



Nassau County

Assessment Review Commission



Annual Report 2008-09
Review Period Ending April 1, 2008

THOMAS R. SUOZZI
County Executive



JOHN PEGUILLAN
Chairperson

**COUNTY OF NASSAU
ASSESSMENT REVIEW COMMISSION
1 West Street, Mineola, New York 11501
www.nassaucountyny.gov/arc**

MEMORANDUM

Date: June 30, 2008
To: Hon. Thomas R. Suozzi
Hon. Diane Yatauro
Hon. Peter Schmitt
From: Assessment Review Commission
Subject: Annual Report for the 2008-09 Review Period Ending April 1, 2008

On behalf of the Assessment Review Commission I respectfully submit the Annual Report of the Assessment Review Commission for the 2008-09 review period, which concluded with the publication of the final assessment roll on April 1, 2008.

It is our pleasure to work with you and the other elected officials of the County to provide the best possible level of service to the County's residential and commercial property owners. During the period covered by this report the County continued to build on previous successes in eliminating assessment review proceedings as a fiscal threat. With your support, the Assessment Review Commission will do its part to safeguard this accomplishment by providing fair and effective relief to taxpayers who have been asked to pay more than their appropriate share of the local tax burden.

A handwritten signature in black ink, appearing to read "John Peguillan".

John Peguillan, Chairperson

ANNUAL REPORT

2008-09

HIGHLIGHTS

In 2007 the County continued to build on its successes over the past five years in its efforts to control the fiscal impact of the County Guarantee for Tax Refunds – state law requiring the County to pay refunds of town and school taxes arising from assessment errors.

The Assessment Review Commission reduced the future liability of valid claims to their lowest level in 20 years by reducing assessments before taxpayers have to pay property taxes based on incorrect assessments and before the County is liable for the refund due to the over assessment of individual parcels:

- ❑ The Assessment Review Commission corrected the assessments on over 39,100 parcels resulting in savings of almost \$162 million in potential future refund liability.
- ❑ Of the 39,100 corrected assessments, approximately 34,800 were residential parcels. This is a four fold increase over the prior year and is estimated to have saved the County approximately \$35 million dollars in potential future refund liability.
- ❑ In addition to the 34,800 residential parcels that were reduced on the roll, there were an additional 15,500 residential parcels that were successfully stipulated to for no reduction in assessment. The 50,000 plus agreed upon residential assessments this past year represents an almost six fold increase over the prior year.
- ❑ The Assessment Review Commission reduced assessments on almost 4,300 commercial parcels, an increase of 15% over the prior year. The actions on commercial property are estimated to have saved the County \$127 million in potential future refund liability.
- ❑ Major commercial properties such as Belmont Racetrack, Green Acres Mall, Source Mall and many private golf courses were settled, significantly reducing the County's risk of refund liability on these properties in future years.
- ❑ The County reduced year-end liability for pending valid claims to \$102 million, down from \$137 million the previous year. Of particular significance is that the estimated liability for old claims was reduced from \$96 million to \$53 million. By making a concerted effort to reduce the backlog of old claims, and correcting assessments before they become liability, the County will be in a favorable position to meet its targeted budget amounts for tax certiorari refunds as outlined in the multi-year plan.

- The total number of parcels filing appeals against the 2009/10 tentative assessment roll was down approximately 3.5%. While the number of appeals was down overall we saw a 64% increase in the number of homeowner's filing appeals on their own. Educating the taxpayers through the Assessment Review Commission's community outreach programs, along with the programs run by elected officials, is responsible for this increase.
- The Department of Assessment completed the 2009-10 tentative assessment roll reflecting the sixth revaluation since 2003, the fifth year of transition assessments for most commercial properties and the third year where almost all residential properties were protected by a 6% cap on year-over-year assessment increases.

The Assessment Review Commission will further limit new liability by continuing to enhance its annual administrative review:

- The Assessment Review Commission will continue its program to correct excessive assessments. The value of roll corrections for the 2008/09 year increased 15% over the prior year and reached a cumulative total of \$643 million since 2002.
- The Assessment Review Commission continued to use its power to compel submission of information necessary for accurate determination of claims of over valuation, including commercial lease abstracts, rent rolls, income and expense statements, sale documents, and construction costs. The Assessment Review Commission may dismiss proceedings with prejudice where the owner's representative fails to respond to a request for data. Compliance with requests in commercial cases improved substantially, facilitating expansion of the Assessment Review Commission's settlement and roll correction programs.
- The value of residential property corrections increased 250% between 2007/08 and 2008/09. The value of commercial property corrections remained relatively flat between 2007/08 and 2008/09 but generated 78% of the total estimated tax refund savings.

The County will support a vigorous defense of accurate assessments that are challenged in lawsuits:

- The Department of Assessment developed a full-time staff dedicated to defense at Small Claims hearings. A more vigorous defense at the small claims level has led to the County being successful in approximately two-thirds of the cases heard.
- ARC and the County Attorney's office have enhanced coordination efforts by sharing appraisal and legal support services and adopting a team approach in negotiating cases that appear on a court calendar.

The County continues to invest in technology to provide assessment accuracy and public convenience at the least possible cost:

- In 2005, the Assessment Review Commission and Department of Information Technology launched an interactive web application, AROW, which allows taxpayers, attorneys and agents to appeal assessments on-line. In its third year, individuals and firms used the system in 2008 to file 94% of the appeals submitted by the March 3 deadline. AROW is one of the first on-line assessment appeal systems in the country and the only one that provides homeowners with an automated search of recent sales for evaluation of their tentative assessment.

- The Department of Information Technology staff and consultants continue to enhance and expand existing computer systems that support the assessment, assessment review, tax collection and enforcement functions. The success of the ADAPT project is critical to the County's ability to enhance coordination efforts and the sharing of real time information between the Assessment Review Commission, the County Attorney's office and the Department of Assessment.

ASSESSMENT REVIEW COMMISSION

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2008-09

John Peguillan, Chairperson

Kevin J. O'Donnell, Vice Chairperson

Commissioners:

Jeffrey B. Gold

Ray Hawkins

Lenora W. Long

Stephen Richard Mahler

Allan Stern

Sunil Beesham, Director, Operational Analysis

Regina Mahony Goodman, Director, Financial Analysis

Mary Marissael, Commercial Appraisal Manager

Helen McQueen, Director, Customer Service

Sean O'Brien, Residential Appraisal Manager

Joanne Petraro-Fisher, Office Manager

Loren B. Schindler, Counsel

**ASSESSMENT REVIEW COMMISSION
ANNUAL REPORT 2008-09**

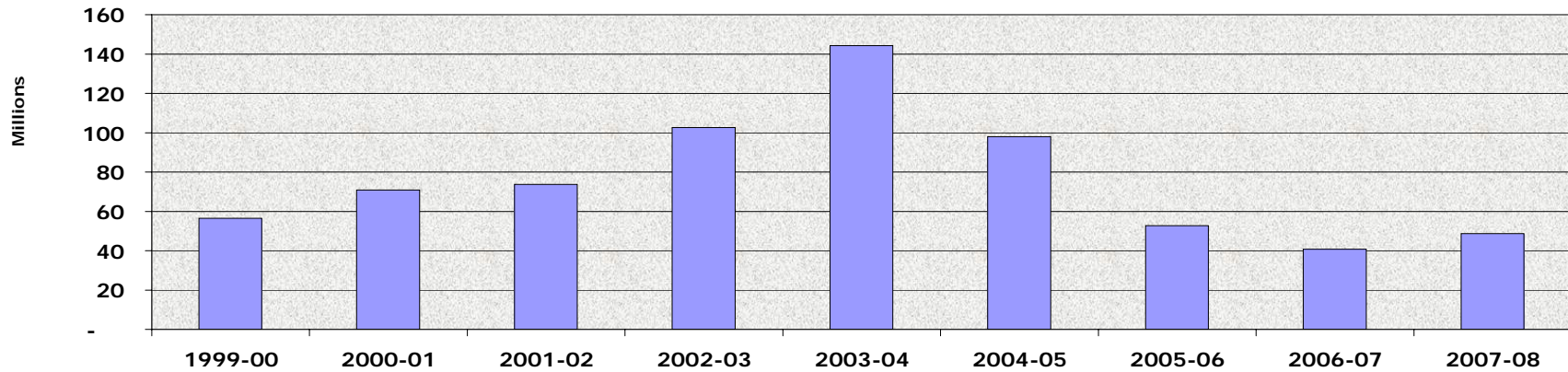
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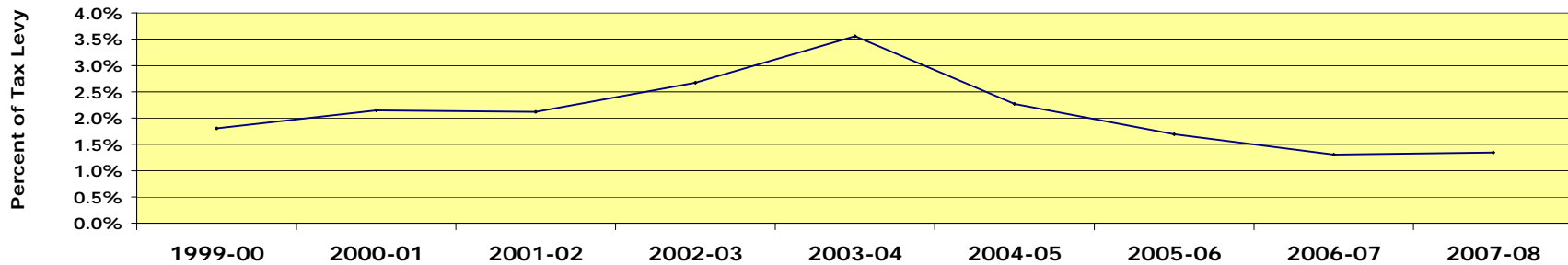
ESTIMATED NEW REFUND LIABILITY BY TAX YEAR

Tax Year	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Estimated New Liability	56,498,664	70,852,596	73,675,282	102,659,942	144,300,565	97,997,597	52,676,891	40,693,424	48,743,952
Tax Levy	3,128,665,957	3,303,567,112	3,481,141,235	3,839,557,666	4,055,948,063	4,314,275,658	4,471,368,563	4,704,517,910	4,871,896,831
Liability as % of Tax	1.8%	2.1%	2.1%	2.7%	3.6%	2.3%	1.2%	0.9%	1.0%

