

## INSTRUCTIONS FOR FORM AR 2

## APPLICATION FOR CORRECTION OF PROPERTY TAX ASSESSMENT

## FOR CLAIMS RELATING TO THE VALUATION OF PROPERTY OTHER THAN A 1, 2 OR 3 FAMILY HOME

**ARC** – the Assessment Review Commission – is an independent administrative tribunal dedicated to providing fair and accurate determinations of taxpayers’ requests for review and reduction of assessments.

**Property owners may represent themselves.** If you want ARC to review your property’s assessment, complete and file an *application for correction* either on-line via the County’s web site or by completing and mailing in a paper form.

**File your appeal on line.** Our on-line system allows you to complete and file your appeal and view its status. From the County’s home page – [www.nassaucountyny.gov](http://www.nassaucountyny.gov) – select the Assessment Review pull down link under eServices.

**Avoid duplicate filings:** They will delay review of your request for reduction of the assessment. If you decide to file for yourself, do not sign an authorization for an attorney or other paid representative. If you decide to hire a representative, do not file your own application or sign authorizations for other representatives. If you own a condominium unit, your board of managers likely files for all of the unit owners; check with your building’s board before filing on your own.

**Checking the Department of Assessment’s Records.** Before deciding to challenge your assessment, check the information maintained by the Department of Assessment on your property, including an estimate of its value, which is updated annually, a description of its use, a tax class designation and the type and amount of any exemptions. You can access this information from the County’s web site – [www.nassaucountyny.gov](http://www.nassaucountyny.gov) – under eServices. If the data on the Department of Assessment’s records is in error, write to the Department of Assessment, 240 Old Country Road, Mineola, NY 11501. For additional information on assessments and exemptions call 516-571-2490.

**If you disagree with the Department of Assessment’s estimate of value.** Compare your own estimate of your property’s current market value to the Department of Assessment’s estimate. If your estimated value is lower, present it to ARC by filing an appeal by **March 1**. Doing so will also preserve your right to seek judicial review.

**Is AR2 the correct form?** Use form AR2 to contest the value of any type of property other than an exclusively residential 1, 2 or 3 family house or individual Class 1 condominium unit. Use form AR1 for those property types. Use AR2 for vacant land, except where the lot is part of a residence for which form AR1 is filed. If your claim relates to the property’s tax class or exempt value instead of, or in addition to, the total assessed value, use only form AR3.

## CHECKLIST FOR USE OF FORM AR 2

- Estimate your property’s market value based on its income-producing potential, sales of comparable property or cost.
- Compare your estimate with the market value estimated by the Department of Assessment.
- If you decide to challenge the assessment, **file between January 2, 2012 and March 1, 2012.**
- File on line at [www.nassaucountyny.gov](http://www.nassaucountyny.gov) or** complete and sign a paper form.
- Mail paper forms to the Assessment Review Commission at **240 Old Country Road, Mineola, NY 11501.**
- Answer the questions on form AR2 and attach the documents requested by these instructions.**
- You must state your estimate of the current value of your property.

**Completing the application form.** If you have questions about how to fill out form AR2, refer to the specific instructions below. If you need further assistance, contact ARC’s customer service office at **516-571-2391** or by e-mail via ARC’s page on the County web site: [www.nassaucountyny.gov/arc](http://www.nassaucountyny.gov/arc).

**Attachments.** In certain cases you are required or advised to submit copies of documents. If you file on-line you may attach word documents, spreadsheets, digital photographs and scanned images, or you may submit paper copies by mail with a cover sheet that refers to your appeal, include the tax year and parcel identification number.

**Who may authorize the application for review?** As an owner you are entitled to file for review of the assessment unless you have given the right exclusively to a lessee. You may also file if you lease the entire property and your lease requires you to pay all of the taxes, unless the lease reserves the exclusive right to the landlord. A board of managers of a condominium may file on behalf of the unit owners if it has individual written authorizations or if the organizing documents grant such authority. A buyer under contract may file.

**Part A: General Information.** Complete this part in full to make sure ARC can accurately identify your property.

**Parcel number:** This number identifies your property on the County tax maps and assessment roll. If your tax bill lists several lots that are part of a lot grouping, list only the first lot. If you own contiguous parcels that are used as a single property, but where there are separate tax bills for each lot, list all of the lots. Elsewhere on the form, where you provide information about your property, you must include information about the entire property and all of the lots listed.

