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Dedicated to helping you better understand your government

This week's topic: **“What does level of assessment mean and how is it calculated?”**

In order to fully explain this, we will answer the first part of the question in this article.

The term “level of assessment” refers to what percentage of full market value the assessor uses to determine assessments. It can be anything from 1% to 100%. The only rule that New York State has is that whatever percentage is used, it **MUST** be the same for **ALL** properties located in the town. What this means, is that a house which sold for \$100,000 can be assessed anywhere from \$1,000 to \$100,000.

So, right now, you are thinking, well then, assess my house at \$1,000. This sounds like it would be the best way to keep taxes as low as possible. Not so simple!

New York State recognizes that because each town can choose their level of assessment, there has to be a way to keep school and county taxes fair. If two towns who share a school district are not at the same level, then the residents of the town which assesses at the lower percentage will pay less tax. **NOT FAIR.**

To even the playing field between towns, the state calculates an ***equalization rate*** and applies it to those towns that are not assessing at 100% in order to bring them to 100%. Now, each resident in all towns with the same value house will be paying the same taxes for their specific school and Niagara County.

Please see Part 2: **“How is level of assessment calculated?”**