Estimated New Liability at Year-End

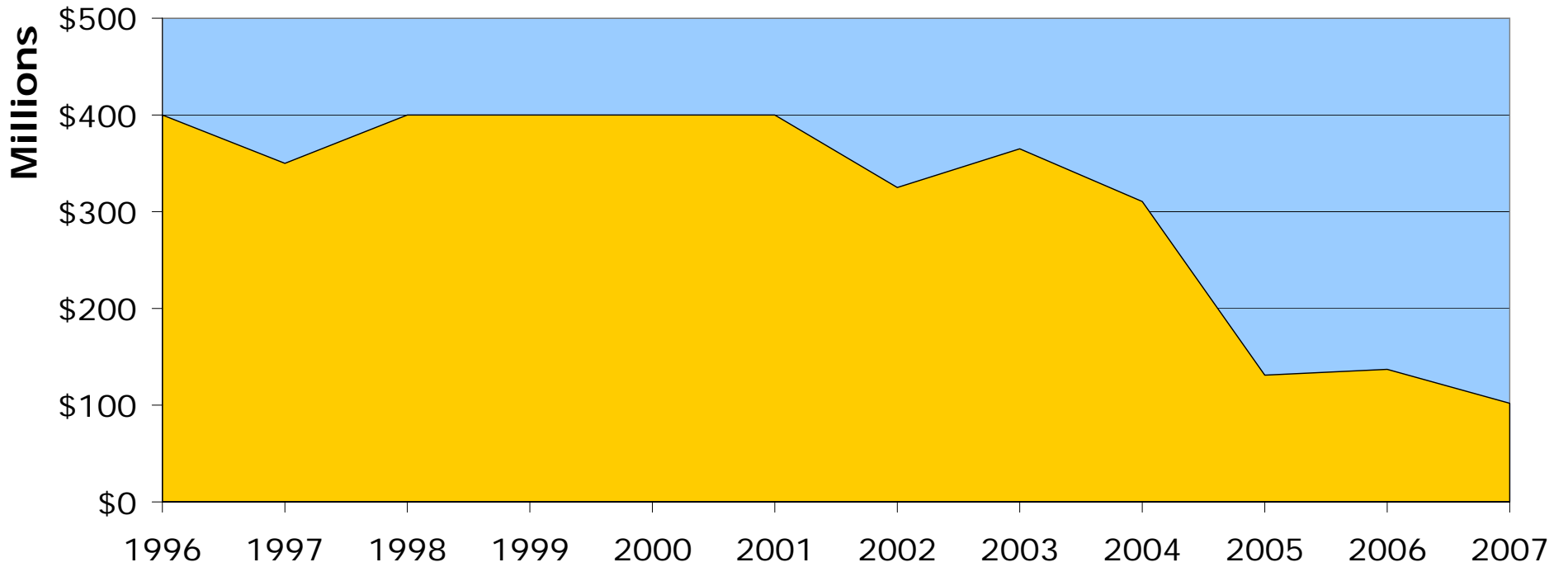


Estimated New Liability as Percent of Total Tax Levy



New liability, as a percentage of the tax levy, remains at historically low levels.

ESTIMATED CUMULATIVE TAX REFUND LIABILITY

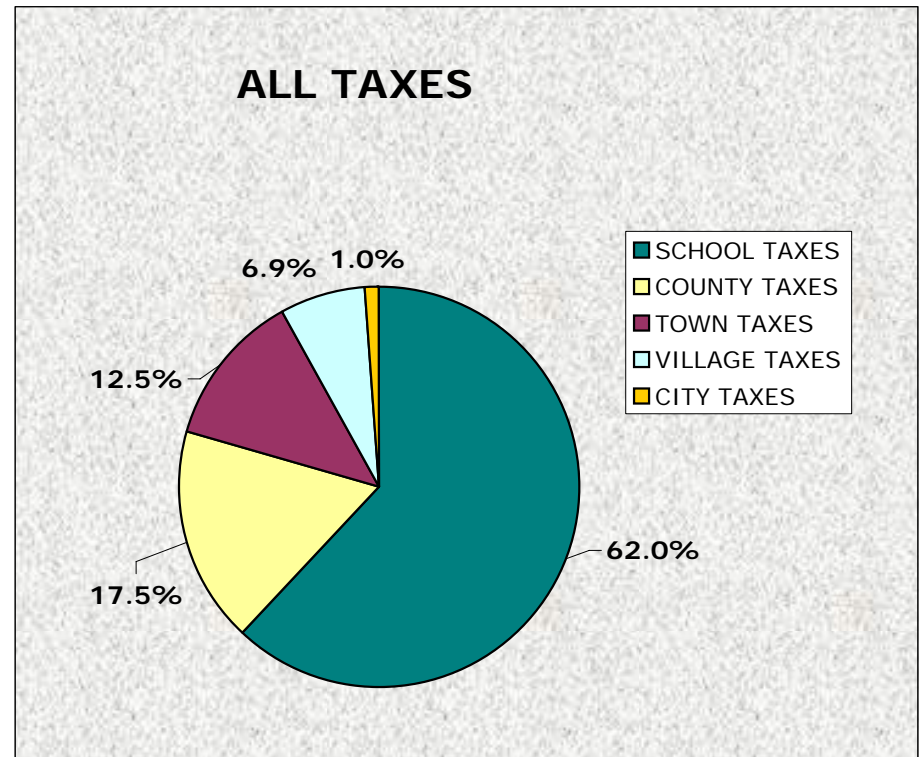


TOTAL LIABILITY AT YEAR END

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	400,000,000	350,000,000	400,000,000	400,000,000	400,000,000	400,000,000	325,000,000	365,000,000	310,500,000	131,000,000	137,000,000	102,000,000

TAXES LEVIED IN NASSAU COUNTY 2007-08

	TOTAL LEVY
SCHOOL TAXES	\$ 3,303,365,627
COUNTY TAXES	\$ 934,926,602
TOWN TAXES	\$ 668,167,667
VILLAGE TAXES	\$ 367,618,391
CITY TAXES	\$ 55,467,748
TOTAL LEVY	5,329,546,035



Village and City taxes were provided by the NYS OSC. School Taxes includes school tax for the City of Glen Cove as reported by OSC. School Tax levy reported is subsequent to STAR Savings; all tax levies exclude Restored Taxes, Unpaid water charges and other special assessments

Combined School, Town, and County Tax Levies By Class

	2002-03	2003-04	2004-05	2005-06	2006-07	#	2007-08
Class One	\$ 2,429,729,062	\$ 2,609,662,868	\$ 2,828,226,342	\$ 3,016,306,607	\$ 3,182,217,491		\$ 3,330,606,868
Class Two	\$ 134,531,615	\$ 142,590,343	\$ 139,149,304	\$ 140,882,204	\$ 146,265,601		\$ 149,862,027
Class Three	\$ 232,422,972	\$ 240,129,837	\$ 264,818,389	\$ 211,319,241	\$ 278,118,805		\$ 275,183,783
Class Four	\$ 1,042,874,018	\$ 1,063,565,015	\$ 1,082,081,622	\$ 1,102,860,511	\$ 1,097,916,013		\$ 1,116,244,153
TOTAL	\$ 3,839,557,666	\$ 4,055,948,063	\$ 4,314,275,658	\$ 4,471,368,563	\$ 4,704,517,910		\$ 4,871,896,831

Market Value of Taxable Parcels

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Class One	\$ 134,205,829,945	\$ 162,870,956,250	\$ 162,870,956,250	\$ 183,687,883,333	\$ 207,690,519,600	\$ 219,787,031,600
Class Two	\$ 3,110,078,249	\$ 3,235,701,070	\$ 3,235,701,070	\$ 3,661,929,947	\$ 3,852,556,166	\$ 4,469,838,135
Class Three	\$ 2,325,859,882	\$ 2,475,937,500	\$ 2,475,937,500	\$ 2,458,094,200	\$ 2,931,093,900	\$ 2,442,128,400
Class Four	\$ 21,049,457,692	\$ 19,387,336,684	\$ 19,387,336,684	\$ 21,128,345,241	\$ 21,862,728,290	\$ 25,127,313,472
TOTAL	\$ 160,691,225,768	\$ 187,969,931,504	\$ 187,969,931,504	\$ 210,936,252,721	\$ 236,336,897,956	\$ 251,826,311,606

