

Soaring Eagle

A Veterans Exemption would impact all taxpayers

The Board of Education wants to hear from ALL residents about this important issue

The Duanesburg Central School District Board of Education is seeking taxpayer input on whether to offer the Alternative Veterans Exemption (AVE), a new, partial school tax exemption for military veterans, beginning in the 2017-18 school year.

WHAT WOULD IT DO?

The AVE would allow qualified veterans to apply for a 15% exemption on the taxable assessed value of their primary residence, up to a maximum of \$6,000 for wartime veterans, \$10,000 for combat zone veterans and \$20,000 for veterans who sustained service-related disabilities.

WHY IS THIS IMPORTANT FOR ALL RESIDENTS AND NOT JUST VETERANS?

While the total amount of school taxes collected (the tax levy) would not change, offering the AVE would cause a tax shift and result in an increase in school taxes paid by non-veteran taxpayers and veterans who do not claim the exemption. The state does not provide funding for the AVE.

HOW TO LEARN MORE

All district residents are asked to attend an informational meeting on Nov. 30 at 7 p.m. in Duanesburg Jr./Sr. High School's Joe Bena Hall.

ALL ARE ASKED TO VOTE

All district residents are asked to participate in an advisory vote on Dec. 6 from 1-9 p.m. in the Duanesburg Elementary School gym to measure their level of support for a veterans exemption. By law, the vote is advisory only.

ABSENTEE BALLOT APPLICATIONS ARE AVAILABLE

District residents who are unable to vote in person on Dec. 6 due to specific reasons such as illness, disability, or being out of town may complete an application to receive an absentee ballot.

An absentee ballot application can be downloaded at www.duanesburg.org; picked up at the DCS Central Office beginning Nov. 7, or requested by calling the district clerk at (518) 895-2279. Requests for absentee ballot applications to be mailed must be received by the district clerk at least one week before the vote date.

Completed absentee ballot applications must be received by the district clerk the day before the vote. Completed absentee ballots must be received the District Clerk's Office by 4 p.m. on the day of the vote.

Are you willing to pay higher school taxes to pay for part of veterans' school taxes?

SOME BACKGROUND INFORMATION

On Oct. 11, the Duanesburg Board of Education approved a resolution to hold an advisory vote concerning the NYS Alternative Veterans Tax Exemption (AVE), a partial school tax exemption for military veterans that would impact all of the taxpayers in the district.

The Board is seeking taxpayer input on whether to offer the exemption, which would increase the school taxes of those who do not receive it.



Important Dates

- **Wednesday, Nov. 30**
 Informational Community Meeting for all school district residents
 7 p.m.
 Duanesburg Jr./Sr. High School, Joe Bena Hall
- **Tuesday, Dec. 6**
 Advisory vote for all school district residents
 1-9 p.m.
 Duanesburg Elementary School Gym
- Absentee ballot applications are available

Continued on page 2

Specifically, if the exemption were offered, the tax levy (total amount of taxes collected) collected from all residents by the school district would not change, and non-veterans and veterans who do not file for the exemption would see their school taxes increase to cover the cost of veterans' exempted taxes.

What is the Alternative Veterans' Exemption (AVE)?

The state first authorized counties, cities, towns and villages across the state to offer the Alternative Veterans' Exemption (AVE) in 1984 to veterans who served during wartime, in a combat zone or who have a service-related disability. A law signed by Gov. Cuomo in 2013 permits school districts as well to offer the exemption, but leaves that decision up to individual school boards. The state **does not** provide revenue to offset the savings for veterans.

Why is it important for non-veterans?

If the AVE were offered, the tax levy (total amount of taxes collected) collected from all residents by the school district would not change, and non-veterans and veterans who do not file for the new exemption would see their school taxes increase to cover the cost of veterans' exempted taxes. Non-veterans and veterans who haven't filed for the AVE for their municipal (town, village, city) taxes are currently covering the cost of that exemption when they pay those municipal taxes. If the Duaneburg Board of Education decides to offer the AVE for school taxes as well, those taxpayers would cover a share of those school taxes.

How would the AVE affect veterans who apply for it?

Under the AVE law, school districts are permitted to offer up to a 15 percent reduction, up to a maximum of \$6,000, in the assessed property value of veterans who served during a time of war, plus 10 percent for those who served in combat zones, up to a \$10,000 maximum. Veterans could receive an additional reduction based on their service-related disabilities, up to a \$20,000 maximum. These amounts reflect the minimum exemption under the law.

How is the veterans exemption calculated?

The amount of the exemption for a veteran is based on the value of the veteran's property. Likewise, the tax increase for non-exempt taxpayers can be estimated using their property's value. Local town assessors can assist with identifying a resident's property value.

