



**Tax Exemptions Update for
February 27, 2023 Public Hearing**

**Alternative Veterans Exemption
Senior Citizens/Persons with Disabilities
Volunteer Firefighters and Ambulance Workers**

February 16, 2023

Gradual Increase of Veterans Exemption Levels

	Wartime	Combat Zone	Disability
Current MCSD Level	12,000	8,000	40,000
	15,000	10,000	50,000
	18,000	12,000	60,000
	21,000	14,000	70,000
	24,000	16,000	80,000
Potential 2023-2024	27,000	18,000	90,000
	30,000	20,000	100,000
	33,000	22,000	110,000
	36,000	24,000	120,000
	39,000	26,000	130,000
Possible future consideration	42,000	28,000	140,000
	45,000	30,000	150,000
	48,000	32,000	160,000
	51,000	34,000	170,000
Town/County Level	54,000	36,000	180,000
Additional Levels that increase by	\$3,000 to a maximum of \$75,000	\$2,000 to a maximum of \$50,000	\$10,000 to a maximum of \$250,000

Impact of Veterans Exemption Increased to Town/County Level

Total Impact to Tax Payer with a \$500,000 assessed value

Additional School tax per house	\$ 116.21
Additional Library Tax per house	\$ 3.33
Grand Total Additional Tax per house	\$ 119.54
Total tax \$'s reallocated	\$ 945,932

All dollar amounts are approximate.



BOE Discussion: Gradual Increase of Veterans Exemption

- If Board of Education approves resolution to increase
 - Wartime Exemption from \$12,000 to \$27,000
 - Combat Exemption \$8,000 to \$18,000
 - Disability Exemption \$40,000 to \$80,000
- Will result in an approximate \$40 increase to taxpayer with a \$500,000 assessed value for the 2023-2024 school year.
- Separate discussion to take place in Fall 2023 regarding potential additional increase to Town/County level, intermediary level, or beyond.

All dollar amounts are approximate.



Senior Citizens and Persons with Disabilities Exemption

- Local governments and school districts in NYS can opt to grant a reduction on the amount of property taxes paid by qualifying senior citizens.
 - 65 years of age or older
 - Up to 50% Assessed Value (AV) exempted
 - Maximum income
 - Current income limit is \$29,000 for a 50% AV exemption and a sliding scale for exemption with an income limit of \$37,400 (5% AV exemption)
 - New income limit is \$50,000 for a 50% AV exemption and a sliding scale for exemption with an income limit of \$58,399 (5% AV exemption)



Senior Citizens and Persons with Disabilities Exemption

- Putnam County will implement using a 3-year phase-in process
 - Effective 3/1/2023: Increase the income limit to \$40,000, phasing out at \$48,399.00
 - Effective 3/1/2024: Increase the income limit to \$45,000, phasing out at \$53,399.00
 - Effective 3/1/2025: Increase the income limit to \$50,000, phasing out at \$58,399.00
- Since this is income based, Putnam County has indicated that it is not possible to determine the amount of the tax shift from eligible homeowners to non-eligible homeowners.



BOE Discussion: Gradual Increase for Senior Citizens and Persons with Disabilities Exemption

- For 2023-2024 school year: Increase the income limit to \$40,000 for 50% assessed value exemption, phasing out at \$48,399.00 for 5% assessed value exemption
- Separate discussion to take place in Fall 2023 regarding potential additional increase to maximum level or intermediary level.



Volunteer Exemption

- Local governments and school districts in NYS can opt to grant a reduction on the amount of property taxes paid by volunteer firefighters and ambulance workers.
 - Up to 10% Assessed Value (AV) exempted
 - Minimum service requirement: 2 - 5 years
- Putnam County has indicated that it is not possible to determine the amount of the tax shift from volunteer to non-volunteer homeowners.



BOE Discussion: Volunteer Exemption

- For 2023-2024 school year: Provide an exemption in the amount of 3% of assessed value; Determine the number of years of service between 2 and 5 years
- Separate discussion to take place in Fall 2023 regarding potential additional increase to maximum level or intermediary level.



Why Gradual Increases?

- Unknown number of Senior Citizen/Persons with Disabilities and Volunteer exemptions
- Tax implications for West Branch Reservoir for 2023-2024
- Potential future tax implications for the Croton Falls Reservoir and Watershed



Next Steps

- Special Meeting of the Board of Education for potential adoption of the three resolutions
 - Veterans Exemption
 - \$27,000(Wartime)
 - \$18,000 (Combat)
 - \$90,000 (Disabled)
 - Senior Citizen/Persons with Disabilities Exemption
 - \$40,000 income limit- 50% of Assessed Value
 - Volunteer Exemption
 - 3% of Assessed Value; 2 - 5 years of service
- As required by law, a Public Hearing will be held on February 27, 2023 at 7 p.m. at Mahopac High School
- If adopted, implementation in 2023-2024 school year

