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NYS Department of Taxation and Finance

OFFICE OF REAL PROPERTY TAX SERVICES

www.tax.ny.gov

Contesting Your Assessment in New York State

(Previously titled "What to do if you disagree with your assessment")

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OVERVIEW

If you own property in New York State, you are eligible for formal review of your assessment.

There are two levels of formal review:

1) Administrative review - the "grievance" process is conducted at the municipal level
2) Judicial review
   - in order to pursue judicial review you must first go through administrative review
   - includes two options:
     1. Small Claims Assessment Review (SCAR) - a low-cost option available to most homeowners – information is available from the website of the Unified Court System - www.nycourts.gov/litigants/scar/generalinfo.shtml
     2. Tax certiorari proceedings in State Supreme Court - to pursue this option, you should contact an attorney.

Before pursuing formal review of your assessment, you should first determine if you are assessed fairly:

Step One: What is the assessor's estimate of the market value of your property?
You'll find this information on the assessment roll.

You should check your assessment annually prior to Grievance Day (typically the fourth Tuesday in May, but confirm the date with your assessor).

If your municipality is assessing at 100% of market value, your assessment and the assessor's estimate of market value will be identical.

If assessments are not at 100% of market value, you can use this formula to calculate the assessor's estimate of market value:

- assessment ÷ level of assessment = assessor's estimate of market value

Step Two: Develop an estimate of the market value of your property

- Homeowners may refer to our publication How to estimate the market value of your home
- Other property owners may wish to contact an appraiser or other real estate professional

Generally, if the assessor's estimate of the market value of your property reflects roughly the amount for which you could sell your property, then your assessment is fair.

Step Three: If your assessment is too high

Often, an informal discussion between a taxpayer and an assessor can result in a sharing of information beneficial to both parties. If such a discussion does not result in a reduction in your assessment, and you still feel as though your assessment is too high, you may wish to contest your assessment.

Rather than determining that your assessment is too high, you might find that your property is assessed based on its market value, but the rest of the community is assessed at a lower level of assessment. Again, you should discuss this with your assessor. For example,

- Your property is worth $100,000 and your assessment is $100,000. However, properties in your town are assessed at 90% of market value. Your property is overassessed – your assessment should be $90,000.

If you are assessed fairly, but you feel that your taxes are too high

Assessors do not determine your property taxes. If you feel as though your assessment accurately reflects the market value of your property, but you still feel that your property taxes are too high, you may wish to address this matter with the taxing jurisdictions that impose taxes in your community - school board, county legislature, city council, town board, fire district and other special districts.

The assessor cannot assist you with tax matters, but only with matters pertaining to the assessed value of your property.

GRIEVANCE PROCEDURES

Any person who pays property taxes can grieve an assessment, including:

- property owners
- purchasers
- tenants who are required to pay property taxes pursuant to a lease or written agreement

Only the assessment on the current tentative assessment roll can be grieved - you can't grieve assessments from prior years.

There is no cost to grieve an assessment and it does not require you to hire a lawyer.

Filing the grievance form

Outside of New York City and Nassau County, use Form RP-524 *Complaint on Real Property Assessment* to grieve your assessment. The form is available from our website (www.tax.ny.gov) or from your assessor's office.

- New York City residents - Contact the New York City Tax Commission - 212-669-4410
- Nassau County residents - Contact the Nassau County Assessment Review Commission - 516-571-2391.

File the grievance form with the assessor or the board of assessment review (BAR) in your city or town.

If your property is located in a village that assesses property, you will have two assessments, one for the village and one for the town. To grieve both assessments, you are required to file a separate Form RP-524 with both the town and village. Grievance dates for villages will vary from towns (see below) – contact your village clerk to determine if your village assesses property and for grievance dates (see below.

Deadline for filing Form RP-524

In most communities, the deadline for submitting Form RP-524 is Grievance Day (see below). If you mail the form, it must be **received** by the assessor or BAR no later than Grievance Day. If you do not file the form by the deadline, you will lose the opportunity for administrative **and judicial review** of your assessment this year.

Check with your assessor to confirm Grievance Day in your community

Grievance Day is the deadline for submitting Form RP-524 and the day that the BAR meets to hear complaints. In most communities, Grievance Day is the fourth Tuesday in May. However, there are exceptions:

- **Cities and towns that share an assessor** can adopt different Grievance Days between the fourth Tuesday in May and the second Tuesday in June
- **New York City** - the Assessment Review Commission meets throughout the year, but complaints must be filed by March 15 for Class One properties and March 1 for all other properties
- **Nassau County** – the Assessment Review Commission meets throughout the year, but complaints must be filed by March 1
- **Other cities** – dates vary, contact your assessor or city clerk for the date
- **Suffolk County -** town BAR's meet on the third Tuesday in May
- **Westchester County** - town BARs meet on the third Tuesday in June
- **Villages that assess property** – typically, the BAR meets on the third Tuesday of February; however, dates can vary – check with your village assessor or village clerk

Local government contact information is available from our Municipal Profiles Web page.

