UNDERSTANDING YOUR SCHOOL TAX BILL

1. **FISCAL YEAR & WARRANT DATE**
   - The fiscal year is the one-year period for which taxes are being collected. When you see the Warrant Date, this date represents the date that schools may begin collecting the taxes for that fiscal year.

2. **FULL/FAIR MARKET VALUE**
   - This is the value of a property with regard to normal market conditions.
   - **Assessed value**
     - The estimated value of a property, usually determined by your local assessor.
   - **Uniform Percentage of Value**
     - After determining the market value of a property, this number will compare it with the market value of the municipality. This is done to fairly apportion the share of taxes when the school district is within multiple municipalities. The end goal is to have property owners with similar market values pay a similar amount in school taxes.

3. **TAX EXEMPTIONS OR SAVINGS**
   - On your tax bill you will see any tax exemptions that are associated with the property. This shows the taxpayer how much of their assessed value is exempt from their school taxes. These exemptions can come from programs like the STAR program.

4. **TAX AMOUNT**
   - This amount is derived from multiplying the assessed value of the property by the tax rate for each $1,000 worth of property. Please note that there may be some differences between the taxable value of the property & the full market value of the property due to exemptions being applied.

5. **TAX SAVINGS THROUGH EXEMPTIONS (STAR)**
   - The amount that taxpayers save from programs like STAR is calculated by multiplying the value of the exemption by the school tax rate for the taxing jurisdiction.

6. **TOTAL AMOUNT DUE**
   - You may find the total amount of school taxes due after the savings have been applied here. This amount will be due to the school district by the warrant date indicated on the bill. Please note that there are often penalties given for any payments received after a specific date. School districts often defer to the county to pursue tax collection after a payment has been past its due date for an extended period of time.

**LIBRARY TAXES**
- Although not shown here, many school districts collect taxes on behalf of a local library. This is generally an administrative function, with the libraries and their finances completely separate from the school district.

**ANYTOWN CENTRAL SCHOOL DISTRICT**
- School Tax Bill
- Fiscal Year: 7/1/22 to 6/30/22
- Warrant Date: 9/1/23
- Make Checks Payable to: Anytown Central School District
- 123 School Street
- Anytown, NY 12345
- John and Jane Taxpayer
- 123 Main Street
- Anytown, NY

- To Pay In Person
- Anytown School District
- 123 School Street
- Anytown, NY

- Address Legal Description
  - 109001: 99.90-1.99
  - Address: 123 Main Street
  - Municipality: Anytown
  - School: Anytown CSD
  - NYS Tax and Finance School District Code: 123
  - 232-1 Family: Roll Sort: 1
  - Parcel Acreage: 0.5
  - Estimated School Aid: $10,000,000

- **Property Taxpayer’s Bill of Rights**
  - The assessor estimates the Full Market Value of this property as of July 1, was: $200,000
  - The total Assessed Value of this property is: $180,000
  - The Uniform Percentage of Value used to establish assessments in your municipality was: 10.00%

- Exemption
  - Residential STAR
  - Value: $27,000
  - Tax Purpose: School
  - Full Value Estimate: $30,000

**2023 School Taxes for this Property**
- **Tax Levy**
  - Anytown SD Taxes: $25,000,000
  - Percent Change from prior year: 3.0%
  - Taxable Assessed Value (before accounting for STAR): $180,000.00
  - Rate per $1,000 Tax Amount
  - $20.00
  - $3,600.00

- **Tax savings through the New York School Tax Relief Program: $540**

**Note:** Legislation requires that this year’s STAR tax savings generally may not exceed last year’s by more than 2%.

**Total School Taxes Due:** $3,060

**PENALTY SCHEDULE**
- Pay by: 09/30/22
  - $0.00
  - $3,060
  - $3,060

- Pay by: 11/01/23
  - $61.20
  - $3,060
  - $3,121.20
What are equalization rates and why are they used?

A tale of two houses, two towns, one school district and two tax bills Town A and Town B are in different towns within the same school district. The houses in both towns recently sold for the same amount. So, the two houses have the same market value and should pay the same amount in school taxes.