The school tax impact of the AVE is distributed evenly across the residents of all seven towns that make up the school district. Due to the lack of published guidance from the state, DCS's business official has been working with school business officials from other districts to determine how the AVE is calculated. Initial information about impact varying by town was inaccurate.

As more information was received and after pressing the state for assistance, it was determined that the tax increase due to the veterans exemption is to be calculated, averaged and evenly distributed among all of the non-exempt taxpayers in the school district, rather than determined on a town by town basis.

Impact of the Veterans Exemption on Tax Bills for Non-Veteran Exemption households

If the minimum AVE had been in place during the 2016-17 school year, based on the number of veterans in the district who currently receive a partial property (municipal) tax exemption in the district, and current school tax rates, tax bills of non-AVE households would have been impacted as follows*:

INCREASE BASED ON MINIMUM IMPACT FOR NON-VETERAN EXEMPTION HOUSEHOLDS **BASED ON TRUE MARKET RATE**

(Estimate 10-15-2016)

\$50,000	\$100,000	\$150,000	\$200,000	\$250,000	\$300,000	\$350,000	\$400,000	Current Minimum Percentage Increase
\$8.21	\$16.43	\$24.64	\$32.86	\$41.07	\$49.28	\$57.50	\$65.71	0.81%
<p>=\$0.164283 per \$1,000 Tax on True Market Value</p> <p>Estimated Possible Increase to Taxpayers = 0.81% to ?</p> <p>(Overall percentage increase will change as additional AVE claims are made)</p>								

*It is important to note that these numbers are based only on the number of veterans who have applied for and currently receive the AVE on their municipal taxes. The number of veterans reflected in this chart does NOT include all eligible veterans in the district, which is higher. In addition, the total number of eligible veterans would increase if more veterans move into the school district.

What would be the tax impact on veterans if the AVE were already in place?

If the AVE exemption maximums were in place, veterans applying for the exemption could receive the following maximum exemptions:

- Wartime: \$6,000
- Combat Zone: \$10,000
- Disabled (additional): \$20,000

Continued on page 3

If the minimum AVE had been in place during the 2016-17 school year, based on current school tax rates, the estimated school tax exemption amounts for participating veterans would have been the following*:

ESTIMATED EXEMPTION AMOUNTS BASED ON TRUE MARKET RATE

	WARTIME	COMBAT	DISABLED
\$50,000	\$113.99	\$195.46	\$399.14
\$100,000	\$105.78	\$187.25	\$390.93
\$150,000	\$97.56	\$179.04	\$382.71
\$200,000	\$89.35	\$170.82	\$374.50
\$250,000	\$81.14	\$162.61	\$366.29
\$300,000	\$72.92	\$154.39	\$358.07

* Note that Disabled exemption savings are added to either the Wartime or Combat exemption, whichever is applicable to that veteran.

What happens if the Board decides to offer the veterans exemption?

If the Duanesburg Board of Education decides to offer the Alternative Veterans Exemption (AVE), veterans with property tax exemptions already on file with their municipality would not need to reapply for an AVE school tax exemption. However, new AVE exemption applications would have to be filed with each town's assessor by March 1, 2017 to apply to September 2017 school tax bills and by January 2018 to apply to town/village/city tax bills.

How do I learn more about the impact of the veterans exemption?

The Board of Education wants ALL residents to be informed about the AVE. All DCS residents are encouraged to attend an informational Community Meeting on Wednesday, Nov. 30 at 7 p.m. at Duanesburg Jr./Sr. High School, in Joe Bena Hall. Factual information will be presented about the Alternative Veterans Exemption (AVE) and how it could impact the school tax bills of all district residents.

Your vote counts!

The Board of Education wants to hear from ALL residents and is holding an advisory vote to measure the level of support of the AVE. **Your vote on this question is requested on Dec. 6 from 1-9 p.m. at the Duanesburg Elementary School gym.**

Please save the date and participate in the vote. If offered, the exemption would impact the tax bills of all DCS residents. Residents do not have to attend the community meeting to vote. To vote, an individual must be a U.S. citizen, at least 18 years old and a resident of the school district for at least 30 days prior to the vote date of Dec. 6.

Which veterans would be eligible to apply for the AVE if it were offered?

The following veterans currently can apply for an AVE on their municipal property taxes: Persian Gulf Conflict, Aug. 2, 1990—present; Vietnam War Feb. 28, 1961—May 7, 1975; Korean War, June 27, 1950—Jan. 31, 1955; and World War II, Dec. 7, 1941—Dec. 31, 1946.

Where can I learn more about eligibility requirements for the exemption?

For detailed information about AVE eligibility requirements, visit the New York State Department of Tax and Finance website at <https://www.tax.ny.gov/pit/property/exemption/altvetexempt.htm>.