Non-resident property owners

If you're a property owner who doesn't reside in the municipality where you own property, you have additional rights related to grieving your assessment:

- You can file a written request for a list of your property, the assessed value, and the time and place for hearing grievances. The request must be made no later than 15 days prior to Tentative Roll Date. (Tentative Roll Date is May 1 in most communities, but confirm the date with your assessor – also see our property tax calendar Web page). The assessor must mail the information to you no later than five days after the completion of the tentative assessment roll.

- A non-resident owner can request a date after Grievance Day for the grievance hearing but must submit Form RP-524 on or before the regularly scheduled Grievance Day. Request must be made to the BAR or to the assessor on or before grievance day and the BAR must set a date no later than 21 days after grievance day for the hearing.

Stipulating to an assessment reduction

On or prior to Grievance Day, you and the assessor may stipulate to a reduced assessment of the value of your property. To do so, complete and sign Part Six of Form RP-524. Be sure to receive a copy of the signed stipulation for your records.

If you enter into a stipulation, you may not ask the board of assessment review for a further reduction in your assessment. If the agreed upon assessment appears on the final assessment roll, you will not be allowed to seek a lower assessment through judicial review.

Appearing before the BAR

The BAR consists of three to five members appointed by the city council, town board or village board. The BAR cannot include the assessor or any staff from the assessor's office. Assessors, however, are required to attend all formal hearings of the board and have the right to be heard on any complaint.

You have the right to attend the hearing of the BAR and to present statements and/or documentation in support of your grievance. You may appear personally, with or without your attorney or other representative.

If you choose to be represented by your attorney or other representative, you must authorize that person to appear on your behalf (see Part Four of Form RP-524).

The BAR may require you or your representative to appear personally, or to submit additional evidence. If you refuse to appear or answer any material question you will not be entitled to a reduction in assessment.

Notification of the BAR's decision

You will receive a notice of the board's determination (except where the board ratifies a stipulated assessment – see below). The notice must contain a statement of the reasons for the board's determination.

If you don't receive the relief you requested

If you are dissatisfied with the decision of the BAR, you may seek judicial review of your assessment via:

- **Small Claims Assessment Review (SCAR)** – only available to:
  - Property owners who live in their one, two or three family dwellings that are used exclusively for residential purposes, or
  - Owners of vacant land that is not of sufficient size to contain a one, two or three family dwelling.

- Requires $30 filing fee
- Information regarding SCAR is available from the New York State Unified Court System

- **Tax certiorari proceeding**
  - Commenced in New York State Supreme Court pursuant to Article 7 of the Real Property Tax Law
  - We highly recommend you contact a private attorney.

Deadline for judicial review
SCAR and tax certiorari proceedings must be initiated within 30 days of the filing of the final assessment roll or notice of such filing, whichever is later.

COMPLETING GRIEVANCE FORM RP-524

You can complete Form RP-524 *Complaint on Real Property Assessment* yourself or your representative or attorney can complete it for you.

Part One - General information

Lines 1 through 4 are self-explanatory.

Line 5 - You can find your property identification information on your property tax bill or the assessment roll.

Line 6 - You'll find your land assessment and total assessment on the assessment roll or a notice from your assessor's office. Note that you can't grieve the land assessment – you can only grieve the total assessment.

Line 7 - Determine the market value of your property based on sources of information suggested on RP-524, Part II. Remember that your estimate of the market value of your property should be based on your property's value as of the Valuation Date, which is July 1 of the prior year in most municipalities. You should be careful when determining how much of an assessment reduction to request because you may be precluded from obtaining a greater reduction than the amount you request, even if circumstances should show that a larger reduction is warranted.

Part Two - Value of property

In order to qualify for a reduced assessment, you will need to prove to the satisfaction of the BAR that your property is currently over-assessed. This section gives you the opportunity to provide information that supports a lower assessment.

For homeowners and owners of most residential properties, the best way to support your case is by providing sales of comparable properties where the sales prices are lower than the assessor's estimated market value of your property. See how to estimate the market value of your home.

Part Three - Grounds for complaint

In this section, you will make your case for reduced assessment by demonstrating that your property is assessed either:

- at a higher level of assessment than the rest of the community (Unequal – Option A)
- higher than the actual market value of your property (Excessive – Option B1)
- too high because an exemption has been improperly denied (Excessive – Option B2)
- too high because a transition assessment was inaccurately calculated (Excessive – Option B3)
- in a way that is contrary to the law (Unlawful – Option C)
- in the wrong class in a community that uses homestead and non-homestead tax rates (Misclassification – Option D)

Details of each option are below:

A. Unequal Assessment

You can claim unequal assessment if assessments in your city, town or village are not at 100% of market value and your property is assessed at a higher percentage of value than the average of all other properties or all other residential properties on the same assessment roll.