Effective Tax Rates by Class

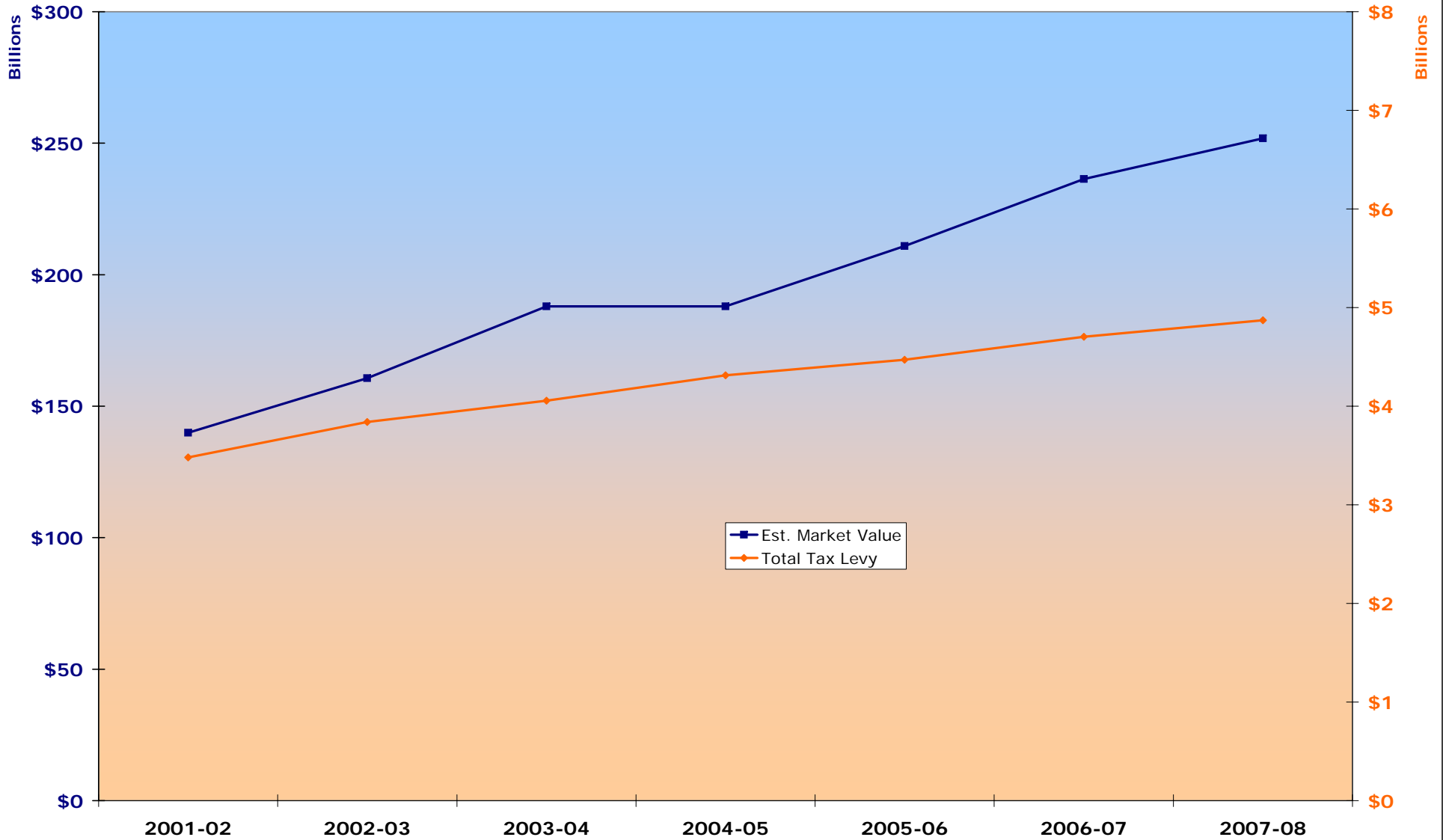
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Class One	1.81%	1.60%	1.74%	1.64%	1.53%	1.52%
Class Two	4.33%	4.41%	4.30%	3.85%	3.80%	3.35%
Class Three	9.99%	9.70%	10.70%	8.60%	9.49%	11.27%
Class Four	4.95%	5.49%	5.58%	5.22%	5.02%	4.44%
TOTAL	2.39%	2.16%	2.30%	2.12%	1.99%	1.93%

Tax base growth has exceeded tax levy growth driven primarily by an increase in residential values. Class levies include only those subject to the County guarantee.

Market Value and Tax Levy Growth

Market Value

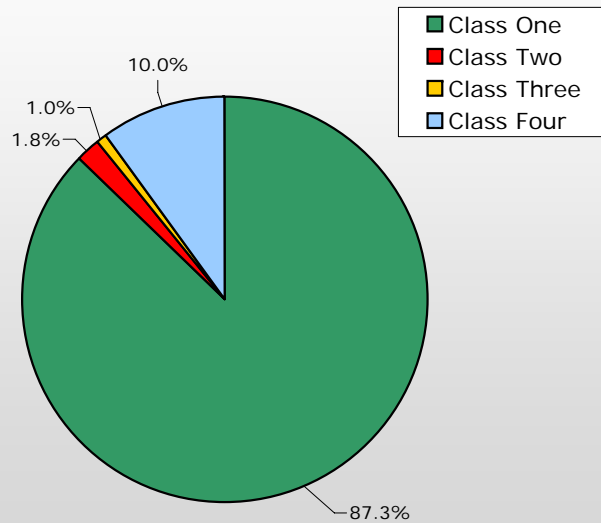
Tax Levy



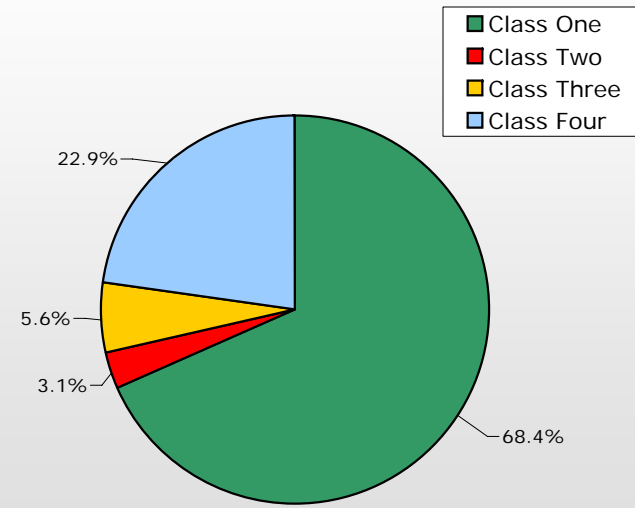
Market value continues to grow at a greater rate than tax levies.

Composition of Market Value and Tax Levies by Class

Estimated Market Value of Taxable Parcels in 2007-08



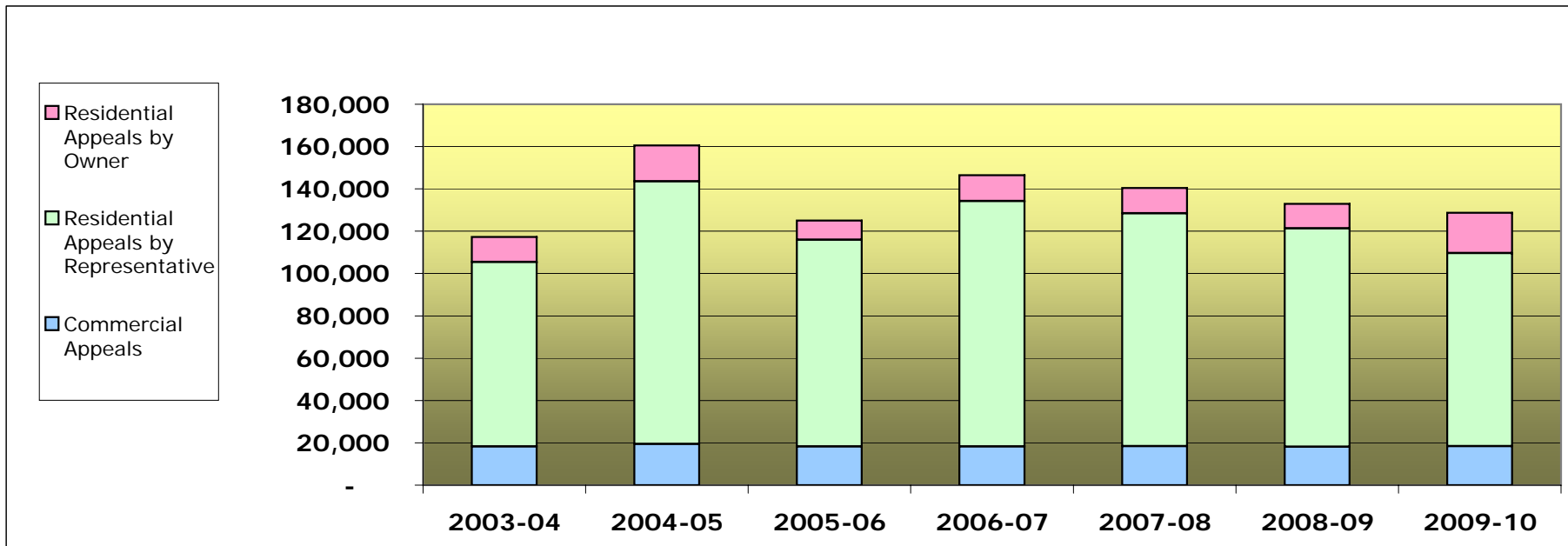
Combined School, Town, and County Tax Levies By Class in 2007-08



Commercial properties represent 12.8% of market value but pay nearly one-third of the taxes due to higher effective tax rates.

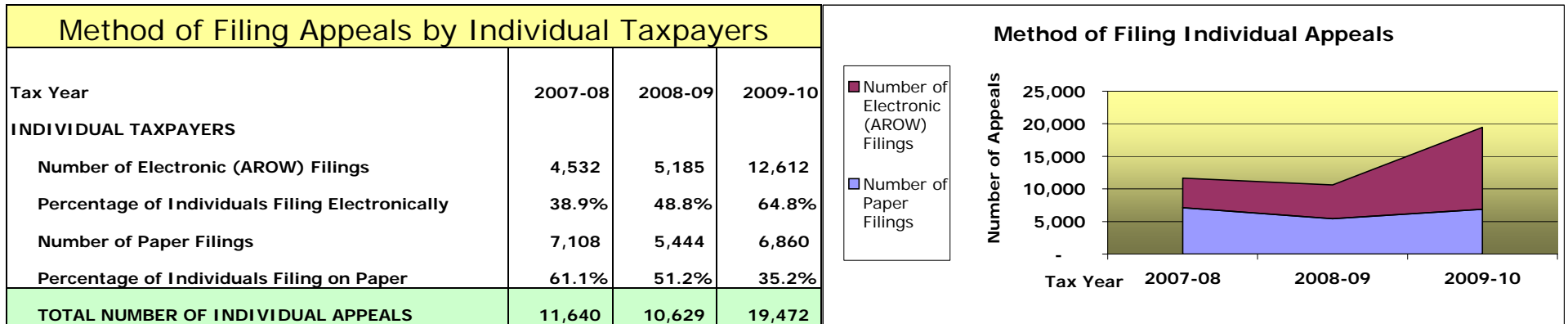
ADMINISTRATIVE APPEALS BY TAX YEAR

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Residential Appeals							
by Owner	11,906	17,028	9,055	12,152	11,950	11,675	19,152
by Representative	87,078	124,015	97,623	116,068	110,077	103,133	91,227
Residential Parcels Appealed	98,984	141,043	106,678	128,220	122,027	114,808	110,379
Commercial Appeals							
Class 2: Apartments	4,153	4,272	4,177	4,259	4,453	4,579	4,685
Class 3: Utility Equipment	89	89	89	89	281	101	266
Class 4: Other Commercial	14,078	15,144	14,070	13,871	13,636	13,504	13,440
Commercial Parcels Appealed	18,320	19,505	18,336	18,219	18,370	18,184	18,391
Total Parcels Appealed	117,304	160,548	125,014	146,439	140,397	132,992	128,770
Duplicate Filings	10,830	12,832	7,457	9,113	7,293	6,638	6,174
Total Appeals	128,134	173,380	132,471	155,552	147,690	139,630	134,944

