05 Grievance Deadline and the 2005/06 Grievance Deadline.

The filing period for the 2004/05 and 2005/06 tax years will be from January 1, 2004 until March 1, 2004. We will automatically be refiling grievances this year for all clients with pending 2003/04 proceedings. If no grievance was filed in 2003, it is now time to file for 2004/05 and 2005/06. If you would like us to commence filing grievances on a new property, please feel free to contact us directly. Please refer below for the Nassau County assessment schedule.

The Nassau County Calendar

Taxes Affected

	2004/05 School 2005 General	2005/06 School 2006 General
Exemption Filing Deadline	January 2, 2004	January 2, 2005
Taxable Status Date/ Tentative Assessment Date	January 2, 2003	January 2, 2004
Grievance Filing Deadline	March 3, 2003 (or March 1, 2004)	March 1, 2004
Final Assessment Date	April 1, 2004	April 1, 2005
Deadline for Judicial Review	May 3, 2004	May 2, 2005

The Suffolk County Calendar

Taxes Affected

	2004/05 School 2005 General	2005/06 School 2006 General
Exemption Filing Deadline/ Taxable Status Date/ Tentative Assessment Date	March 1, 2004	March 1, 2005
Grievance Filing Deadline	3rd Tuesday in May	3rd Tuesday in May
Final Assessment Date	July 1, 2004 or later	July 1, 2005 or later
Deadline for Judicial Review	30 days after Final Assessment	30 days after Final Assessment

If we are not already reviewing your assessments, we would be happy to assist you.

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