

Town of Hague

Community Center • 9793 Graphite Mountain Road • P.O. Box 509 • Hague, NY 12836

To: Town of Hague Residents
From: Edna Frasier, Supervisor
Subject: Update to Town of Hague 2023 Revaluation and Related Taxes

20 April 2023

Dear Fellow Town of Hague Residents:

The purpose of this letter is to provide an update on the current revaluation process (Reval) being conducted by the Town and related property tax issues.

Assessed Value Revaluation Property taxes are based on assessed property values. The required total tax amount to be raised is distributed amongst property owners, to be shared proportionally based on relative property values per the tax roll. To be fair and equitable, property values must be updated from time to time.

In fact, the last Hague revaluation was performed in 2004. Since then, there have been significant changes in absolute and relative property values. Very significant and substantial changes have occurred recently during the Covid pandemic years. These in particular, as well as the shifts over nineteen years, have resulted in inequities in property values. The Town and its Assessor judged in 2021 that this warranted a revaluation to be fair to all residents. The Reval was commissioned to be performed for 2023 by Maxwell Appraisal Services, Inc., an independent outside contractor. The time for an equitable revaluation had come – reality is here.

In accordance with NYS Tax Law requirements, all Hague property owners were formally notified with assessment impact statements (Notification) in early March of their owner-specific 2023 assessed value and its change from 2022.

Tax Implications Your personal Notification also included preliminary and approximate estimates of potentially-resulting changes in County and School Taxes. As noted and explained therein, those estimates are provided on a very limited, comparative basis. Namely, the 2023 tax liability is estimated therein based entirely on the tax amount determinants that existed in 2022 and using only the 2023 changed assessed value.

On this basis, and as expected when the same total amounts of tax dollar amounts are assumed to be required in 2023 as in 2022, in the Notifications some property owner 2023 taxes were estimated to go up, some to go down, and some would stay the same. This is entirely normal during a Reval.

Because it's highly likely that there would be different – and probably larger - tax dollar amounts required in 2023, perhaps more explanation of the Notification's 2023 tax liability estimate would have been warranted on our part then. However, the Reval and the levy of taxes, although related, are actually separate issues.

In regard to taxes, and specifically to our school tax, Hague is in a unique position since we are, and have been for over 40 years, part of the Ticonderoga CSD. Because we are on an apportionment basis, our share of the Ti CSD school budget is related to the overall Full Market Values of the two towns. This situation over the 40 years has increasingly tilted in Ticonderoga's favor; Hague has continued to prosper more and increase in value at a faster rate than Ticonderoga.

Unfortunately, there are a multitude of factors that determine what our actual 2023 Hague school tax rate will be. For example, the Ti CSD budget will not be approved until May and the apportionment factor will not be

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set by the State until the two Towns' tax rolls are submitted. Until the Hague school tax rate is known, individual property school taxes based on the new 2023 assessed value cannot be accurately determined or stated. In September, there may be unintended consequences of the Reval, but they will simply be a matter of inevitable reality.

Having said that, we are very aware that there will undoubtedly be significant tax increases for those residents whose 2023 assessed values have increased significantly in accord with reality. For them, and for all of us, we have been living with the Hague CSD consolidation decision of 1979 and its consequences for over 40 years. It will take a change in NYS Real Property Tax Law to change this arrangement. Perhaps we could convene a Town-appointed committee of knowledgeable resident attorneys, tax experts, and lobbyists to address such a change in law. Until then, as they say, it is what it is.

The Hague Reval reveals that Hague's 2023 total assessed value is double what it was for 2022. The increased Full Market Value of our Town will undoubtedly affect our Ti CSD apportionment. We are not yet able to accurately determine the amount, for the reasons stated above.

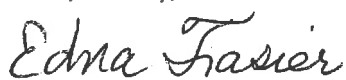
We have, however, in accord with the April 11th Town Board Meeting decision, sought expert legal opinion as to whether the Town has the option to not use or to postpone implementing our 2023 Reval into our Town 2023 tax rolls. It is not an option. The Town Board "does not have the authority to value properties and set assessed values, so it would not be able to dictate whether the revaluation numbers are used to set the assessments for the 2023 (tax) roll. The valuation and assessment of properties in the Town is the responsibility and obligation of the Assessor and it is not advisable for the Town Board to interfere with this process." Also, the opinion clearly states that, regarding using or not using the Reval, "typically revaluations are seen as a benefit as they ensure fairness in taxation among Town taxpayers." Furthermore, it is advised that "it is too late for the Assessor to reject the revaluation at this point in the assessment cycle." The Hague 2023 Reval process is therefore continuing as planned and scheduled; the 2023 Hague tax rolls based on it are being filed as required to meet the May 1st due date.

Residents are still encouraged to pursue individual property concerns with David Martucci, Assessor, at 518-543-6161. If you still disagree with your property's assessment, know that you must file a formal complaint on Form RP-524 with Hague's Board of Assessment Review (BAR) on or before Grievance Day, 23 May 2023.

Summary In summary, Hague has conducted a 2023 revaluation (Reval) of the assessed values of all Hague property values. The intended purpose of the Reval is to fairly and equitably assign taxes throughout the entire Town in accord with market value reality and has been accomplished. All property owners have been officially notified of their 2023 assessment.

The Reval implications regarding property taxes, especially for the dominant School Tax, are a separate consideration, are not yet known, and are not something we believe we have any control over at this point. Taxes are a matter of inevitable reality until we can change applicable NYS Tax law. We will provide information on what our 2023 Hague school tax rate will be as soon as it becomes available from the Ticonderoga CSD.

Respectfully,



Edna Frasier, Supervisor
Town of Hague