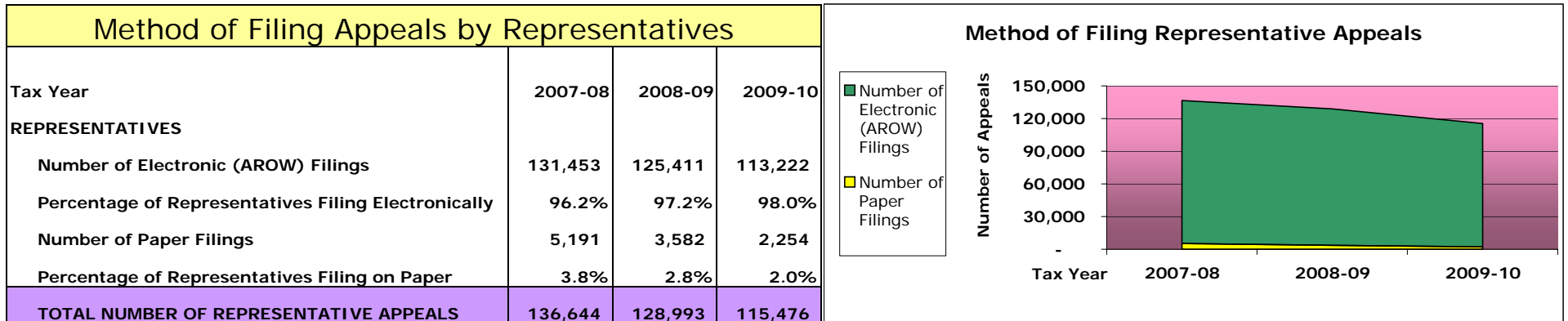


Residential appeals peaked after the first revaluation but remain high. Commercial appeals have been stable. Owner appeals have increased while representative appeals have decreased since the introduction of the AROW system.

METHOD OF FILING APPEALS BY INDIVIDUAL TAXPAYERS AND REPRESENTATIVES



The number of individuals filing electronically has nearly tripled since AROW's inception.



Total representative filings have declined since 2007-08 while the percentage of representative filings done electronically has increased.

Administrative Appeals by School District and Tax Class for 2008-09

SCHOOL DISTRICT	Number of Appeals Filed					SCHOOL DISTRICT	Number of Appeals Filed				
	Class 1	Class 2	Class 3	Class 4	Total		Class 1	Class 2	Class 3	Class 4	Total
Amityville	507	2	4	80	593	Long Beach	2,713	1,528	5	191	4,437
Baldwin	2,385	61	6	260	2,712	Lynbrook	1,611	28	9	362	2,010
Bellmore	1,356	26	2	184	1,568	Malverne	1,148	4	9	106	1,267
Bethpage	1,357	2	3	159	1,521	Manhasset	2,141	2	2	207	2,352
Carle Place	716	2	4	172	894	Massapequa	4,575	1	6	325	4,907
Cold Spring Harbor	248	0	0	0	248	Merrick	2,374	4	6	172	2,556
East Meadow	3,977	180	3	259	4,419	Mineola	1,398	176	2	664	2,240
East Rockaway	796	15	4	84	899	New Hyde Pk-GC Pk	1,605	6	3	428	2,042
East Williston	1,195	17	4	88	1,304	North Bellmore	2,216	17	2	136	2,371
Elmont	2,458	12	4	263	2,737	North Merrick	1,373	3	2	41	1,419
Farmingdale	2,790	40	3	262	3,095	North Shore	1,510	15	15	199	1,739
Floral Park-Bellerose	1,266	15	4	227	1,512	Oceanside	3,630	35	7	535	4,207
Franklin Square	1,911	4	2	225	2,142	Old Bethpage-Plainview	3,538	4	7	287	3,836
Freeport	1,788	226	3	610	2,627	Oyster Bay-East Norwich	1,300	13	6	149	1,468
Garden City	2,508	521	3	198	3,230	Plainedge	1,711	1	3	105	1,820
Glen Cove	1,129	36	2	342	1,509	Port Washington	2,735	235	5	372	3,347
Great Neck	4,045	721	5	472	5,243	Rockville Centre	2,169	98	6	219	2,492
Hempstead	1,060	132	3	494	1,689	Roosevelt	526	0	4	60	590
Herricks	3,409	2	4	94	3,509	Roslyn	2,120	13	6	290	2,429
Hewlett-Woodmere	2,892	27	9	170	3,098	Seaford	1,471	3	2	158	1,634
Hicksville	2,110	10	4	549	2,673	Syosset	4,346	4	13	330	4,693
Island Park	686	9	3	225	923	Uniondale	1,829	10	8	388	2,235
Island Trees	1,018	5	1	85	1,109	Valley Stream	4,352	40	17	526	4,935
Jericho	2,172	7	6	162	2,347	Wantagh	1,814	26	4	159	2,003
Lawrence	3,881	146	12	465	4,504	West Hempstead	1,570	4	3	194	1,771
Levittown	4,049	3	8	107	4,167	Westbury	1,286	188	5	472	1,951
Locust Valley	1,609	6	3	129	1,747						

Since the revaluation residential appeals have come from all parts of the County

ROLL REDUCTIONS BY THE ASSESSMENT REVIEW COMMISSION

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
NUMBER OF PARCELS REDUCED							
CLASS ONE	1,168	17,409	38,656	33,626	11,908	8,644	34,831
CLASS TWO	235	188	1,449	536	1,094	744	1,521
CLASS THREE					1	24	24
CLASS FOUR	280	236	806	971	2,540	2,936	2,725
TOTAL	1,683	17,833	40,911	35,133	15,543	12,348	39,101
TAX LIABILITY OF PARCELS REDUCED							
CLASS ONE	\$ 9,748,882	\$ 141,467,065	\$ 458,821,797	\$ 365,367,777	\$ 172,281,770	\$ 118,258,542	\$ 403,396,128
CLASS TWO	\$ 20,346,329	\$ 15,734,880	\$ 37,705,564	\$ 37,938,377	\$ 76,805,160	\$ 90,789,870	\$ 100,966,054
CLASS THREE					\$ 7,500,000	\$ 45,961,981	\$ 40,427,511
CLASS FOUR	\$ 76,029,635	\$ 102,831,564	\$ 89,525,363	\$ 150,887,055	\$ 430,774,364	\$ 445,099,003	\$ 421,944,466
TOTAL	\$ 106,124,846	\$ 260,033,509	\$ 586,052,723	\$ 554,193,209	\$ 687,361,294	\$ 700,109,396	\$ 966,734,159
TAX REDUCTION							
CLASS ONE	\$ 1,261,738	\$ 15,419,169	\$ 49,755,444	\$ 38,172,589	\$ 18,076,517	\$ 10,299,847	\$ 34,753,258
CLASS TWO	\$ 3,513,956	\$ 6,998,787	\$ 7,715,303	\$ 6,901,926	\$ 13,050,448	\$ 16,912,436	\$ 18,294,513
CLASS THREE					\$ 7,500,000	\$ 16,399,504	\$ 11,659,998
CLASS FOUR	\$ 15,529,304	\$ 20,634,080	\$ 19,663,524	\$ 32,475,082	\$ 84,549,214	\$ 96,822,567	\$ 97,170,337
TOTAL	\$ 20,304,999	\$ 43,052,036	\$ 77,134,271	\$ 77,549,597	\$ 123,176,179	\$ 140,434,354	\$ 161,878,106

ARC roll reductions have avoided more than \$640 million in refunds since 2002-03

Assessment Review Commission Actions on Administrative Appeals for 2008-09

Tax Class	Residential	Commercial				All Property
	1	Apartment 2	Utility 3	Other 4	Total	
Parcels						
Taxable parcels on roll	381,123	5,129	1,528	19,669	26,326	407,449
Appealed	115,157	4,578	232	13,370	18,180	133,337
Reduced on roll	323	1,471	24	2,290	3,785	4,108
Reduced on roll by stipulation - av reduction	34,508	50	0	435	485	34,993
Settled on roll by stipulation - no reduction	15,562	1	0	43	44	15,606
Reduced on roll, total	34,831	1,521	24	2,725	4,270	39,101
Reduced or settled on roll, total	50,393	1,522	24	2,768	4,314	
No reduction	80,326	3,057	208	10,645	13,910	94,236
Tax liability for 2008-09						
Taxable parcels on roll	\$ 3,978,403,272	\$ 248,208,512	\$ 179,270,047	\$ 1,499,071,715	\$ 1,926,550,274	\$ 5,904,953,546
Appealed	\$ 1,439,128,376	\$ 220,449,449	\$ 76,482,390	\$ 1,321,207,547	\$ 1,618,139,385	\$ 3,057,267,761
Reduced on roll	\$ 3,352,147	\$ 90,145,661	\$ 40,427,511	\$ 345,536,553	\$ 476,109,724	\$ 479,461,871
Reduced on roll by stipulation - av reduction	\$ 400,043,981	\$ 10,820,394	\$ -	\$ 76,407,914	\$ 87,228,307	\$ 487,272,288
Settled on roll by stipulation - no reduction	\$ 167,646,932	\$ 349,967	\$ -	\$ 1,589,428	\$ 1,939,394	\$ 169,586,327
Reduced on roll, total	\$ 403,396,128	\$ 100,966,054	\$ 40,427,511	\$ 421,944,466	\$ 563,338,031	\$ 966,734,159
No reduction	\$ 1,035,732,248	\$ 119,483,394	\$ 36,054,879	\$ 899,263,081	\$ 1,054,801,354	\$ 2,090,533,602
Tax reduction for 2008-09						
Reduced on roll	\$ 605,153	\$ 16,554,321	\$ 11,659,998	\$ 77,359,944	\$ 105,574,263	\$ 106,179,416
Reduced on roll by stipulation	\$ 34,148,105	\$ 1,740,192	\$ -	\$ 19,810,393	\$ 21,550,585	\$ 55,698,690
Reduced on roll, total	\$ 34,753,258	\$ 18,294,513	\$ 11,659,998	\$ 97,170,337	\$ 127,124,848	\$ 161,878,106
Statistics						
Parcels protested	115,157	4,578	232	13,370	18,180	133,337
Percentage of parcels appealed	30%	89%	15%	68%	69%	33%
Percentage of tax liability appealed	36%	89%	43%	88%	84%	52%
Parcels reduced	34,831	1,521	24	2,725	4,270	39,101
Tax reduction on final roll	34,753,258	18,294,513	11,659,998	97,170,337	127,124,848	161,878,106
Average tax - parcels on roll	\$ 10,439	\$ 48,393	\$ 117,323	\$ 76,215	\$ 73,181	\$ 14,492
Average tax - parcels appealed	\$ 12,497	\$ 48,154	\$ 329,665	\$ 98,819	\$ 89,007	\$ 22,929
Average tax - stipulated to no reduction	\$ 10,773	\$ 349,967	\$ -	\$ 36,963	\$ 44,077	\$ 10,867
Average tax reduction	\$ 998	\$ 12,028	\$ 485,833	\$ 35,659	\$ 29,772	\$ 4,140
Percentage of appealed parcels reduced	30%	33%	10%	20%	23%	29%
Percentage of appealed tax liability reduced	28%	46%	53%	32%	35%	32%
Percentage accepting no reduction	13.51%	0.02%	0.00%	0.32%	0.24%	11.70%
Average percentage reduction	9%	18%	29%	23%	23%	17%