To demonstrate that your property is unequally assessed, first determine an estimate of the market value of your property as described above. Then determine the average level of assessment (also known as the *uniform percentage of value*) at which all other properties are assessed on the same assessment roll. To establish the level of assessment of your municipality, the following figures will be helpful:

- equalization rate (available from our Web site)
- residential assessment ratio for the city, town or village (available from our Web site)
- uniform percentage of value listed on the assessment roll

Of those three options, the one that is the lowest will generally be of the greatest value in determining the over-assessment of your property

In addition or alternatively, you may wish to generate your own estimate of your community's level of assessment for either all property or just residential property using either

- Market values and assessments of a sample of other properties on the same assessment roll
- Purchase price and assessment of other properties that have recently sold

Unequal assessment based on the equalization rate - Once you establish the value of your property and the level of assessment at which other properties are assessed, you can apply the level of assessment to your property and compare the result to your assessment. If the result is lower than your assessment, you can request that your assessment be reduced to that lower amount. For example:

- If you prove the market value of your property is $200,000, an assessment of $150,000 would show that your property is assessed at 75% of market value. If you prove that all other property on average is assessed at 50%, you could claim a reduction of your assessment to $100,000.

Unequal assessment based on the residential assessment ratio – If you own a one, two or three family residential real property, you also have the option of proving that the your property is assessed at higher level of assessment than the level of assessment applied to other residential properties on the same assessment roll.

Once you determine the level of assessment of other residential properties you can apply this level to the value of your property. If the result is lower than your assessment, you can request that your assessment be reduced to that lower amount. For example:

- If you prove the value of your property is $200,000, an assessment of $100,000 would show that your property is assessed at 50% of market value. If you prove that all other residential property is assessed on the average at 25%, you may claim a reduction of your assessment to $50,000.

B. Excessive Assessment

There are three cases where excessive assessment is the correct option to use:

1. If your municipality is assessing at 100% of market value and you believe your assessed value is greater than the full market value of the property

2. If you were denied a property tax exemption, or if you believe the exemption was calculated incorrectly. If you filed an exemption application with the assessor, include a copy of the application with your complaint. If you do not have a copy, you should request that the assessor submit it to the BAR.

3. Cities, towns and villages that use homestead/non-homestead tax rates can adopt a system of *transition assessments.* The transition assessments phase in over five years all increases and decreases in assessed valuations resulting from a revaluation. If your city, town or village has adopted transition assessments and you believe that the transition assessment for your property has been improperly calculated, you can claim an excessive assessment.

C. Unlawful Assessment

Unlawful Assessment is the option to choose if you believe your property is assessed in a way contrary to the law such that your property:

1. should be wholly exempt from property taxes because of its status as a certain type of organization or agency (e.g., churches, colleges, etc.) and you submitted an application for such an exemption

2. is located totally outside the boundaries of the city, town, village, school district or special district indicated on the assessment roll

3. was assessed by someone other than the assessor or your assessment was entered or changed after the tentative assessment roll was filed

4. cannot be located from the description on the assessment roll

5. is special franchise property (utility property in the public right-of-way) and the assessment exceeds the final assessment as determined by the Department of Taxation and Finance

D. Misclassification

If your municipality uses homestead and non-homestead tax rates, and you believe your property is assessed in the wrong class (either entirely or partially), misclassification is the option to use.

The homestead class includes:

- One, two, or three family residential parcels
- Residential condominiums
- Mixed use parcels (i.e., used in part for residential purposes and in part for non-residential purposes), if the primary use is residential
- Mobile homes and trailers, only if they are owner-occupied and separately assessed
- All vacant land parcels, not exceeding ten acres, which are located in an assessing unit which has a zoning law or ordinance in effect, provided that such parcels are located in a zone that does not allow a residential use other than for one, two or three family dwelling residential real property
- Farm dwellings
- All land used in agricultural production that is eligible for an agricultural assessment and the owner has filed an annual application for an agricultural assessment (Section 305 or 306 of the Agriculture and Market Law)
- All farm buildings and structures as defined in Section 483(3) of the Real Property Tax Law

The non-homestead class includes all other real property (e.g., commercial, industrial, special franchise and utility property, and some vacant land.)

There are cases where part of a property can be classified homestead and part classified non-homestead. For example, in the case of a 100 acre parcel, an assessor may classify the residence and surrounding 10 acres as residential while the rest is classified as non-homestead.

Part four - Designation of representative

If you designated someone to represent you before the BAR, then list your name, your representative's name, sign and date.

Part five - Certification

You or your representative must sign and date this section.

Part six - Stipulation

Only complete this section if you and the assessor agreed to a reduced assessment. In these cases, the BAR is expected to ratify the stipulation. If you agree to a stipulation and it is approved by the BAR, you will no longer have the right to judicial review.