

## Reassessment FAQ

### **What is a reassessment?**

A municipal-wide reassessment ensures that each property assessment is fair and accurate.

During a reassessment, the assessor will review the market values of all the properties in the community. Based on changes in the real estate market, the assessor will determine which assessments need to be increased or decreased.

### **Why do reassessments need to be done?**

After several years without a reassessment, some properties will be over-assessed, and some will be under-assessed. This is because some properties will have increased in value, while others may have decreased or stayed the same. Without a reassessment, all the properties will continue to pay the same amount of taxes.

Depending on how long it has been since the last reassessment, the assessor may send information requests to property owners and/or do physical appraisals of property. This helps the assessor update inventory information for each property and update records as needed.

### **How does reassessment affect property taxes?**

Assessors do not set budgets or tax rates; they only determine the assessed value of your property.

Reassessments do not mean taxes will automatically increase; they may increase, decrease, or stay the same. Each taxing jurisdiction (school districts, towns, counties) determine the amount of taxes that need to be collected from property owners (the tax levy). This is determined based on each jurisdiction's proposed budgets.

When assessments increase, tax rates are expected to go down proportionally. This is because the levy is being distributed over a broader tax rate.

### **What do Assessors do?**

The assessor is the official who estimates the value of real property within the municipalities' borders. This value is converted into an assessment, which is one component in the computation of property tax bills.

The assessor maintains the assessment roll – the document that contains every property's assessment. The physical description, or inventory, and value estimate of every piece of real estate in the municipality is kept up to date. The information contained on this site is taken from the Final Assessment Roll, filed on July 1st of every year. The assessment roll may be reviewed on-line, or at Town Hall, by appointment before the filing of the tentative assessment roll (May 1st each year). Following this the filing of the tentative assessment roll, the only changes that can be made to the tentative assessment roll are through the formal grievance process with the Board of Assessment Review. After the Board of Assessment Review (BAR) has acted on assessment complaints and ordered changes, the tentative roll is made final (July 1st. each year).

Assessors are interested only in fairly assessing property in their assessing unit. If your assessment seems correct but your tax bill still seems too high, the assessor cannot change that. Complaints to the assessor or the Board of Assessment Review must be about how the property is assessed. Complaints about high taxes should go directly to the taxing jurisdiction, such as the town, school board or county legislature, who set the tax rates. The assessor does not set tax rates.

### **Are assessments required?**

Unlike most states, New York State does not require municipalities to conduct reassessments.

However, the law does require that assessments be fair at a uniform percentage of value.

Reassessments that meet state standards are eligible for aid for cyclical reassessments. The aid program requires that reappraisals be conducted at 100% of market value at least once every four years.

### **Why is the town doing a reassessment to 100% this year?**

Keeping assessments up to date each year is necessary for fair tax distribution. That is why reassessments are done.

When the town is assessed at 100%, assessments have been reviewed and adjusted to be fair and accurate. It also means that the overall tax base has increased. When this happens, tax rates typically decrease. A lower percentage of value for a taxing jurisdiction equals a higher tax rate to compensate for the underassessment. Alternatively, when 100% of value is achieved, a lower tax rate occurs because the assessments are fair and accurate.

The uniform percentage of value is currently (prior to the 2021 assessment roll) at 86%. This means the town has a higher tax rate because some properties are over-assessed while others are under-assessed.

Furthermore, when a town assesses at 100% every four years, they are eligible to receive aid from the state for completing the reassessment. This contributes to the overall income of the town.

### **How did the Assessor come up with the numbers?**

The first step in assessing is to determine a property's market value. To estimate market value, the Assessor can use three different approaches:

- 1) **Market Approach** - comparing property to similar properties that have recently sold.  
This is typically used for residential, vacant land, and farm properties.
- 2) **Cost Approach** – calculating cost to replace a structure with a similar one using today's labor/material prices; depreciation is subtracted, and market value of the land is added.  
This is typically used to value industrial, special purpose, and utility properties.
- 3) **Income Approach** – analyzing how much income a property (such as an apartment building) will produce if rented, into account expenses, insurance, maintenance costs, financing terms, etc.

Assessors may also use mass appraisal techniques to analyze property sales and estimate values.