ARC's actions in 2008-09 led to reductions on more residential and commercial parcels than in any prior year.

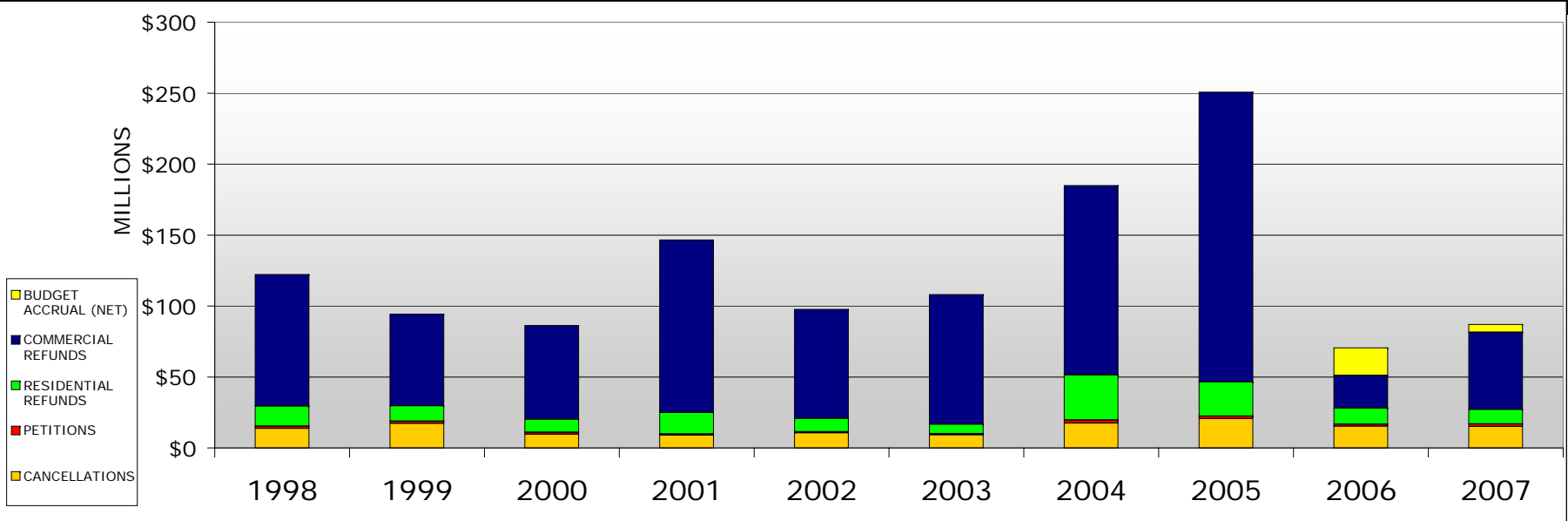
2008-09 RESIDENTIAL RESULTS ON ADMINISTRATIVE APPEALS BY REPRESENTATIVE TYPE

	Homeowners	Represented	Total
Parcels			
Appealed	10,435	104,722	115,157
Reduced on roll by stipulation	3,425	31,083	34,508
Reduced on roll, total	3,428	31,403	34,831
No reduction	7,007	73,319	80,326
Tax liability for 2008-09			
Appealed	\$124,471,487	\$1,314,656,888	\$1,439,128,376
Tax liability reduced on roll	\$92,706	\$3,259,440	\$3,352,147
Reduced on roll by stipulation	\$41,248,890	\$358,795,091	\$400,043,981
Reduced on roll, total	\$41,341,596	\$362,054,532	\$403,396,128
No reduction	\$83,129,891	\$952,602,357	\$1,035,732,248
Tax reduction for 2008-09			
Tax reduction on roll	\$71,201	\$533,952	\$605,153
Reduced on roll by stipulation	\$3,761,221	\$30,386,884	\$34,148,105
Reduced on roll, total	\$3,832,422	\$30,920,836	\$34,753,258
Statistics			
Average tax - parcels appealed	\$11,928	\$12,554	\$12,497
Average tax reduction	\$1,118	\$985	\$998
Percentage of appealed parcels reduced	33%	30%	30%
Percentage of appealed tax liability reduced	33%	28%	28%
Average percentage reduction	9%	9%	9%

ARC stipulated to more than 34,500 reductions on residential properties. This is a four fold increase over the prior year's actions.

TAX REFUNDS BY YEAR OF PAYMENT

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
COMMERCIAL REFUNDS	\$ 92,628,529	\$ 64,651,112	\$ 66,083,215	\$ 121,625,493	\$ 76,733,992	\$ 91,355,411	\$ 133,477,503	\$ 204,251,644	\$ 22,842,933	\$ 54,483,547
RESIDENTIAL REFUNDS	\$ 14,087,956	\$ 10,746,650	\$ 9,208,141	\$ 15,199,415	\$ 9,613,587	\$ 6,738,535	\$ 31,824,621	\$ 24,153,012	\$ 11,530,560	\$ 10,203,329
PETITIONS	\$ 1,608,426	\$ 1,528,750	\$ 1,394,238	\$ 746,686	\$ 727,572	\$ 721,244	\$ 2,080,385	\$ 1,706,743	\$ 1,337,152	\$ 1,708,366
CANCELLATIONS	\$ 13,804,986	\$ 17,319,830	\$ 9,626,472	\$ 9,007,726	\$ 10,571,160	\$ 9,229,906	\$ 17,517,360	\$ 20,637,720	\$ 15,287,558	\$ 15,173,077
NET ACCRUAL									\$ 19,500,000	\$ 5,500,000
TOTAL	\$ 122,129,897	\$ 94,246,342	\$ 86,312,065	\$ 146,579,320	\$ 97,646,311	\$ 108,045,096	\$ 184,899,870	\$ 250,749,120	\$ 70,498,203	\$ 87,068,319



In 2006 the County transitioned from paying claims using debt to financing claims primarily through operating funds. As a result, an additional \$19.5 million was booked as accrued in 2006 and \$25 million in 2007 to account for the current backlog of refund claims.

Judicial Proceedings by Year of Filing Class 4 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2008	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	8,619	\$ 628,760,263	1,266	\$ 58,134,667	7,353	\$ 76,237,391
1993-94	8,813	\$ 684,605,121	1,283	\$ 61,373,428	7,530	\$ 78,950,914
1994-95	9,408	\$ 659,321,532	1,496	\$ 69,471,920	7,912	\$ 69,842,020
1995-96	9,696	\$ 704,273,687	1,688	\$ 73,757,919	8,008	\$ 66,920,224
1996-97	9,941	\$ 743,501,239	1,930	\$ 103,756,744	8,011	\$ 57,775,155
1997-98	10,275	\$ 824,672,895	2,108	\$ 130,281,982	8,167	\$ 52,571,648
1998-99	10,662	\$ 799,376,855	2,562	\$ 135,938,694	8,100	\$ 47,595,822
1999-00	10,691	\$ 843,302,066	2,759	\$ 153,635,060	7,932	\$ 47,321,739
2000-01	10,600	\$ 911,960,898	2,745	\$ 175,382,536	7,855	\$ 55,555,547
2001-02	10,622	\$ 966,646,230	2,905	\$ 191,320,715	7,717	\$ 61,208,383
2002-03	10,667	\$ 1,045,779,236	3,322	\$ 257,237,366	7,345	\$ 58,384,108
2003-04	10,592	\$ 1,242,753,971	4,767	\$ 443,604,704	5,825	\$ 64,125,183
2004-05	10,473	\$ 1,064,247,905	4,916	\$ 404,657,300	5,557	\$ 44,501,861
2005-06	10,139	\$ 1,173,441,207	5,892	\$ 595,765,576	4,247	\$ 31,722,612
2006-07	9,341	\$ 1,108,652,130	7,042	\$ 781,271,966	2,299	\$ 9,476,388
2007-08	8,515	\$ 1,172,743,947	7,580	\$ 987,734,162	935	\$ 327,848

Cases from before the revaluation remain open, but many are inactive and will be abandoned.

