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.....A BAD TAX is
devastating the middle
and working classes in
New York State...

CHAOTIC EDUCATIONAL FUNDING!

The single most gargantuan (but remediable) factor devastating the quality of life of millions of working and middle class New Yorkers is the **regressive, slipshod, iniquitous way that New York State funds-or rather does not fund- its schools.**

Schools in 700 plus districts (except for NYC) are funded by huge chunks of destructive property taxes... an uncontrollable tax on homes and local businesses. This tax is based on what the real estate industry decides your home and property are worth. The school property tax has no relationship to the size of your income. It is based only on what an assessor says your home is worth in the current real estate market.

Unlike other states which have a uniform county wide assessment, NYS has a thousand municipalities with different methods of assessing the value of a home.

Taxpayers in a single municipality may be assigned to pay very different sums in taxes to three, four, ten different school districts - **although the property owners may live next door to each other.**

The school districts do not have the same boundary lines as a county or a municipality....they may overlap several municipalities. Therefore taxpayers in a school district have probably been assessed differently from other taxpayers in

the same school district because the municipalities in which they reside tax differently. Fair? **Not even sane.**

School taxes (**alone**) on your home (not mansion and not related to your income)- outside of NYC - may now be an impossible \$4000, \$5000, \$12,000 and more per year- with no end in sight. Moreover (although you are expected to pay for them) you have nothing to say about escalating school costs, duplication of services , health costs and pension benefits for staff, and unfunded mandates from the state and federal government-to name just a few .

Meanwhile the state and federal governments have steadily cut their **percentage** of funding for education while the property owners' share has climbed steeply. What choice does a homeowner have but to sell -if anyone will buy- and get out of town?...leaving behind friends, family, jobs, and hopes for the future.

Perhaps you are a retired person who worked all your life to pay off your mortgage; but now your \$100,000 house is deemed to be worth \$500,000 and school taxes have gone up 60% in five years. So you spend your meager savings and despair of help-because up until now the state has been criminally delinquent in its duty to its citizens...letting them bleed financially while offering a bandaid, rebates (called STAR) of \$100 or \$300 on a tax bill of \$10,000.

A blind man's assessment goes up because he has a view.

A young family that has improved their home with their **own labor** will be assessed higher and therefore have a higher tax.

If you let your house go to ruin your assessment **may** go down.

If a new entity-a religious or a scouting group for example buys up some land in your community to farm, house their adherents, or build a retreat, or a theme park, the property will go off the tax rolls. It will become tax exempt... and even if the exemption is appropriate ... guess who will have to make up the school taxes, not the state **but you the homeowner!**

In the meantime NYC is **not** getting its fair share of school aid from the state. Long Island , Westchester, upstate communities never know whether they will suddenly (by some legerdemain of fuzzy math) **be deemed rich or poor**, and have their school aid abruptly altered-seldom beneficently or intelligently-and usually politically.

People wait with trepidation to see if they will lose their homes with the next tax bill. Others sell off their beautiful land for development because they cannot afford to pay the school taxes on the open space. Landlords are forced to pass along the tax increases to renters who are-in ever greater numbers- **minorities who are already hard pressed.**

You hear a lot about the rash of defaults on mortgages-and not just the sub-prime ones. You would have to be a financial cretin not to see the big, bad hand of school taxes on many of these defaults. **They are the straw that is breaking the homeowner's back.**

The school funding picture is one of chaos and cruelty, inequity and insufficiency.

Meanwhile the state and federal governments fail to act. The state's response has been to increase the paltry rebate called STAR -which taxpayers call **FRANKENSTAR** because it is made up of a whole lot of **dead parts** of a **dead system of funding.**

The school budgets quickly rise to meet this little scrap of a rebate or to overwhelm state aid-and then rise some more.

Everybody knows the state is the only entity that can fund the schools in some comprehensive, equitable, transparent, uniform way and stop the destruction of the working and middle classes.

Only the state has the financial instruments for such a massive and critical undertaking as education...just as it does for **any other clearly statewide responsibility.**

The federal government and the state have drastically reduced taxes on the very top earners. People in NYS making \$30,000 per year are essentially in the same state tax bracket as those making \$500,000...BUT the taxes on homes-alone of all property –regardless of any correlation with ability to pay- have risen 42% to 60% in five years.

The state legislature may say **they have not raised taxes.**

The governor will say **he will not raise taxes...**

But they have by default ...by a sin of omission.. knowingly raised taxes on the middle and working class homeowner by a crushing 60% in five years...simply by not addressing the crisis in school property taxes ..and, they continue to resist acknowledging the disaster!

They lack the will to come to the aid of citizens being destroyed by this Katrina of taxes-school property taxes.

The state must completely take over the funding of schools. Taxes must be based on income to be at all legitimate. Nothing could be more illegitimate than what we have now.

Assemblyman Cahill (D) has a promising bill that addresses the issue. Where are the legislators who support this critical school funding reform that will solve the crisis statewide? Only the governor has the power to make a difference immediately.

Your ability to pay confiscatory taxes is now based solely on the wildly escalating market value ascribed to your **family home which you can only realize if you sell and leave it!**

.. Property taxpayers can no longer fund the lion's share of education costs while edging ever closer to homelessness.

The financial health of the state can no longer sustain the destruction of its middle and working classes. Legislators can no longer cower in fear while waiting for someone else to lead.

Our schools cannot function in this climate of hostility and instability and inequity.

The Governor's new budget must begin the process of a state takeover of education funding. It should be a #1 priority.

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For www.Taxnightmare.org.... a grassroots, ad hoc, non-partisan citizen's group using our "own dime" to save the middle and working class homeowners of NYS.

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