



Town of Guiderland Reassessment

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Why do a reassessment?

- **To make assessments fair.**
 - **Over time, properties increase and/or decrease in value unequally and change for a variety of reason. Different types of properties, for example residential and commercial, do not change at the same rate or amount. Tax burdens shift as assessments shift. Reassessments put everyone back on equal footing, ensuring the proper distribution of taxes.**

Why do a reassessment?

- To avoid the volatility of the state equalization rate system.
 - Long periods between reassessments allow regional trends to determine “full market value.” This can cause major distortions between taxing jurisdictions, especially school districts and special districts. This is something you may have noticed in the Town of Guilderland in 2017.

Why do a reassessment?

- **The state likes to see reassessments done consistently, and makes available a little state aid.**

What does a reassessment mean for the community?

- Reassessments are NOT designed to increase overall tax revenues for the school, county, or town. A reassessment is done strictly for the purpose of fair assessment for fair tax burden distribution. If assessments increase, tax rates should decrease proportionally. Said another way, the total taxable assessed value for the entire town increases allowing the tax levy to be spread across the broader new tax base.

What does a reassessment mean for the community?

- **Some property owners will see assessment increases. Some will see assessment decreases. Some will stay virtually the same.**
- **New assessment values will go into effect for the 2019 tax year. For taxation purposes, these numbers will first be reflected in your September 2019 school tax bill. You will be notified of any changes well in advance, most likely in February 2019.**

How can you, the community, help us get started?

- **Correct data is essential to this process. You will be receiving inventory letters. Please review all communications from the town regarding this process!**
- **Property owners will receive mailed property inventory sheets beginning in July of 2018 indicating particulars of your property. Please carefully review the data that we have on file, and return the document to us as soon as possible. If you find you have missed the deadline shown on the inventory sheet, please return it anyway.**

How does residential property get valued?

- **With few exceptions, residential properties are valued using a sales comparison approach. We use homes that transferred in arm's length and valuation usable sales within the past few years. These sales occur and become the market. Homes that have not sold over the last few years will be compared to those that have sold. Residential properties will be assessed similarly to the purchase prices of the most similar homes which have sold.**

How does residential property get valued?

- **We are conducting a mass reassessment. Through a series of statistical analyses we best gauge market values of comparable homes. The statistical analyses will permit the best possible comparables to be chosen for comparisons and values to be determined.**

How does residential property get valued?

- We will use “objective” information for reassessment purposes. Objective information, in its essence, is information that is numerical or true/false, and is easily verifiable. Examples are: building style, school district, bathroom count, square footage, year built, size of property, presence of solar panels, presence of other structures and other similar characteristics. We avoid using “subjective” and qualitative information. This type of information relies on too much interpretation and/or opinion. Examples are: grade, curb appeal, condition, etc.

How does residential property get valued?

- **Neighborhood characteristics, such as locations and similarities, will be factored in as well.**

How does commercial property get valued?

- Nearly all commercial and industrial properties can be considered as “income producing”, and therefore, will be valued via the income approach. Examples of such properties include: offices, apartments, retail space, gas stations, and many others.
- Utility properties will be valued via approved methodologies, with specific uses and depreciation value of structures being main factors.

How does vacant land get valued?

- Generally speaking, vacant land is valued by a sales comparison approach based on statistical analyses of comparable sales. This is true for vacant commercial and vacant residential land. To the extent that there are improvements, they will be factored in as well.
- However, some parcels, including “amenity” lots, along with landlocked lots, will be adjusted upward or downward depending on the situation.

How does farm land get valued?

- The three approaches to value will most likely be analyzed. These are cost, sales comparison, and income and expense. We have 104 parcels categorized as farms. Farms will be looked at individually since no two are alike.
- Farm land is based in part on use. For example, whether the land is pasture, crop or abandoned.
- The structures such as storage barns, stables, housing for workers, farm stands, and any homestead on the property are also assigned values.

What is the timing of all of this?

- Per state regulations, the “valuation date” for the 2019 assessment roll is July 1st, 2018, meaning that the sales used for the reassessment will be “locked” soon after July 1, 2018.
- We have already started, and will continue to collect and change data throughout this entire process. Again, please make sure **to return your data mailers as soon as possible** to ensure consistency in the assessment roll.

What is the timing of all of this?

- In the fall, we will be doing the modeling for the residential, commercial, vacant, and utility properties.
- Towards the end of January, preliminary values will be calculated and uploaded to the system, and soon after, impact notices will be sent to all taxpayers.
- After the impact notices are received, property owners who disagree with their assessments will be able to set up an informal meeting with the assessor, assessor's staff, and consultants to discuss values and any issues involving the value.

What is the timing of all of this?

- These numbers will be preliminary, and will be subject to change based on continued data gathering, as well as property owner meetings.
- The data for the May 1, 2019 assessment roll will be based on the condition and state of the property as of March 1st, 2019, also known as “taxable status date.” This means that partial assessments may be put in place for partially constructed or demolished structures if work is incomplete as of March 1st.

What is the timing of all of this?

- By May 1st, letters will be sent to those who had changes made to their value after the preliminary letters were sent to them.
- On May 1st, 2019, the Town of Guilderland will release the tentative assessment roll.
- For property owners who still disagree with their assessments, grievance day will be May 28th, 2019. A Grievance form would need to be submitted. Additional details regarding this process will be available closer to May.

Definitions

- **Arm's Length**
 - An arm's length sale refers to a real estate transaction in an open market freely arrived at by normal negotiations without undue pressure on either the buyer or seller. Arm's length determinations are made based on conditions of transfer, full sale price, or sale date.

Definitions

- **Valuation Date**
 - Sales to be used to create values occur prior to the valuation date. By NYS law that date is the 1st of July preceding the Tentative Assessment Roll.
- **Taxable Status Date**
 - Whatever is true as of the March 1st immediately preceding the Tentative Assessment Roll is true for the year. For example, a house is under construction and is 50% complete as of March 1st. The value is 50% for the Assessment Roll and the following tax cycle.

Additional Resources Available online

- We have set up a Reassessment section on the Assessor's webpage. We are adding to the site as we go along. This PowerPoint will be added to the site. Other information can also be found on the website. The Town of Guilderland website is:
- <https://www.townofguilderland.org/assessors-office>

Additional Presentations

- We are planning additional presentations in the fall. Dates, times, locations, and topic will be publicized on our website, the Town of Guilderland public television channel, and in the Altamont Enterprise. Please watch for them.