Judicial Proceedings by Year of Filing Class 3 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2008	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	53	\$ 65,426,067	11	\$ 31,260,550	42	\$ 338,010
1993-94	59	\$ 34,670,289	14	\$ 1,813,341	45	\$ 453,181
1994-95	75	\$ 55,872,964	24	\$ 19,198,904	51	\$ 467,040
1995-96	36	\$ 2,450,653	15	\$ 1,011,486	21	\$ 495,322
1996-97	47	\$ 29,991,705	26	\$ 24,928,671	21	\$ 383,131
1997-98	43	\$ 53,047,952	18	\$ 46,015,348	25	\$ 218,186
1998-99	58	\$ 74,481,363	15	\$ 44,108,596	43	\$ 1,467,986
1999-00	88	\$ 32,778,563	21	\$ 872,764	67	\$ 3,172,831
2000-01	112	\$ 29,464,870	21	\$ 813,412	91	\$ 3,479,526
2001-02	74	\$ 17,033,234	18	\$ 720,725	56	\$ 3,774,488
2002-03	64	\$ 39,673,712	30	\$ 19,779,247	34	\$ 2,025,881
2003-04	66	\$ 525,560,435	34	\$ 372,095,752	32	\$ 2,400,528
2004-05	124	\$ 940,377,276	56	\$ 494,218,639	68	\$ 1,911,673
2005-06	47	\$ 17,248,168	27	\$ 11,958,264	20	\$ 548,048
2006-07	42	\$ 3,891,268	27	\$ 3,629,321	15	\$ 4,244
2007-08	59	\$ -	14	\$ -	45	\$ -

Tax amounts are all estimates. 2007-08 data was not available as of the date of this report.

Judicial Proceedings by Year of Filing Class 2 Parcels

Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2008	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	825	\$ 97,394,188	73	\$ 3,125,589	752	\$ 9,297,084
1993-94	833	\$ 101,461,170	89	\$ 5,544,170	744	\$ 8,276,576
1994-95	849	\$ 93,284,981	99	\$ 4,390,644	750	\$ 6,559,195
1995-96	836	\$ 100,088,412	93	\$ 5,502,910	743	\$ 5,822,782
1996-97	834	\$ 106,625,004	97	\$ 4,927,837	737	\$ 5,870,308
1997-98	857	\$ 112,973,753	110	\$ 6,911,603	747	\$ 5,856,257
1998-99	850	\$ 109,626,497	122	\$ 7,868,243	728	\$ 4,468,096
1999-00	854	\$ 112,261,131	132	\$ 7,612,167	722	\$ 4,233,778
2000-01	849	\$ 118,521,556	135	\$ 8,798,916	714	\$ 10,633,552
2001-02	835	\$ 119,428,119	123	\$ 8,390,464	712	\$ 14,445,494
2002-03	866	\$ 129,278,693	193	\$ 17,183,195	673	\$ 11,940,923
2003-04	852	\$ 156,481,352	329	\$ 47,314,342	523	\$ 9,896,260
2004-05	875	\$ 148,078,194	354	\$ 51,090,986	521	\$ 4,786,799
2005-06	865	\$ 156,825,028	460	\$ 77,095,809	405	\$ 3,373,762
2006-07	817	\$ 159,731,959	605	\$ 115,460,795	212	\$ 694,377
2007-08	787	\$ 178,536,729	702	\$ 160,643,344	85	\$ 6,623

Refunds for apartment properties spiked after 1999-00 due to a sharp drop in the class ratio

Judicial Proceedings by Year of Filing Class 1 Parcels

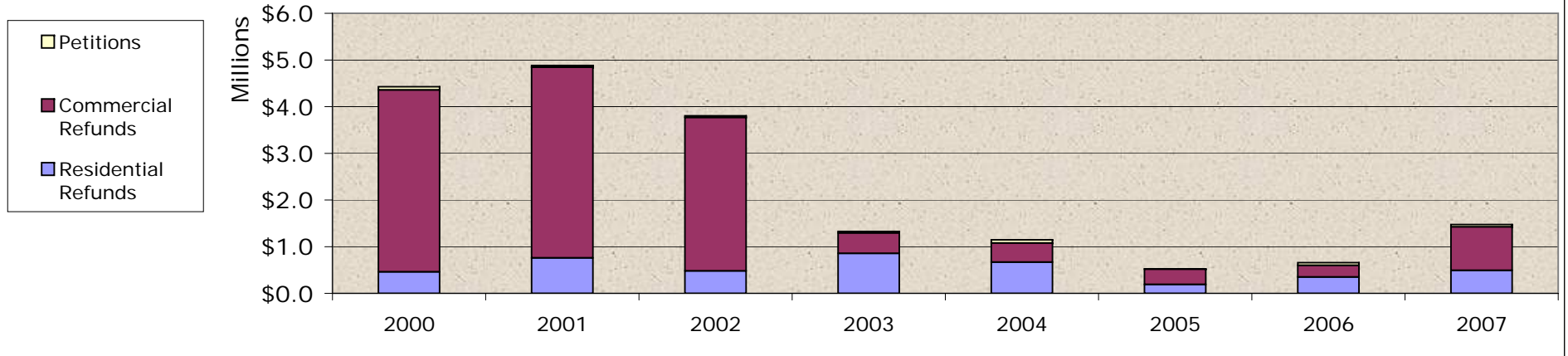
Year	Proceedings Filed		Open Proceedings		Proceedings Resolved Through April 2008	
	Writs	Tax Levied	Writs	Tax Levied	Writs	Tax Refunded
1992-93	1,215	\$ 51,090,212	464	\$ 10,816,653	751	\$ 4,493,325
1993-94	937	\$ 50,621,114	285	\$ 10,248,186	652	\$ 3,747,062
1994-95	886	\$ 49,268,702	300	\$ 11,170,652	586	\$ 2,285,251
1995-96	908	\$ 52,670,799	332	\$ 12,102,903	576	\$ 2,106,199
1996-97	882	\$ 52,775,482	372	\$ 13,863,898	510	\$ 1,866,608
1997-98	839	\$ 53,981,194	338	\$ 13,764,202	501	\$ 1,726,180
1998-99	833	\$ 52,442,883	406	\$ 14,197,671	427	\$ 900,402
1999-00	773	\$ 51,288,913	399	\$ 13,402,764	374	\$ 691,174
2000-01	881	\$ 51,705,970	455	\$ 14,199,927	426	\$ 586,826
2001-02	758	\$ 55,284,481	382	\$ 14,208,823	376	\$ 641,195
2002-03	885	\$ 63,859,297	508	\$ 17,957,426	377	\$ 824,335
2003-04	1,280	\$ 88,992,815	795	\$ 34,903,640	485	\$ 2,692,844
2004-05	1,220	\$ 89,501,146	780	\$ 37,258,387	440	\$ 1,308,460
2005-06	1,105	\$ 84,714,309	774	\$ 49,405,733	331	\$ 1,067,744
2006-07	1,048	\$ 71,341,795	785	\$ 60,742,920	263	\$ 115,625
2007-08	955	\$ 92,133,510	778	\$ 87,329,385	177	\$ 3,860

Attorneys file many writs for townhouse condominiums and other residential parcels, but in recent years few have resulted in refunds.

SMALL CLAIMS FILINGS AND RESULTS

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Parcels with Small Claims	35,800	40,097	31,422	45,651	36,550	57,626	51,060
Petitions	36,169	40,520	31,704	46,557	36,781	57,890	51,356
All Reductions	21,355	23,539	17,031	21,266	18,802	26,627	7,752
No Reductions	13,994	16,234	13,002	22,353	15,794	27,825	13,730
Withdrawn	319	206	955	1,501	991	1,131	787
Invalid	132	117	232	193	858	2,008	3,894
Pending	0	1	202	338	105	35	24,897
Average Tax Under Review	\$7,056	\$8,048	\$10,231	\$10,571	\$12,314	\$11,422	\$12,446
Percentage Reduced	60%	59%	57%	49%	54%	49%	36%
Average Tax Reduction	\$521	\$579	\$1,045	\$927	\$1,280	\$900	\$924
Average % Reduction	7%	7%	10%	8%	10%	8%	7%
Total Tax Reductions	\$11,116,588	\$13,633,214	\$17,790,452	\$19,712,898	\$24,065,109	\$23,964,066	\$ 7,164,197

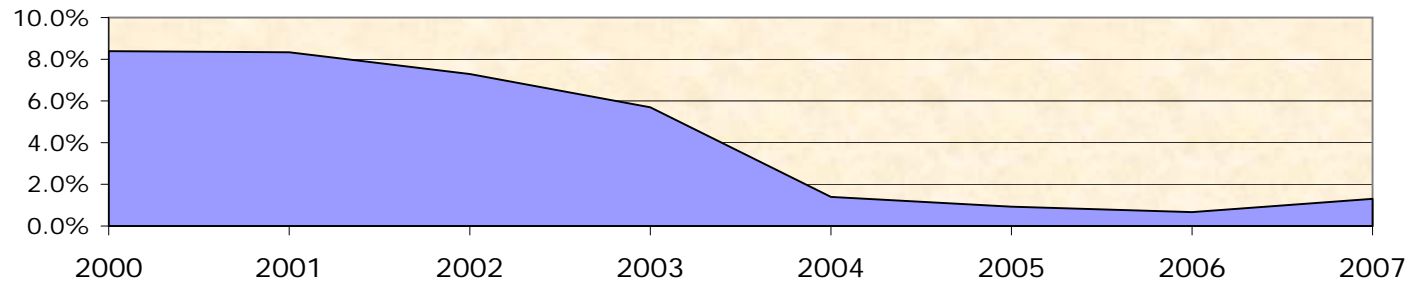
INTEREST PAYMENTS



INTEREST PAID BY CALENDAR YEAR

	2000	2001	2002	2003	2004	2005	2006	2007
Petitions	69,712	37,334	36,379	31,441	67,230	7,527	56,294	48,490
Commercial Refunds	3,897,386	4,085,113	3,288,250	436,811	408,711	327,099	252,264	932,292
Residential Refunds	459,910	759,150	480,160	856,310	669,887	189,512	348,514	492,036
TOTAL	4,427,008	4,881,597	3,804,789	1,324,562	1,145,828	524,138	657,072	1,472,818
Refund Principal	53,110,740	66,926,258	66,842,022	94,612,072	123,363,821	78,831,041	50,341,131	80,095,501
Interest as % of Principal	8.3%	7.3%	5.7%	1.4%	0.9%	0.7%	1.3%	1.8%

Interest on Refunds as a Percentage of Principal



Interest, as a percentage of refunds paid, continues to be significantly below the percentages recorded prior to the 2003-04 year, the first year the County's revaluation project took effect.

