

In 1999, the Office Real Property Services (ORPS) launched a new annual reassessment program to improve statewide equity and increase state aid to municipalities. The program represents a change in the way local property tax assessors do business across most of New York. Intended to improve statewide property tax equity, the program encourages municipalities to reassess their property tax rolls annually to qualify for \$5 per parcel in state maintenance aid.

ORPS is responsible for leading the State's efforts to support local governments in their pursuit of real property tax equity. Real property tax equity, as defined by ORPS, is the condition where each property owner pays a fair share of taxes based upon the current value of his or her property. Assessments are utilized for a variety of purposes, including the apportionment of school and county property taxes, the allocation of various state-aid programs, and the determination of tax and debt limits for local governments.

A mainstay of ORPS's effort to pursue equity is the maintenance aid program. As background, the original program, a one-time payment of \$10 per parcel for initial modernization of the assessment roll and implementation of a reassessment, was implemented in 1977. In 1990, effective for rolls filed after April 1, 1991, a program of maintenance aid of \$2 per parcel was established. In 1996, the \$10 program was eliminated and the maintenance aid program was revised to \$5 in year of reassessment at 100 percent and \$2 in years where uniformity was maintained, but not necessarily at 100 percent of full value.

In 1999, a new annual reassessment program was instituted to increase the amount of maintenance aid to \$5 per parcel for municipalities that reassess their properties annually. It calls for at least one physical appraisal every 6 years, with market based assessments each of the other five. Under these parameters, municipalities may fully reappraise one sixth of their properties and do market based assessments on the other five sixths every year.

To analyze the feasibility and resource implications of the annual reassessment program, ORPS worked together with Dr. David Andersen from the University at Albany's Rockefeller College of Public Affairs and Policy to identify the program's likely resource implications. Andersen, working with ORPS's staff, developed a comprehensive model to identify various scenarios under which the annual reassessment program might be implemented.

Andersen's model was introduced to a group of local assessors and county directors of real property services in November, 1999. It revealed a number of potential resource implications facing local assessors' offices, county real property directors, and ORPS. The model identified scenarios under which implementation would most likely succeed. The model revealed that municipalities working collaboratively to share data and resources would be most likely to see the maintenance aid cover the costs of conducting annual reassessments. However, those municipalities not currently reassessing properties on a regular cycle, those not equipped to use the statistically-based Computer Assisted Mass Analysis (CAMA) techniques, and those who tended not to collaborate with surrounding municipalities were likely to have the greatest challenge transitioning to the new annual reassessment program.

ORPS recognized that there were many programs and services that could be offered to support the assessment community in their effort to qualify for the new maintenance aid program. However, before moving forward with these programs they further recognized the need for additional information from the assessment community about the resource requirements for annual reassessment, as well as other issues related to the new maintenance aid program. ORPS began to work with the Center for Technology in Government to gather resource requirements from the assessment community and to facilitate the collaborative development of a set of recommendations to guide the implementation of the program within the assessment community.