**Taxpayer-applicant's name:** Write the full name of the individual or entity who owns the property or who is otherwise responsible for payment of the tax. This is the person who files the application or, if a representative files, who authorizes the filing. Do not put the name of an attorney, agent, officer or employee here.

**Form:** You must check the appropriate box describing the type of applicant. A publicly traded corporation has shares that are listed on an exchange or regularly traded over the counter.

**Relation to property:** Check the appropriate choice; if "Other", describe the relationship.

**Property owners:** List the names of any of the owners of record other than the applicant.

**List of attachments.** Briefly describe documents attached. Required attachments are described in these instructions.

**Part B: Owner's Estimate of Full Market Value.** This part must be completed. ARC cannot reduce your assessment if this information is omitted. Market value is the most probable price for which your property would sell if placed on the market under ordinary circumstances. If the property is of a type that is commonly rented, a typical method of estimating value is an analysis of its income-producing potential. Other methods include analysis of open market sales of similar properties and estimation of the cost required to reproduce the property. Assessments of cooperatives and Class 2 condominiums are based on the market value of the property as a whole as if it were operated as a rental. In condominiums this total value is distributed to the individual units according to their relative value.

**Part C: Contact Information and Representation.** Complete this part carefully so that ARC can contact you.

**Representative:** Check the appropriate choice. Choose "self" if you are the applicant listed in Part A and want ARC to contact you. You may authorize another person to be your representative; if you do, ARC will communicate with that person exclusively. If you are acting as a representative, you must arrange to have the applicant certify the application or obtain a current written authorization to file for the applicant. An officer of a corporate applicant or the manager or a member of an LLC may certify the application or authorize a representative to file. If you certify the application as a representative, you are responsible for obtaining accurate information about the property from the owner or other applicant and should provide a copy of the completed application to the applicant if one is requested.

**Name & Address:** Provide a complete mailing address, including zip code.

**Telephone, Fax, E-mail:** Always provide a telephone number. E-mail is required for filing on-line.

**Conference preference:** ARC will consider all of the information that you submit with your application. In addition, in some cases, ARC may schedule a conference. Select the choice that represents your preference.

**Part D: Property Information.** Answer the questions in part D as completely as you can from your own personal knowledge or, if you are a representative, from information supplied to you by the applicant. Do not restate information from the County's assessment records unless you know them to be accurate. The questions apply to the entire property that is described by the tax lots listed in part A.

**Year acquired:** The year in which the taxpayer or a related person or entity purchased or leased the property. If the sale is within the past year, attach a copy of the contract of sale and closing statement.

**Price:** The amount paid for the property, including both cash and borrowed funds. If the taxpayer is a lessee, leave this blank unless there was a payment for assignment of the leasehold or a lump sum initial payment.

**Was this an arms-length sale?** Answer Yes if no person or entity on either side of the transactions is connected to a person or entity on the other, either by a family or business relationship. If there is such a connection, answer No.

**Approximate year built:** The approximate year in which the original main structure was built.

**Is the property offered for sale or under contract?** Answer Yes if it is listed with a broker or has been advertised for sale during the past year or if there is a pending contract of sale. If so, list the asking or contract price. If there is a listing agreement with a broker or signed contract of sale, attach a copy.

**Has any construction or alteration been started or completed in the past 3 years:** Answer Yes if there has been any new construction or structural alterations that require a permit. State the total cost of the work as of **January 2**, including financing, architect's fees, insurance and permits, but excluding land acquisition costs. Attach a schedule of the costs and a copy of the permit application and, if completed, the new certificate of occupancy.

**Have you expanded the rentable floor area?** Answer Yes if during your possession of the property you have built a new structure on the property, expanded the size of the existing structures or converted areas that were not originally rentable space. Rentable space is enclosed floor area that may be used for apartments, offices, stores, manufacturing, storage or other uses for which the building may be occupied. It includes lobbies and common hallways, space used by the owner for his or her business or residence, and space that is vacant but available for use. It does not include parking, loading platforms, or below-grade mechanical space.

**Is part of the property rented?** Answer Yes if all or part of the property is rented or offered for rent by the owner or lessee. Answer No if the property is occupied exclusively by the owner or related entities or individuals. Answer No if the applicant-taxpayer and any related individuals or entities lease and occupy the entire property, but answer Yes if the applicant-lessee sublets space to other, unrelated occupants.

**Approximate number of tenants:** Indicate the number of tenants of each type as of **January 2**. A tenant is any entity or individual that occupies space for rent, other than an entity or individual related to the applicant-taxpayer. Include month-to-month tenants and those without a written lease.

