

## **Key points at a glance, with the answers provided by Elizabeth McKean**

**Question-**What is the school tax levy and what is the levy increase for this year?

**Answer-***The school tax levy is the share of the school's budget that the community contributes. The 2010-11 tax levy shows a 6.9 percent increase over last year.*

**Question-**What is the "tax rate," and what is the rate change for the 2010-11 year?

**Answer-***The tax rate is the amount per \$1,000 of assessed value that is used to calculate a tax bill. Middletown's tax rate increased by 3.5 percent. Wallkill increased by 13.08 percent. Wawayanda increased by 7.92 percent. Goshen increased by 8.73 percent.*

**Question-**Why do Middletown, Wallkill, Wawayanda and Goshen each have different tax rate changes?

**Answer-***The variation is the result of the application of the state calculated equalization rates. It is not unusual in any given year for equalization rates to reflect an uneven escalation or deflation in property market values among our municipalities. Middletown's market value of property is falling faster in relation to its assessed values in comparison to the other three municipalities. This causes the tax levy to shift to the municipalities where assessed values and market values are holding stable.*

**Question-** What is an "equalization rate," and how does it affect each town's portion of the levy?

**Answer-***An equalization rate compares a town's assessed value to the state-determined true market value. Equalization rates are recalculated annually for each town. When the market value escalation/deflation in one municipality outpaces the surrounding municipalities, that municipality must pay a greater portion of the overall tax levy.*

**Question-** What is the average tax rate change for the last 10 years?

**Answer-***The average tax rate change for the last 10 years for Middletown is 5.26 percent, Wallkill is 4.75 percent and Wawayanda is 4.13 percent.*

**Here are some helpful links:**

[http://www.orps.state.ny.us/pamphlet/under\\_eqrates.pdf](http://www.orps.state.ny.us/pamphlet/under_eqrates.pdf)

<http://www.orps.state.ny.us/SchoolRates/>

<http://www.taxlookup.net/>