2008-09 APPEAL STATUS OF 50 MAJOR PROPERTIES

Property	Use	Market Value	ARC Reduction 2008-09	Last Resolution	
Roosevelt Field	Retail Mall	\$ 406,440,417	0%	2004-05	Discontinued
Reckson Plaza	Offices	\$ 227,509,792	0%	1995-96	Settled
Green Acres	Retail Mall	\$ 205,926,354	31%	2008-09	Settled
I Park	Offices	\$ 154,375,104	0%	2000-01	Settled
Broadway Mall	Retail Mall	\$ 143,463,958	13%	2005-06	Settled
Belmont	Race Track	\$ 130,294,063	32%	2007-08	Settled
Sunrise Mall	Retail Mall	\$ 121,906,771	0%	2003-04	Discontinued
Source Mall	Retail Mall	\$ 114,915,833	25%	2008-09	Settled
Omni	Offices	\$ 93,002,813	10%	2004-05	Discontinued
Franklin Av Plaza	Offices	\$ 89,783,125	0%	2006-07	Settled
Wyndham	Condominium Apts	\$ 89,676,563	0%	2005-06	Discontinued
Americana	Retail Mall	\$ 81,928,125	0%	2004-05	Discontinued
Costco Plaza	Retail Mall	\$ 75,069,375	0%	2007-08	Denied
Ring Road Office Complex	Offices	\$ 71,628,958	0%	2005-06	Settled
Home Depot Expo	Retail Mall	\$ 63,531,979	0%	2003-04	Discontinued
Archstone Communities	Rental Housing	\$ 63,248,021	0%	2006-07	Settled
Marriott Hotel	Hotel	\$ 61,343,750	0%	2008-09	No Protest
1979 Marcus Ave	Offices	\$ 61,187,708	6%	2002-03	Settled

2008-09 APPEAL STATUS OF 50 MAJOR PROPERTIES

Property	Use	Market Value	ARC Reduction 2008-09	Last Resolution	
Philips at Sunrise	Retail Mall	\$ 59,010,104	5%	2006-07	Settled
Five Towns Center	Retail Mall	\$ 55,843,854	12%	2007-08	Settled
Triad IV	Offices	\$ 54,469,479	0%	2006-07	Discontinued
Triad III	Offices	\$ 53,480,625	0%	2008-09	Discontinued
Jericho Plaza	Offices	\$ 53,247,083	0%	2007-08	Discontinued
Northrop Grumman	Industrial Bldg	\$ 52,071,458	0%	2004-05	Settled
Woodbury Center	Retail Mall	\$ 51,369,688	0%	2006-07	Discontinued
711 Stewart Avenue	Offices	\$ 49,942,708	0%	2005-06	Discontinued
Jericho Quadrangle 2	Offices	\$ 49,595,208	0%	2006-07	Settled
Roslyn Gardens	Cooperative Apts	\$ 47,843,958	0%	2004-05	Settled
Jericho Quadrangle 1	Offices	\$ 47,558,229	7%	2005-06	Settled
Fairhaven - Woodbury	Apartments	\$ 46,979,688	0%	2004-05	Settled
One Jericho Plaza	Offices	\$ 46,862,604	0%	2006-07	Discontinued
100 - 110 Duffy Avenue	Offices	\$ 46,188,125	8%	2006-07	Settled
Country Glen Shopping Center	Retail Mall	\$ 46,164,271	0%	2007-08	Discontinued
Bay Harbor Mall	Retail Mall	\$ 44,769,375	0%	2005-06	Discontinued
North Shore Atrium I and II	Offices	\$ 44,339,479	16%	2005-06	Settled
Atria West	Offices	\$ 44,303,125	0%	2004-05	Settled

2008-09 APPEAL STATUS OF 50 MAJOR PROPERTIES

Property	Use	Market Value	ARC Reduction 2008-09	Last Resolution	
The Pavillion	Offices	\$ 43,231,667	23%	2006-07	Settled
Jericho Quadrangle 3	Offices	\$ 42,830,313	14%	2006-07	Settled
1985 Marcus Avenue	Offices	\$ 42,674,271	0%	2005-06	Discontinued
2001 Marcus Ave	Offices	\$ 42,361,146	0%	2002-03	Discontinued
Garden City Hotel	Hotel	\$ 42,142,188	0%	1994-95	Settled
700 Hicksville Road	Industrial Bldg	\$ 41,853,750	0%	2005-06	Discontinued
Plainview Complex	Land	\$ 40,788,021	0%	2004-05	Settled
1600 Stewart Avenue	Offices	\$ 39,957,292	6%	1995-96	Settled
Manhasset Center	Retail Mall	\$ 39,912,500	11%	2008-09	Settled
55 Charles Lindbergh Blvd	R & D Center	\$ 39,861,875	0%	2007-08	Discontinued
90 Merrick Avenue	Offices	\$ 39,731,875	0%	2007-08	Discontinued
Froehlich Farm Blvd	Offices	\$ 39,435,104	0%	2000-01	Discontinued
One Old Country Road	Offices	\$ 39,116,875	18%	2005-06	Settled
Lake Success Shopping Center	Retail Mall	\$ 38,801,562	0%	2005-06	Discontinued

ASSESSMENT REVIEW COMMISSION

ANNUAL REPORT

2008-09

PROGRAM DESCRIPTION, ACCOMPLISHMENTS AND PLANS

Overview

Nassau County's residential and commercial property owners can have errors in their property's assessment corrected before the tax is due. ARC – the Assessment Review Commission – has the ability to act on any assessment that is appealed by the owner or other person responsible for the tax payments. If the assessment is shown to be excessive, ARC may direct that the assessment be corrected even before the tax bill is calculated. ARC is an independent body separate from the Department of Assessment.

ARC reviews all of the appeals that it receives by the filing deadline, which is the first business day of March in any particular year, and makes a determination by April 1 of the following year. ARC received appeals involving just under 133,000 parcels, including approximately 115,000 residential parcels for the 2008-09 tax year. Nearly all of these appeals challenged the full value estimated by the Department of Assessment by making a claim that is legally defined as *unequal assessment*. A small number of appeals also sought correction of exemption or classification determinations.

ARC's timely adjustments allow many homeowners and business taxpayers to pay their fair share of local taxes and avoid paying excess amounts due to any inaccuracies in the initial valuation by the Department of Assessment's mass appraisal process. In many instances these corrections are implemented on the final tax roll or by corrected tax bills so that taxpayers have no need to pay the excess tax and wait to receive a refund. Further, where ARC acts on the current assessment, taxpayers avoid the costs and delay of litigation.

ARC also has concurrent authority with the courts to resolve most past claims preserved by lawsuits against the County. ARC's settlement process is streamlined and can resolve cases much sooner than they can be adjudicated by the courts.

Purpose of ARC review of tentative assessments

Every property owner's bill for school, town, county and special district taxes is based on the budgets of the several districts and the value of the property as estimated by the County's Department of Assessment.

After the tentative annual assessment is published on January 2, taxpayers may file an Application for Correction of Assessment with ARC. The last day to file for the period covered by this report was March 1. ARC may reduce the assessment or leave it unchanged; it cannot increase assessments. ARC may also correct a property's classification for tax purposes and grant exemptions that were denied on the initial application to the Department of Assessment.

Property owners may complete the application for themselves; there is no requirement that they be represented by an attorney. There is no filing fee.

During the year following the filing of the applications, ARC reviews the tentative assessments that have been challenged and makes a determination in time for entry on the final assessment roll, which is published on April 1 of the following year. The tax bills based on this assessment are issued on the following October 1 for school purposes and January 1 for general municipal purposes.

Judicial review of assessments confirmed by ARC

Taxpayers who do not receive an offer of reduction, or who seek a greater reduction, may obtain judicial review by filing a petition by the last business day in April or within 30 days of the final determination by ARC. Residential taxpayers may make use of a Small Claims procedure.

Once a proceeding is commenced, the County is represented by the County Attorney's office. However, ARC has concurrent authority to resolve most years involving outstanding litigation challenging assessments. For those years where ARC does not have authority it began to work closely with the County Attorney's office to speed the resolution of pending commercial assessment challenges.

Small Claims Assessment Review (SCAR) proceedings in the Supreme Court involve owner-occupied residential properties whose owners usually opt for this simplified form of litigation. Although the program was established as a means to allow homeowners to act on their own behalf, in Nassau County, law firms and grievance services file most SCAR proceedings. Unlike the case with commercial assessment litigation, these cases involve only one tax year and are resolved within 18 months. The County Attorney delegates most responsibility for defense of Small Claims cases to the Department of Assessment, which has hired a staff for this function.

The settlement process for residential cases now occurs at ARC during its review of the administrative appeals, which are prerequisites to judicial proceedings, including Small Claims.

The need for an administrative review process

Until 2002 the County relied almost exclusively on the litigation process to resolve assessment disputes. In every case, the taxpayer claiming an assessment error was required to file an application with ARC or its predecessor, the Board of Assessment Review, which would almost invariably deny the application. The taxpayer would then commence a lawsuit in the Supreme Court's tax certiorari part or its Small Claims Assessment Review program for residential properties. While the litigation continued the taxpayer paid taxes on the disputed assessment. If the taxpayer was successful, the County paid all of the refunds, including those for school and town taxes.

This slow moving process applied whether the case was simple or complex and whether the County admitted an error or disputed the claim. It benefited neither the property owners nor the County taxpayers.

During the 1980s and 1990s the increasing inaccuracy of the County's frozen assessment roll overloaded this litigation model and deprived the County of an effective means of defending its assessments. As a result it was exposed to potential refund liability even for accurate valuations.

At that time the County used the Assessment Review Commission's powers primarily as a mechanism to carry-forward settlements negotiated by the County Attorney for prior years. The Assessment Review Commission lacked the resources or mandate to do more.

The lack of an effective administrative review process contributed to the accumulation of more than \$1.8 billion in County debt for tax refunds paid with borrowed money.

Legislative changes

The Assessment Review Commission was established by 1998 state legislation that replaced the Board of Assessment Review with an entity that had powers similar to New York City's Tax Commission. However, the new entity, like its predecessor, had effectively only two weeks to make changes to the final assessment roll. Amendments in 1999 deprived the new body of its power to require property owners to submit relevant information.