**Is any commercial space leased for a term of a year or more?** Answer Yes if any nonresidential tenants have leases.

**Number of new leases in past 3 years:** A new lease is one with a new tenant or with a tenant whose prior lease had expired and had no remaining options for renewal at a fixed amount.

**Is the property used by the taxpayer's family or business?** Answer Yes if any part of the property is occupied by the taxpayer-applicant or by a family member or a business owned by the applicant or applicant's family. Include space used as a residence or office or for an industrial, storage or other commercial use. Do not include space used to maintain the property, such as a rental office or boiler room.

**Describe use by taxpayer, including any trade names:** If the answer to the previous question is yes, briefly describe the use. For example: "2,000 sq. ft. of industrial space by related carpet cleaning firm d/b/a Clean-Sweep."

**Is there a plan of correction of environmental contamination?** If you have hired consultants to recommend a plan to cure contamination, attach a copy of the report. Indicate which work has been completed. Attach contractors' estimates for the work that you plan to do but have not yet done. Indicate approximately when the work will be done.

**Structural defects or code violations?** Provide the same type of information as for environmental clean up if the building has deficiencies that must be corrected to comply with the local building code or to preserve its ability to serve for its current use. Include major structural repairs and replacements of mechanical systems.

**Has new or additional mortgage debt been placed on the property during the past 3 years?** If yes, answer the questions about the terms and attach a copy of the note. The total debt is the outstanding balance of all mortgages and other liens on the property when the new debt was placed. The term is the number of months until the loan is to be fully repaid. The rate is the annual interest rate. If the rate is variable, state the rate at the time the loan was issued.

**Other facts:** Use this space to provide more details to any of your answers or other information that you think relevant. If you need more space, attach additional sheets and refer to them here. If you looked up your property on the Department of Assessment's records and found errors, point these out even if you have already notified the Assessment Department.

**Pending assessment review proceedings.** If there are prior Article 7 proceedings filed with the County, list the tax years and index numbers.

**Part E: Assessment Requested.** This part may help you accurately specify your claim for reduction and may be especially important if you are dissatisfied with ARC's determination and seek judicial review.

**a. Tentative assessment:** This is the fractional assessment set by the Department of Assessment on **January 2**.

**b. Applicant's estimate of full market value:** The value that you specified in Part B.

**c. Correct level of assessment.** Assessments are set at a fractional level of full value that is to be uniform for each class of property. The Department of Assessment is required to state the uniform level on the assessment roll. ARC will give you the benefit of the lowest level determined for any property of the same class even if you do not state a level here.

**d. Requested assessment:** If you completed line c, you may complete this line by multiplying your estimated market value by the level of assessment. If you do not complete this line, ARC will do the calculation for you.

**e. Evidence of level of assessment:** If you state a level of assessment on line c, other than the level stated by the Department of Assessment, provide the basis for your claim here or attach and refer to additional documentation.

**Part F: Statement of Claim and Certification.** If you file on paper, you must sign the application. If you do not sign, your application is defective. The statement of claim is intended to make sure your application is legally sufficient even if you did not complete Part D. The certification is required by law and must not be altered.

**Documents.** Provide the items listed below. For a more detailed description of required and recommended documentation, consult the Instructions for form AR20, available from the practitioners' page of ARC's web site.

- For all properties with rental income: Income and expense statements itemizing all sources of income and operating expenses for the past two years and for each other year under review.
- For rental apartments: A rent roll as of **January 1** of the current year. For Emergency Tenant Protection Act and rent-controlled buildings: The most recent Annual Registration Summary (form RR-2S) filed with the New York State Division of Housing and Community Renewal.
- For cooperatives and condominiums: The most recently completed financial statement and the statements for each year under review, the original offering plan and most recent amendment, and a rent roll for any unsold units.
- For nonresidential buildings: A rent roll as of **January 1** of the current year, even if the property is owner-occupied or vacant, and for each prior year under review if there was rental space. The rent roll must describe the entire property, including vacant and owner-occupied space. List the names of the commercial occupants, the amount of space occupied, the term of the lease, if any, and the annual or monthly rent. Provide an abstract or copy of each commercial lease, including any amendments. A lease abstract prepared for purposes of determining rent bills is usually sufficient.
- If the applicant is not the owner of record: A copy of the lease or other document that establishes eligibility to apply for correction of the assessment.
- For buildings that have been sold, offered for sale, financed, built or renovated in the past 3 years, or which require cure of environmental contamination, code violations or structural defects, refer to the instructions for the related questions in the instructions for Part D, above.