Once the market value is estimated, the assessment is calculated. When a town is assessing at 100% of market value, the market value = the assessment.

If the town is at a fraction of market value, the assessment is calculated by multiplying the market value by the level of assessment for the town. For example, Walworth was previously at 86%; 0.86 would previously have been the multiplier.

### **What are the ramifications of NOT doing an assessment?**

When assessments are not up to date, it typically means not all properties are assessed accurately. Some are over-assessed and some under-assessed.

Tax rates are also typically higher when a town or municipality does not perform reassessments; assessing at a lower percentage of the market value means tax rates are usually higher to make up for the inaccuracies.

**When did the reassessment start?**

The reassessment process began in March of 2020. All property owners were mailed Property Description Reports and asked to return these to the town; in this notice, residents were told about the reassessment and asked to ensure that their parcel descriptions, building inventory, and improvements listed (such as garages, barns, etc.) were accurate so records could be updated accordingly.

The process formally began in July of 2020. Numbers and trends were identified and updated in our system, inventory was revised per the data mailers received from residents, and sales were reviewed for accuracy and to see if they were useable or non-useable. A useable sale is an arms' length transaction without any conditions affecting it. A non-useable sale may be a sale between family members, quit-claim deeds to adjust owners and names, sales that include closing costs or multiple parcels under one price, etc.

**What is the process?**

The process follows closely to the assessment process the Assessor uses, but also includes the steps outlined above when the reassessment began. After records are updated, sales are confirmed, and inventory is revised, the Assessor can begin valuing different types of properties. All parcels in a municipality, no matter the property type (residential, vacant land, farm, industrial, commercial) are reassessed and reviewed during a town-wide reassessment.

**What is the Informal Review Process?**

During the Informal Review Process, the Assessing staff meet with property owners to discuss assessments and concerns.

Your assessment is the Assessor's opinion of value, supported by documentation and research. If you feel your assessment is incorrect, the Assessor will ask that you provide the office with reasonable information, based on market sales, that supports your opinion of value.

To make an appointment, please contact the Assessment Department directly.

**What is the Formal Review Process?**

There are two levels of formal review:

Administrative Review – the “grievance” process at the municipal level

Judicial Review – includes Small Claims Assessment Review (SCAR) or Tax Certiorari proceedings via the State Supreme Court (which typically require an attorney).

Administrative Review must occur first to pursue Judicial Review.

The Board of Assessment Review will meet on May 27<sup>th</sup> (Grievance Day) to hear grievances regarding assessments. Written application to the Board of Review must be made on or before Grievance Day on forms prescribed by the New York State Office of Real Property Services.

Appointments can be set for Grievance Day through the Assessment Department. Packets of information, including the necessary forms for Grievance Day (RP-524, also available online via [tax.ny.gov](http://tax.ny.gov)) are available through the department as well.

If you choose to attend Grievance Day without an appointment, please note that appointments will be seen first, and all others will be seen in the order in which they have appeared/signed in.

**What is the Board of Assessment Review?**

The Board of Assessment Review consists of three to five members appointed by the town board. The BAR cannot include the assessor or any staff from the assessor's office. Assessors 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 and with or without an attorney/other representatives.

If you choose to be represented by an attorney or other representative, you must authorize that person to appear on your behalf.

**Can Grievance Day be postponed?**

Grievance Day is typically the fourth Tuesday in May per Real Property Tax Law. When a town is not able to hold Grievance Day on that day, a local law is set to determine the new date.

For the Town of Walworth, Grievance Day is the first Thursday after the fourth Tuesday in May. This year, Grievance Day is being held on May 27<sup>th</sup>.

**Can assessments be waived?**

To ensure a fair and uniform level of assessment, individual assessments cannot be waived by the assessor. However, your assessment can be discussed with the assessor, and you have the opportunity and right to grieve your assessment each year.

**Who ensures the Assessor's work is accurate?**

Throughout the reassessment process, the Assessor works closely with New York State Real Property Tax staff. Typically, the same one or two people work with the Assessor throughout the process. All steps in the reassessment process are reviewed, and the state offers continuous guidance for the Assessor throughout the process as well.