



VILLAGE OF DOBBS FERRY BOARD OF TRUSTEES
WORKSHOP MEETING AGENDA

MEETING DATE: January 23, 2024

AGENDA ITEM SECTION: Discussions

AGENDA ITEM NO. : 2

AGENDA ITEM:

Discussion of a local law to amend tax exemption provisions for senior citizens

ITEM BACKUP DOCUMENTATION:

1. Draft local law
2. E-mail dated January 8, 2024 from Edye McCarthy/Town Assessor to Village Administrators

LOCAL LAW __ - 2024

A local law to amend Chapter 269 of the Tarrytown Code, entitled "Taxation", Article III entitled "Senior Citizens Exemption" to amend 269-7 entitled "Criteria for grant of exception", Sub-section B.

Be it enacted by the Village Board of the Village of Tarrytown as follows:

Section 1. Amending Chapter 269-7 entitled Criteria for grant of exemption, with language as further noted below (language in **Bold and Underlined** to be added, language in **Strikethrough and bold and underlined** to be deleted):

Section 2. Amending the current language in Section 269-7, B. as follows:

§ 269-7 Criteria for grant of exemption.

- B. As of the taxable status date, May 1, 2023, the income of the owner or the combined income of the owners of the property for the income tax year immediately preceding the date of making the application for exemption does not exceed the sum of \$50,000. Where title to the property is vested in either the husband or wife, their combined income may not exceed such sum. Such income shall include social security and retirement benefits, interest dividends, rental income, salary or earnings, **IRA distributions** and income from self-employment but shall not include gifts or inheritances. In connection with any application for exemption, the applicant shall furnish the Board of Assessors such evidence of the income or combined income as the Board of Assessors may require.

Section 3: Severability

If the provisions of any article, section, subsection, paragraph, subdivision or clause of this local law shall be judged invalid by a court of competent jurisdiction, such order of judgment shall not affect or invalidate the remainder of any article, section, subsection, paragraph, subdivision or clause of this local law.

Section 4: Effective Date

This local law shall take effect immediately upon filing in the office of the New York State Secretary of State in accordance with Section 27 of the Municipal Home Rule Law.

From: Edye McCarthy <EMccarthy@greenburghny.com>

Sent: Monday, January 8, 2024 5:01 PM

To: Michael Mills - Village Elmsford (michaelmills@elmsfordny.org) <michaelmills@elmsfordny.org>; Mary Beth Murphy <Villagemanager@hastingsgov.org>; 'Ischopfer@irvingtonny.gov' <lschopfer@irvingtonny.gov>; 'Joseph Cerretani' <jcerretani@ardsleyvillage.com>; Richard Slingerland <rslingerland@tarrytowngov.com>; 'ryamuder@dobbsferry.com' <ryamuder@dobbsferry.com>

Subject: FW: change in Town Code - Property Tax Exemptions

[EXTERNAL] This email is from outside the Village of Tarrytown - Please use caution when opening links and attachments!

Good afternoon

I wanted to thank you again for taking the time to chat this morning. as per your request, I have attached and enclosed some information for your review. Basically the attached and enclosed is the information I gave you this morning in the abridged version.

I am trying to keep the changes (whatever they may be) consistent among all of us if possible.

Please don't hesitate to contact me with any further questions and/or concerns.

Thank you again and look forward to hearing about your Boards decisions. As mentioned timing is becoming an issue.

Edye McCarthy

Below, is a brief description of the current legislation, and recommended changes pertaining to each respectively.

I have also enclosed, a copy of the Real Property Tax Law sections that pertain to each of the above, and a copy of our current Town Code.

Senior Citizen partial property tax exemption

As you may be aware senior citizens who are 65 and older, who own and reside in the Town as their primary residence with a maximum income of \$58,400, may be eligible for a partial tax exemption. This exemption is based on an income sliding scale which you approved last year from \$50,000 - \$58,400

The legislative change for this year was done to redefine what is considered "income" for the purposes of approving the exemption. The current law does not follow income tax guidelines and included all available income resources to a household. It is complicated for residents to understand and burdensome for them to provide all the documentation that is required.

The new law intends to simplify the process as it follows the federal income tax process. One of the changes will allow assessors to include IRA distributions in income, where in the past we had to exclude them from "income" calculations.

For example, if an applicant's household income was \$150,000 which comprised a \$100,000 IRA distribution and \$50,000 of other income. Under the current law, income = \$50,000 and this application would qualify for a full 50% exemption. In comparison, an applicant with \$150,000 of income comprising wages, capital gains, self-employment income, etc. would not be eligible as all their income will be taken in to consideration.

Under the new law, we will have the opportunity to apply this exemption even handedly by looking at everyone's bottom line without exception. The bottom line being Federally Adjusted Gross Income

(FAGI) + Full Social security benefits for everyone. I suggest you consider the adoption of this legislative change, as the residents who are not eligible to receive this exemption are bearing the burden currently.

Volunteer Firefighters/Ambulance workers exemption – Chapter 670 (A.10155-a) RPTL 466-a

As you may be aware, the Town of Greenburgh already offers volunteer fire/ambulance members a 10% reduction off their property taxes if they have a minimum of 5 years' experience in the department. The legislative act that we adopted is in the RPTL section 466-d specifically for Westchester County. Currently, this exemption is only applicable to incorporated areas and also fire protection districts.

The Laws of 2023 expired the Section 466-d and enacted 466-a for the entire state, including Westchester. If a municipality had implemented 466-d, they must then, adopt 466-a and conform their exemptions under the new statute.

The difference for us in the new legislation is that we can choose whether a fireman is required to have 2 years of active service or 5. As noted above, we currently use the 5 years of service. Just to let you know as well, the villages have all adopted 2 years of service and 10% exemption. I suggest consideration to change the term of service to 2 years.

In addition, I suggest you consider also opting in to allow an un-remarried surviving spouse of an active member who died in the line of duty as long as the exemption was approved and administered for the deceased to continue to receive the exemption.

Lastly, the RPTL 466-a now indicates that a volunteer in a paid Fire or Ambulance district, would be eligible to receive the exemption if they comply with the other residency and service criteria, whereas under 466-d was only volunteer departments.

My apologies of being long winded, but the information above, is necessary for you to make an informed decision.