In 2002, the statute was again amended at the request of the County with support from the Nassau County Interim Financing Authority. This legislation created a new assessment and review schedule that allowed ARC a full year to correct the final assessment roll and restored the power to require relevant information in the same manner as boards of assessment review elsewhere in the state. A

sunset provision in the 2002 legislation will eliminate the one-year review period after 2012 unless the law is again amended.

Boards of Assessment Review in New York State review only the most recent tentative assessment roll. The 1998 legislation granted ARC the power to also review as many as three pending challenges preserved by judicial proceedings. The 2002 legislation temporarily expanded this to give ARC the authority to review all pending challenges. This authority to review all pending challenges ended in 2006 and currently ARC has the authority to review the current application and any open challenges for the three previous tax years.

With the power to review only a limited number of open tax years ARC consults with the County Attorney's office in order to resolve all pending challenges. This is being done to streamline the implementation of settlements, avoiding the need for ministerial actions by the court system, and eliminating multiple handoffs between law firms representing taxpayers, County departments and town tax receivers.

Building a new infrastructure

In order to make use of the powers granted by the 1998 and 2002 state legislation, the County Executive and the County Legislature charged the Assessment Review Commission with substantial new responsibilities for implementing aspects of the Financial Plan and provided the necessary resources.

In order to create a new way of doing business, the Assessment Review Commission:

- Adopted permanent rules of procedure approved by the County Legislature.
- Appointed 25 full-time appraisers from civil service lists making ARC one of the largest and most

experienced groups of professional appraisers on Long Island. In addition to supporting the mission of the Assessment Review Commission, the staff appraisers provide consulting services to other County departments.

- Acquired the services of experts in appraisal automation, statistical analysis and assessment administration.
- Developed electronic templates for commercial and residential appraisals that capture all of the essential facts, figures and calculations used to determine value and facilitate internal quality control procedures.
- Developed easy to use appeal forms adapted to electronic filing over the Web (AROW). Nassau is one of the first assessing jurisdictions in the country to do so and the only one in New York State.
- Established a customer service group to assist taxpayers who chose to appeal on their own behalf.
- Established procedures for notifying the Department of Assessment of errors in the data used for assessment determinations.
- Developed a streamlined settlement documentation process that eliminated many steps and potential sources of error.
- Developed a system for conveying corrected tax data to the town and city receivers for purposes of issuance of corrected tax bills.
- Made information on assessment review proceedings readily available to the public via the Web. Owners, tenants, lawyers, municipal officials and interested citizens can look

up the status of any proceeding, including the amount of any refund paid.

- Worked with County Information Technology staff to build a tracking system that links records from multiple legacy computer systems. The new system is being used for a program of correcting assessments on the final roll, and to help monitor the use of the annual appropriation for refunds.
- Assembled a rental database by collecting, abstracting and indexing data received from owners in connection with ARC's review process.
- Maintain additional real estate data from independent commercial sources.
- Obtained access to the Department of Assessment's physical inventory data and building photographs and the County's Geographic Information System and aerial photography.
- Developed statistical models that assist in analyzing risk, prioritizing cases and assigning appraisal and quality control work.
- Developed and documented detailed procedures for key operational processes and controls.
- Developed procedures for assessment ratio and trend analysis. Our residential and general procedures have been reviewed and approved by an independent auditing firm.
- Worked with the County Comptroller and outside audit firm to develop methodology for estimating potential liability for future refunds.

ARC plans to continue to further secure and improve its capacity to accurately determine appeals. ARC will maintain its staff development and training programs. We will expand on our use of statistical models to include additional property types. ARC will enhance existing technical systems and participate in the next phase of technical development that will provide greater integration with other departments involved in assessment and tax administration.

ASSESSMENT REVIEW COMMISSION

PRIORITY PLAN FOR 2009-10

The Assessment Review Commission plans to review all completed applications for correction of residential and commercial property assessments during the period from March 3, 2008, through April 1, 2009.

Where applications are incomplete the Assessment Review Commission may request that the missing data be supplied and, may dismiss cases with prejudice where the information requested is not supplied and the applicant or his or her agent willfully refuses to be examined.

To the extent that assessment challenges not resolved by the Commission are preserved by viable proceedings pursuant to Article 7 of the Real Property Tax Law, the Commission may review those matters again annually during the period for which it retains jurisdiction pursuant to Real Property Tax Law § 523-b.

In setting its schedules for information requests, reviews, examinations, settlement conferences and notices of determination, the Assessment Review Commission will consider the following:

Probability that the assessment will be found excessive.

Extent of the estimated excess liability.

Increase over a previous settlement.

Extent of increase in taxable valuation over prior year's valuation.

Claim of error in an exemption or classification determination.

Assessment increase attributed to new construction or renovation in excess of claimed actual value added.

Apparent discrepancy between the owner's and Department of Assessment's physical inventory information.

NOTES ON STATISTICAL TABLES AND CHARTS

Definitions:

Class 1 One, two and three family homes. Townhouse condominiums. Residential vacant land.

Class 2 Apartments, including other condominiums, cooperatives and rental housing.

Class 3 Utility company equipment and special franchises.

Class 4 Other nonresidential property.

Residential cases: Assessment review proceedings involving residential property resolved by the Assessment Review Commission or Small Claims hearing officer decision.

Commercial cases: Assessment review proceedings resolved by the Assessment Review Commission, pre-trial settlement or court order: Mostly commercial property but including Class 1 properties for which judicial proceedings other than Small Claims are filed.

Petitions: Corrections of clerical errors requested by the County Assessor and reviewed by the Assessment Review Commission or the County Legislature.

Cancellations: Reductions of liability due to assessment corrections for taxes levied that are either not yet billed or unpaid.

Refunds: Except as otherwise noted, reductions of tax liability by refund or cancellation, including interest.

Tax year: The tax year is identified by the years in which the final assessment is published and taxes are billed. School taxes are billed in the same year that the final roll is published; general taxes in the following year. Data reported by tax year are based on the assessment involved in the transaction rather than by the date of the transaction. For example, a refund paid in December 2007 based on a settlement of a proceeding challenging the final assessment published in April 2002 is reported for the 2002-03 tax year.

Sources: Except as noted sources are Nassau County Assessment Review Commission, Department of Assessment and Department of Information Technology.

Tables and Charts:

Estimated New Refund Liability by Tax Year. Estimated liability for tax refunds (principal only) arising from assessment errors on most recent tax roll, as of December 31 in the year the roll was published. The total liability estimate is based on the most recent audited Refund Liability Study but breakdowns by tax year are unaudited estimates.

Estimated Tax Refund Liability. Estimated total liability for tax refunds (principal and interest) that existed as of December 31 in each year.

Taxes Levied in Nassau County. The County levies include taxes levied for the fiscally independent Nassau Community College. Town and village levies include fire district taxes. School taxes include coterminous library district taxes. Charges not based on value and taxes for prior periods are excluded. Sources: Department of Assessment, Office of the State Comptroller, Office of Real Property Services.

Tax Levies, Market Value and Effective Tax Rates by Class. Market values are based on total assessed value of taxable properties and assessment ratios used for tax review purposes. Levies include those subject to the County Guarantee.

Market Value and Tax Levy Growth See previous note.

Composition of Market Value and Tax Levies by Class. See previous note.

Administrative Appeals by Tax Year. Data for most recent year is subject to adjustment. Filings for Class 3 and Class 4 utility properties are estimates for years prior to 2006-07.

Method of Filing Appeals by Individual Taxpayers and Representatives. Trends in filings by individuals and representatives are shown since the inception of the on-line filing system known as AROW (Assessment Review On the Web).

Administrative Appeals by School District. See previous note on administrative appeals by tax year.

Roll Reductions by the Assessment Review Commission. Tax liability and tax reduction are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for each class.

Assessment Review Commission Actions on Administrative Appeals. Tax liability and tax reduction are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for each class.

Residential Results on Administrative Appeals by Representative Type. See previous note.

Tax Refunds by Year of Payment. Principal and interest. Source: Office of the County Treasurer.

Judicial Proceedings – Class 4 Parcels. Tax liability and tax refunds are estimated based on total assessed value, before deduction of partial exemptions, and county-wide average tax rates for the class and year. Refund amounts include refunds without settlement, which do not finally resolve the proceeding.

Judicial Proceedings – Class 3 Parcels. See previous note.

Judicial Proceedings – Class 2 Parcels. See previous note.

Judicial Proceedings – Class 1 Parcels. See previous note.

Small Claims Filings and Results. Partial results are reported to coincide with dates covered in annual report.

Interest Paid by Year. Principal includes cancellations. Cancellations and refunds other than commercial refunds are estimated based on data from the Office of the County Treasurer.

Appeal Status of Major Properties. Market values are based on total assessed value of taxable properties and assessment ratios used for tax review purposes. Actions stated are subject to adjustment.

The tables and charts in this Annual Report were prepared by Thomas Poli. Data and analysis were provided by Mark MacArthur, John Spara, John Stanco, Sunil Beesham, Angelo Tomeo and Regina Mahony Goodman.

ASSESSMENT AND REVIEW CALENDAR FOR THE 2009-10 TAX YEAR

January 2, 2008	Department of Assessment publishes tentative assessment roll based on value as of this date.
March 3, 2008	Last day to file an appeal.
March 3, 2008 – April 1, 2009	The Assessment Review Commission reviews appeals and makes determinations.
January 2, 2009	Last day to file an application for a new exemption with the Department of Assessment. Eligibility for exemptions determined as of this date. Department of Assessment publishes revised tentative assessments reflecting new construction or expansion of improvements. Value determined as of this date for property affected by new construction, expansion or destruction of improvements, or change in exempt status.
March 2, 2009	Last date to appeal tentative assessment, not previously appealed, that was revised due to construction or change in exempt status or for Department of Assessment's failure to reflect new exemption or destruction of improvements.
April 1, 2009	Department of Assessment publishes final assessment roll reflecting changes made by the Assessment Review Commission, exemption changes and changes due to destruction of improvements.
April 30, 2009	Last day to file for judicial review of the Assessment Review Commission's determination.
October 1, 2009	Town Receiver of Taxes mails school tax bill based on April 2009 assessment.
January 1, 2010	Town or city receiver mails general tax bill based on the April 2009 assessment.