

2020/21 School Tax Bill FAQ: How We Got Here, What We Know and What's Next

November is here and 2020/21 First Half School Tax Bills are now being received by many Nassau County homeowners. Here at Maidenbaum & Sternberg, LLP we have been fielding **an extremely high volume of phone calls and emails** inquiring about these new bills and are making every effort to respond to your queries in a timely manner. Because of the complicated nature of the reassessment, every phone call leads to a conversation in which we want to give a thorough and understandable explanation. It's not always possible to get back to you as quickly as we'd like, but be assured that we will get back to you.

In order to address the most common questions, we put together this explainer and FAQ to address how we got here, what we know, and what's next.

Thanks again for choosing Maidenbaum & Sternberg, LLP and thanks for your patience – now let's discuss what's happening on the School Tax Bill front!

How We Got Here – The Reassessment Phase-In

On March 23, 2020, the Nassau County Legislature passed the Reassessment Phase-In Act of 2020 (RPIA), formerly known as the Taxpayer Protection Plan. The first tax bill reflecting the implementation of the Phase-In is the 2020/21 First Half School Tax, by way of an exemption on the bill entitled "TPP" or "Class One Reassessment". As a reminder, the exemption is determined by taking the increase in market value from the 2019/20 final to the 2020/21 tentative and multiplying it by 0.1%. That increase is then implemented over a five (5) year period. For more information and an example of the implementation, please visit our blog titled [The Nassau County Reassessment Phase-In: What You Need to Know](#).

First Half School Tax Bills: Some Pertinent Information

It's likely that you've received your First Half School Tax Bills. Even if you believe the figure listed on the bill is too high, you are obligated to pay the listed sum by December 10, 2020. If you don't, penalties will begin to accrue per the following schedule:

If you pay by:	The penalty will be:
12/10/2020	0 percent
12/11/2020 to 12/31/2020	2 percent
1/1/2021 to 1/31/2021	3 percent

2/1/2021 to 2/28/2021	4 percent
3/1/2021 to 3/31/2021	5 percent
4/1/2021 to 4/30/2021	6 percent
5/1/2021 to 5/31/2021	7 percent

If you have the means to pay your entire School Tax Bill (first and second halves) by the December 10, 2020 deadline, you'll receive a one percent discount on the amount of your Second Half School Tax.

2020/21 School Tax Bills: Frequently Asked Questions

Q: Why did my tax rate increase so much?

A: The tax rate increased due to a variety of reasons, one of which is likely related to budget concerns resulting from the COVID-19 pandemic. However, the countywide reassessment and the County's *Class one reassessment exemption* are the primary driving factors why there has been a dramatic increase in School tax rates. The reassessment and the exemption greatly reduced the pool of assessed values, which in turn caused the School tax rates to increase in order to satisfy the budget.

Q: What does the following mean on the County website: "Please be advised that the Class one reassessment-Nassau exemption (Code 40120) is not displayed because it is phased in over five years."?

A: The *Class one reassessment exemption* is phased-in over 5 years and the County is not currently providing the exact dollar amounts attributable to each year, but the amount attributable to the 20/21 tax year is reflected in the total tax amount due.

Q: How did the County calculate my Class one reassessment exemption?

A: The County has not published itemized calculations on <https://lr.v.nassaucountyny.gov/>, therefore, specifically for any individual property, we cannot be certain how they arrived at the dollar amounts of the exemption. However, the proper calculation according to the RPIA is outlined above.

Q: Why did my neighbor get more in their Class one reassessment exemption than I did?

A: We cannot address any specific property's exemption calculation. We recommend that you try calling the Nassau County Department of Assessment at (516) 571-1500.

Q: How are you going to calculate your bill to me?

A: We will not have the exact calculations until January or February of 2021, but rest assured when we calculate the savings as a result of our work, we recognize that your *Class one reassessment exemption* was separate and apart from our assessment reduction, and our fee will not be based upon your *Class one reassessment exemption*.

Q: How do you know if you are responsible for this changed assessment, or if it was the reassessment?

A: We will receive either (i) a Determination of Final Assessed Value Letter from the Assessment Review Commission; or (ii) a Small Claims Assessment Review Hearing Decision providing the proof that we achieved the assessment reduction.

Q: I thought there was some sort of "cap"... why weren't these increases capped?

A: There is a 2% state cap on the school budgets in Nassau County, as well as a 6% cap on assessment increases, subject to exclusions. There is no specific cap on tax rates.

Q: Why should I pay you for a "reduction" if my taxes are increasing more than ever before?

A: If we hadn't reduced your assessment, your School taxes would have been even higher. Your assessed value is one of the two multipliers (the other being the tax rate) used to determine your pre-exemption School tax liability, and therefore, when we reduced your assessed value, a lower multiplier was used on your tax bill when calculating the amount owed.

Q: How do I get my money back if my bill was calculated based on an incorrect value?

A: The Department of Assessment may not have implemented the reduced assessed value for your property. We have been informed that any correction will be in the form of either a credit on a future tax bill or a refund.

What's Next?

Nassau County continues to face unprecedented health and economic challenges posed by COVID-19, and many homeowners continue to feel pinched by declining household income combined with unwaveringly high residential property taxes. Pending a bailout to localities that might emerge from a new administration in Washington, the tax burden isn't likely to be lifted soon, which puts a premium on homeowners scrutinizing their assessments to ensure they are accurate.

Obviously, it's too late to contest – via SCAR or an assessment challenge – the 2020/21 tax rolls. But the clock is ticking and the taxation cycle will soon begin repeating. On January 2, 2021, the Department of Assessment will release the 2022/23 tentative tax assessments; on that very same day, 2022/23 Nassau County tax grievances are permitted to be filed.

We urge you to file an assessment challenge if you believe the County's assessment of your property is inaccurate, and pledge to do everything we can to make sure your tax liability is kept as low as possible. If you're interested in doing so, please contact us to get started – Maidenbaum & Sternberg, LLP is here to help and we have more than 30 years of experience shepherding Nassau County homeowners through the complex – and often confusing – residential property tax system.