



NEW YORK STATE SENATOR

Terrence Murphy

Investigations Committee Looks for Answers on State's Inconsistent Policy on Taxation of State Land

TERRENCE MURPHY February 12, 2017

| ISSUE: **MANDATE RELIEF, STATE OWNED LAND, PROPERTY TAXES, ASSESSMENT**



ALBANY, NY – The State Senator who chairs the New York State Senate Committee on Investigations & Government Operations wants answers on what appears to be a discriminatory policy regarding State-owned land. Although more than three million acres of such lands are taxable, **almost none of the State land in Westchester County** is now taxed by a municipality.

“By keeping 5,000 acres off of the tax rolls New York State is only adding to the crushing tax burden that Westchester County residents deal with,” Senator Murphy said. “The Office of Real Property Tax Services must take a hard look at this inconsistent and potentially discriminatory policy. The Investigations Committee will get to the bottom of exactly the policy is and what remedy can be sought in order to ensure all of New York State’s taxpayers are being treated equally.”

An egregious example is the Donald J. Trump State Park Indian Hill Section, split between Westchester and Putnam Counties, which is fully taxable in Putnam Valley, and yet tax exempt in Yorktown. It is a prime example of an “unfunded mandate” on the taxpayers in Yorktown and Westchester. The state’s ownership hurts the local tax base and drains services, and yet the benefits of the property are primarily enjoyed by people who live elsewhere.

In a letter to Tim Maher, Director of New York State’s Office of Real Property Tax Services, Senator Murphy requested specific information regarding the tax inconsistencies including:

- Has any study of such policies been conducted since 1996?
- Please provide an explanation of the different type of compensation mechanisms used by New York State to reimburse municipalities who are paying taxes on state owned land.
- Please provide a breakdown of municipalities that receive compensation, including the mechanism of calculation, the type of property and amount paid.
- Does your department have a plan to implement a standardized policy for taxing state owned land?

North Salem Supervisor Warren Lucas, also president of the Westchester Municipal Officials’ Association, said “WMOA’s members are very concerned about this inequity and Senator Murphy’s efforts to address on a statewide basis are the first since the nineteen eighties. This

is a top priority for our organization and we thank Senator Murphy for being the first state representative from Westchester to take the issue seriously. His approach will likely lead to a favorable outcome for all New Yorkers instead of the political parochialism shown on this issue to date.”

The Office of Real Property Tax Services February 24th to provide answers to the Committee. “New York State keeps talking about unfunded mandate relief. Here is a great opportunity for us to put our money where our mouth is and deliver for taxpayers,” Murphy added.