



NEW YORK STATE SENATOR

James Sanders Jr.

Sanders Opposes 2% Property Tax Cap For NYC; Would Cause Severe Cuts to Essential Services

JAMES SANDERS JR. January 28, 2016

State Senator James Sanders Jr. (D-Rochdale Village) yesterday voted against a bill (S.3709A), which would cap New York City's property taxes at 2% and cost the city billions of dollars in revenue. The bill adds an unnecessary limit on property taxes, which are already governed by a number of existing caps.

"The loss of funds caused by this newly proposed 2% restriction would likely force NYC agencies to severely cut programs," Sanders said. "Everyone is trying to be fiscally responsible, but we must do so in a fashion that does not adversely affect necessary services."

New York City's property tax burden growth is limited mostly to valuation growth, based on increase in value, not increase in tax rate. New York City's property tax burden is low for homeowners relative to other jurisdictions in the State. In 2014, the full value tax rate for Class 1 NYC homeowners was 0.85%. In the surrounding counties, Westchester, Rockland, Nassau, Putnam, Orange and Suffolk, the average full value tax rate was 3.14%, nearly 3.7 times higher than the rate in NYC. The tax rate in NYS (excluding NYC) was 2.96%, nearly 3.5 times higher than the rate in NYC.