



How to Guide to Lower Your Property Taxes

Reducing your property taxes is a matter of proving that your home is worth less than the assessor thinks it is. This puts the burden of proof on the taxpayer. The assumption is, if the taxpayer cares enough, he'll keep an eye on changing market values and make sure his assessment are in line with the true value of his home. However, the vast majority of homeowners are unaware that their assessments may be incorrect and that they may be paying higher taxes than they should be.

The government gives you the opportunity to grieve your taxes because they know they don't have a perfect system. It's impossible for them to perfectly assess every home every year. Admittedly, they do their best with a shifting RAR (Residential Assessment Ratio) which takes into account the changing markets. But nobody knows your home like you do. And frankly, nobody cares as much as you do how much of your income will be swallowed up in property taxes this year. It's YOUR job to stay on top of your assessment to make sure that you're paying fair taxes.

Lowering your taxes is something that you can do by yourself. Here's a little how-to: First, you need to determine your property assessment. You can find your assessment on any of your tax bills or by calling the town. Remember, you're not asking about taxes. What you want is the total assessment on the property.

Second, you need to determine what ratio the town uses to convert the assessment into market value. Be aware that the ratio printed on your tax bill may be incorrect so you want to do a little research on your own. If you live in New York, visit the website <http://orpts.tax.ny.gov/cfapps/MuniPro>. Search for your county, and then your town or city. If you have a residential property, look up the Residential Assessment Ratio (RAR). If you have a commercial property, look up the Equalization Ratio.

Divide your assessment by the relevant ratio and that will tell you what the assessor thinks your house is worth. If the assessor's value for your house sounds reasonable, then you are fairly assessed and paying fair taxes. If you believe your property is worth 10% (or more) less than the assessor's value, then it's time to challenge your assessment and taxes.

For example, let's say the assessment on your home in Greenburgh is \$21,500. Since this is a residential property, you will use the Residential Assessment Ratio (RAR). Go to the website and find Westchester County, the Town of Greenburgh, and the Residential Assessment Ratio. The result of your search should be 2.94.

$\$21,500 \text{ divided by } 2.94 / 100 \text{ (or } .0294) = \$731,292$



Now that you have determined what your property is worth according to your assessment, the big question is could you get this price if you put it up for sale in today's market?

Check out Zillow, Trulia or any other sale information site. Get a broker's opinion, or hire an appraiser if you don't mind spending a little money. (Be aware that a broker's opinion, or even an official appraisal, is not guaranteed to convince the assessor that your property is over-assessed.) If the assessor's value is \$731,000 but you determine that you can sell your home for no more than \$550,000, it's time to challenge the assessment. (If you successfully reduce the assessment by 25% it will translate into 25% savings on your real estate taxes - this year, and every year. That's a lot of savings over the years!)

With your evidence in hand, make an appointment to see the assessor. Show him or her what you have come up with. Listen to the assessor's analysis of what your property is worth. Does it make sense to you? If the assessor offers to reduce the assessment, be sure that you agree with the amount before accepting it. Use the RAR to calculate the full value of the assessment being suggested and make sure it is a fair market value. If you are happy with the offer, accept it and request it in writing from the assessor. Find out when the tentative assessment roll comes out and mark your calendar to make a trip to the town hall to ensure that the change was entered on your property.

If you did not accept the assessor's offer (or if the tentative assessment roll did not reflect the offer you accepted) then you will move on to the next step in the process.

The next step is to file a complaint. Every town, city, or village has a "Grievance Day" during which you can file a grievance against your assessment. In NYS the form can be found online at http://www.tax.ny.gov/forms/orpts/assessment_grievance.htm. Look for Form RP-524, Complaint on Real Property Assessment, and make sure you read the form and all instructions carefully. Unfortunately, a mistake on the form can make it impossible for the town to give you a reduction. The two most important items to complete are: 1) what you believe is the current market value of your property 2) the new assessment you are seeking. Remember to sign the form. Be sure to keep a copy of the complaint and all supporting evidence. Deliver your items to the assessor's office and get proof of your submission. Find out the date when the results of the town's investigation will be completed.

The Board of Assessment Review or the Town Board will have a meeting to discuss your complaint. It is best to make your statement in writing and submit it with your complaint but if you prefer you can make an appointment with the Board to present your case orally.

If you need expert help, feel free to contact us:
Sokol Group - Website: <https://www.retax.com> - Phone: 212.561.5541



When the decision of the Board is published you will receive notification by mail. You may have a full reduction, a partial reduction, or no reduction at all. If you are pleased with the final assessment, stop here.

If you are not pleased with the final assessment, then you have the option to appeal the decision in court. A one to three family home that is owner occupied can be submitted as a SCAR (Small Claims Assessment Review) in New York State. (Any home larger than a four-family, all commercial properties, and all rental homes require a different court filing that can only be handled by a lawyer.) Contact the County Clerk's office for Small Claims Assessment Review Form RPTL-730. You have 30 days to file a lawsuit after the assessment roll is published. Again, remember to read the instructions carefully when filling out the form.

The court clerk will contact you with a trial date at which you will appear with evidence proving the current market value of your property. The judge has 30 days to send you its decision. If you are successful in reducing the assessment you will be entitled to a refund for any tax bill that was issued after the assessment roll was published.

If you are detail-oriented and you feel you can properly determine your home's market value, reducing your assessment is a straightforward task. Be attentive to instructions and remember that a small mistake in filling out or filing the forms can jeopardize the entire complaint and force you to wait another year to start the process again. Be careful and thorough in determining market value. If you underestimate the value of your property and the assessor's value is closer to the real market value, you are unlikely to win a reduction.

Good luck to you. May the best assessment win.