However, Town A and Town B use different assessment practices, which means that the houses have different assessed values – and assessed values are used in the computation of property tax bills. Therefore, for the houses in Town A and Town B to pay the same in taxes, the tax rates (per $1,000 of assessed value) must be different for each town. The process of equalization is used to determine these tax rates. Essentially, full market value serves as a common denominator, or equalizer, in the process of setting tax rates.

Equalization rates indicate the ratio of the assessed value to market value in the municipality. They are used in an effort to fairly apportion the share of taxes when a taxing jurisdiction, such as a school district, contains multiple municipalities. They are designed to ensure that owners of properties with similar full market values pay an equivalent amount of taxes.

<table>
<thead>
<tr>
<th>House A</th>
<th>House B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Market Value: $250,000</td>
<td>Full Market Value: $250,000</td>
</tr>
<tr>
<td>Assessed At: $185,000</td>
<td>Assessed At: $250,000</td>
</tr>
<tr>
<td><strong>Tax Bill for House A</strong></td>
<td><strong>Tax Bill for House B</strong></td>
</tr>
<tr>
<td>Full Market Value: $250,000</td>
<td>Full Market Value: $250,000</td>
</tr>
<tr>
<td>Equalization Rate: 74.00</td>
<td>Equalization Rate: 100.00</td>
</tr>
<tr>
<td>Assessed Value: $185,000</td>
<td>Assessed Value: $250,000</td>
</tr>
<tr>
<td>Town Tax Rate: $27.03 per $1,000</td>
<td>Town Tax Rate: $20.00 per $1,000</td>
</tr>
<tr>
<td><strong>TOTAL TAXES DUE:</strong> $5,000</td>
<td><strong>TOTAL TAXES DUE:</strong> $5,000</td>
</tr>
</tbody>
</table>

In this example, House A and House B pay an equivalent amount of taxes due to the different tax rates. Remember: Assessed Value \times \text{Tax Rate} = \text{Total Tax Bill} \div 1,000.

In the example given, properties in Town A are assessed at 74% of full market value (an equalization rate of 74) and Town B properties are assessed at full market value – an equalization rate of 100.

School districts calculate the total full market value of all properties in each municipality. Equalization rates allow them to determine the share of the tax levy to be paid by each town, a necessary step to calculating tax rates for each town. The process is designed to:

- Fairly apportion the tax levy among the municipalities in a school district; and
- Ensure that the amount of taxes paid by owners of similar properties in the district is similar – regardless of the town and its assessment practices.
School Taxes and Assessment Process

TIMELINE

01 SPRING

SCHOOL DECISIONS
Each Spring, the school districts work on creating a school budget for the upcoming year. This budget is then brought to the voters/taxpayers in the school district. The budget contains the total amount of tax money that will be collected from the taxpayers, otherwise known as a tax levy.

02 SUMMER

LOCAL (MUNICIPAL) DECISIONS
Local Municipalities usually release their tentative assessment rolls on the first of May and submit a final by the beginning of July. These rolls list out the assessed value of each property in the municipality.

03 LATE SUMMER

STATE DECISIONS
Using the Local Municipality rolls, the state then publishes equalization rates. These rates show the state’s determination of the property assessments relative to full market values for each municipality. You can find more information on the state’s role in property taxes by visiting www.tax.ny.gov

04 LATE SUMMER/FALL

CALCULATIONS
Usually beginning in August, the districts will set the tax rates based on the budget and tax levy approved by the public. The calculation also takes into account the state equalization rates and assessment rolls for each municipality. After these rates are created, the school district will print tax bills which are derived from the property assessments. Tax bills are usually mailed close to the beginning of the school year (early September) and are due within 30 days.

A NOTE ABOUT PROPERTY TAX EXEMPTIONS

Though all property is assessed, not all of it is taxable. Some properties, such as those owned by religious organizations or governments are completely exempt from paying property taxes. Others are partially exempt, such as senior citizens, persons with disabilities, veterans who qualify for an exemption on part of their homes, and homeowners who are eligible for the School Tax Relief (STAR) program. Most exemptions are offered by local option of the taxing jurisdiction (municipality, county or school district).

Check with your assessor to determine what exemptions are available in your community or visit the New York State Department of Taxation & Finance website at: www.tax.ny.gov/pit/property/exemption/index.htm