



Veterans' Exemption

October 28, 2014

Wheatland-Chili Central School District

- * Signed into law by Governor Cuomo, December 2013.
- * Allows school districts to adopt a resolution authorizing the partial exemption for qualifying veterans toward school property taxes.
- * These exemptions are similar to exemptions that veterans currently get on county and municipal property taxes.

* Veterans' Exemption Background

* *Chapter 518*

- * Legislation does not provide for any funding to offset the impact of the reduced assessment.
- * Tax shift from exempt households to other households in the District.
- * Exemption will result in less overall Enhanced STAR reimbursement to the District. (STAR exemptions are applied after other exemptions.)

Veterans' Exemption Background

Task

- * Since the exemption is optional, we must determine the best course of action for all taxpayers, while honoring veterans' service to our country.
- * The decision can be adjusted in the future by Board action based on future District circumstances.

* Veterans' Exemption

- * Qualified owner is a veteran, spouse of a veteran, or surviving spouse of a veteran who has not remarried.
- * Property must be used exclusively for residential purposes.
- * Must be primary resident of the veteran or surviving spouse of the veteran who has not remarried.
- * No income limit; not means tested.

NOTE: School District does NOT make these determinations; done by Dept. of Taxation & Finance.

* Veterans' Exemption Eligibility Requirements

Level I - Wartime Veteran

- * Served during a time of war; includes National Guard and Reserves.
- * Reduction of 15% of assessed value up to maximum.

Level II - Combat Zone Veteran

- * Veterans serving in combat zones including recipients of expeditionary medals.
- * Additional 10% reduction in assessed valuation up to maximum.
- * Total would be 25% assessment reduction (15% Wartime + 10% Combat Zone).

Level III - Veteran with Disability Rating

- * Reduction in assessed value equal to one-half of their service-connected disability rating determined by Veterans Administration or Department of Defense up to maximum.
- * This is in addition to Wartime and/or Combat Zone Exemption, up to 50%.

Levels	Wartime 15% of Assessed Property Value up to maximum of	Combat 25% of Assessed Property Value up to maximum of	Disability 50% of Disability Rating x Assessed Property Value up to maximum of
Decreased Option 2 (Minimum)	6,000	10,000	20,000
Decreased Option 1	9,000	15,000	30,000
Basic Maximum	12,000	20,000	40,000
Increased Option 1	15,000	25,000	50,000
Increased Option 2	18,000	30,000	60,000
Increased Option 3 (Mid Level)	21,000	35,000	70,000
Increased Option 4	24,000	40,000	80,000
Increased Option 5	27,000	45,000	90,000
Increased Option 6	30,000	50,000	100,000
Increased Option 7	33,000	55,000	110,000
Increased Option 8 (Maximum)	36,000	60,000	120,000

***Exemption Levels**

- * Estimated eligible exemptions through new legislation:

Wartime: 143

Combat: 87

Disabled: 30

Total: 260

WCCSD 2014 Data

- * *“Estimating the potential tax shift in any given school district is complicated because state data about veterans’ exemptions is recorded for counties, towns, villages and cities. School district boundaries often encompass portions of multiple municipalities.”* New York State School Boards Association (NYSSBA)
- * The estimates were provided by Monroe County Real Property Office through a data pull at a single point in time. There has been no secondary source to test accuracy.

Estimated Potential Wheatland-Chili Impact

2014 Total Taxable Value: \$ 378,947,888

2014 Total # of Parcels: 3,188

Wartime Veterans

- * # Parcels 143 4.5%
- * Total A/V \$19,101,400
- * Average A/V \$133,576

Combat Zone Veterans

- * # Parcels 87 2.7%
- * Total A/V \$11,059,900
- * Average A/V \$127,125

Disabled Veterans

- * # Parcels 30 0.9%
- * Total A/V \$3,794,300
- * Average A/V \$126,477

TOTAL:

Parcels 260 8.2%
Total Assessed Value (A/V) \$33,955,600

*** WCCSP 2014 Data**

The Exemption Shifts Taxes

- * Tax exemptions cause a redistribution of taxes among taxpayers (tax shift).
- * The tax levy (amount collected by the District) does not change; the amount paid by individual taxpayers will change.
 - * Some taxpayers will pay less (veterans); some taxpayers will pay more (non-exempt taxpayers).
- * Tax rate per \$1,000 of assessed value will be adjusted for all taxpayers to generate the same amount of tax levy.

* Estimated Potential
Wheatland-Chili Impact

Veterans' Exemption Tax Rate Impact				
			Rate Per \$1000	New Rate
2014 Full Value Tax Rate:			\$ 23.39	
Min Tax Increase:			\$ 0.11	\$ 23.51
			0.48%	
Mid Tax Increase:			\$ 0.31	\$ 23.70
			1.31%	
Max Tax Increase:			\$ 0.36	\$ 23.75
			1.51%	

Estimated Potential Wheatland-Chili Impact

Estimated shift based on the lowest (minimum) allowed option

15% Wartime up to \$6,000

25% Combat up to \$10,000

Disability up to \$20,000

- ✓ Reduction to Tax Base \$1,818,790
- ✓ Increases Rate by 0.48%
- ✓ Tax Rate per Thousand \$23.50 (\$0.11 increase)
- ✓ Taxpayer with \$100K assessment impact \$11.00/year

*Estimated Potential
Wheatland-Chili Impact

Estimated shift based on the highest (maximum) allowed option

15% Wartime up to \$36,000

25% Combat up to \$60,000

Disability up to \$120,000

- ✓ Reduction to Tax Base \$5,736,491
- ✓ Increases Rate by 1.51%
- ✓ Tax Rate per Thousand \$23.75 (\$0.36 increase)
- ✓ Taxpayer with \$100K assessment impact \$36.00/year

Estimated Potential Wheatland-Chili Impact

Next Steps

- * Decision must be made by NYS Boards of Education by the taxable status date of March 1, 2015.
 - * Other Monroe County school districts are currently considering options.
- * Public hearing required before Board action.
- * Consider adoption of resolution of concern related to shifting the veterans' tax exemption

* Veterans' Exemption Process

- * Districts are reviewing and considering the adoption of the resolution of concern
- * Monroe County School Boards Association (MCSBA) special information meeting

* How are Local
Districts Responding?

Other Questions/Comments