



NEW YORK STATE SENATOR

Andrew J. Lanza

## Senator Lanza Joins Assemblyman Mike Cusick, Council Speaker Christine C. Quinn and Council Members to Reform Veterans Property Tax Exemption

ANDREW J LANZA April 11, 2012

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## **Lanza & Cusick Sponsor Legislation, proposed by Speaker Quinn, to Redefine the Veterans Property Tax Exemption**

**New York, NY --** City Council Speaker Christine C. Quinn, joined by State Senator Andrew Lanza, State Assembly Member Michael Cusick, Council Veterans Committee Chair Mathieu Eugene, Council Minority Leader James Oddo, Council Member Vincent Ignizio and Council Member Lewis Fidler, gathered to announce forthcoming legislation to reform the Veterans Property Tax Exemption. This change, requiring State law, is essential to address the exemption's unpredictable and highly variable value, a byproduct of the way it is designed. The reformed Veterans Property Tax Exemption would, like other exemptions, be tied exclusively to the value of the home and property taxes, rather than fluctuate according to how much the City spends on schools. As a result, veterans will be given a stable and predictable tax break that will increase in value when the value of their home rises. The Speaker announced the proposal during her State of the City address in February.

"The way the Veterans Property Tax Exemption is designed is unstable, prompting confusion over how much exemptions are worth from year to year," said **Council Speaker Christine C. Quinn**. "State and federal funding cuts have created an education budget gap that the City has used its own funds to replace. Unfortunately, the value of a veteran's exemption goes down when City spending on Education goes up. So, the more we fund schools, the less veterans get. Today, we're introducing State legislation sponsored by Assembly Member Cusick and Senator Lanza to rectify this. Veterans are the protectors of the American Dream, and it is our duty to help them obtain their American Dreams, too."

"Our veterans have sacrificed so much to defend the freedoms this nation enjoys," said **Senator Andrew J. Lanza**. "When it comes to property taxes for this exceptional group of Americans, our local property tax structure treats them as second class. In most cases,

homeowners receive an exemption that is completely free from property taxes, however, our veterans are only given a partial exemption. Our veterans deserve better and together with the leadership provided by Speaker Quinn we will right this wrong."

Veterans Exemptions are given to veterans of many armed conflicts in recognition of their service to the country and community. More than 64,000 veterans qualified for exemptions for Fiscal 2012. The Veterans Property Tax Exemption is different from other property tax breaks in the system. For most exemptions, the exempt value is fully excluded from the property tax. However, with the current Veterans exemption, the exempted value is only partially nontaxable, and the property owner must still pay the School Tax Rate on this value. The more of the Property Tax the City has to use to pay for Schools, the closer the School Tax Rate will be to the Property Tax Rate. And the closer the School Tax Rate is to the Property Tax Rate, the less a Veterans Property Tax Exemption will be worth.

"Veterans of the Armed Services of our nation have given so much to our community that nothing short of a full, complete exemption would suffice," said **State Assembly Member Michael Cusick**. "We should continue to do all we can to honor their services."

"The Veterans Tax Exemption is a valuable form of support we can provide to those who have served our country and made sacrifices to protect our freedom and way of life," said **Veterans Committee Chair Mathieu Eugene**. "This tax break helps us give back to veterans by helping them afford their homes and show our gratitude for their service. However, under the current law, this exemption is tied to the school tax rate, which can unfairly hurt the value of a veteran's exemption. I pledge to work together with the Speaker, my colleagues in the City Council and members of the State Legislature to reform this law and fix this problem."

“I think our veterans have earned the right to some consistency in the exemption afforded to them on their property taxes,” said **Council Minority Leader James Oddo**. “Their service to this country was steadfast and the value of their property tax exemption should be grounded in that service not predicated on any other variable. It will take this bipartisan coalition to make this right and we need all of our vets to sign on for one more mission – their voices must be heard during this endeavor.”

“This is a great step in giving back to those who served. They certainly have earned this exemption,” said **Council Member Vincent Ignizio**.

“Veterans have already sacrificed for the future of our nation. They should not have to do it again when we increase spending on the City level, for the educational future of our children,” said **Council Member Lewis Fidler**. “Restoring and maintaining the value of the Veterans Property Tax Exemption is simply the right thing to do.”

“Veterans Across America is proud to support the efforts of Speaker Quinn and the City Council as they announce a redress to the property tax exemption for New York City veterans,” said **Veterans Across America Acting Director Glen Witt**. “Under the present structure, the Veterans Property Tax Exemption amounts fluctuate and are unpredictable. In today’s economic climate it is important to end the confusion about how much these exemptions are worth each year. As Speaker Quinn announces legislation to stabilize the exemptions to veterans, Veterans Across America urgently requests that all New Yorkers unite behind her efforts.”

“The United War Veterans Council joins with Speaker Quinn, Council Member Mathieu Eugene and all City and State elected officials to recognize the importance of the legislation that will end the fluctuations in the value of Veterans exemptions,” said **Vince McGowan, President of the United War Veterans Council and Chairman of the New York City Veterans Advisory Board**

. “The cost of freedom is paid in the blood of those who defend it. Stabilizing the unpredictable and unwarranted fluctuations will go a long way in bridging the effect of inconsistent taxing.”

“When you come home from war you have a vision of what’s to come: a good education, a great job, and a home to call your own. The changes to the tax exemption helps put the last part of that dream within reach for many New York veterans like myself,” said **Iraq and Afghanistan Veterans of America (IAVA) Member Maria Canales**.

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