

Dutchess County 2014 Property Tax Cap Calculation

Poughkeepsie, NY... Dutchess County Commissioner of Finance Pamela Barrack will be submitting Dutchess County's 2014 property levy tax cap calculation to the New York State Comptroller's Office as required by the Property Tax Cap legislation. For 2014, the property tax levy growth limit for Dutchess County Government is projected to be \$2.6 million or 2.48%.

The actual property tax cap limit is calculated based on a complicated, multi-point calculation formula provided by the New York State Comptroller's Office. The full formula is available on the NYS Comptroller's website at: <https://www.osc.state.ny.us/localgov/realprop/pdf/formula.pdf>

New York State's Property Tax Cap legislation caps the total amount to be raised through property taxes charged on taxable assessed value of property at 2% or the rate of inflation, whichever is less, with some exclusions. For 2014, the State has the cap set at 1.66% based on inflation.

It is important to understand that the calculations provided in the state law do not apply to the calculation of the **tax rate** on real property – the calculations strictly apply to the calculation of the real property tax **levy**. Impact on individual property owner's tax bills will vary due to the assessment activity at the local municipal level.

The property tax cap can be overridden with 60% approval from the Dutchess County Legislature prior to the adoption of the final budget.

Dutchess County Government's budget continues to be dominated by state and federally mandated expenses that consume as much as 70% of the county costs and these expenses continue to rise. State officials have done little to reduce underfunded mandates, while restricting the County's ability to increase revenues. The ability to make spending adjustments is generally limited to the "optional" expense areas of the budget; areas such as parks and recreations, senior programs, law enforcement, snow plowing, road maintenance, and 911 dispatch.

"When I helped pass the state's property tax cap, we did so with the understanding and commitment that unfunded mandate relief would be next. With 70% of our net to county costs imposed on us by Washington and Albany, Dutchess County property taxpayers shouldn't have to pay for the state legislature's spending habits," said Dutchess County Executive Marcus J. Molinaro. "I've had the good fortune of meeting with thousands of Dutchess County residents since first campaigning for county executive, interestingly enough, not a single one asked me to use their hard earned dollars to pay for Albany's

addiction to spending. We will continue to make the difficult choices, provide the necessary services and ensure the public safety, but if state legislators are going to celebrate blocking local revenue options in order for us to pay their bills, the least they could do is be honest about it.”

County Executive Molinaro will release and present his 2014 Executive Budget on Wednesday, October 30th at 11am in the Legislature Chambers, ahead of the required November 1st deadline established by the Dutchess County Administrative Code. The budget will be available on the County’s website dutchessny.gov. County Executive Molinaro will then host a live tele-town hall forum at 6pm when residents will have the opportunity to participate in a live conversation about the 2014 county budget, learning key details, and be able to ask questions and share feedback.

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