

Town of Madrid

Equity Assessment Project

2026

Goal of the Project

The goal of the equity assessment project is to establish uniform, fair and equitable assessment on all real property types.

Understanding Property Reassessments: What Homeowners Need to Know

Property reassessments can be a source of confusion and concern for many homeowners. If your town is undertaking a reassessment of homes, it's important to understand what this means for you and your property taxes. This will break down the reasons behind reassessments, how they affect your taxes, whether you should allow the assessor into your home, and other key points to consider.

What is a Reassessment?

A property tax reassessment is the process by which a local tax authority re-evaluates the assessed value of properties to ensure a fair and equitable distribution of the tax burden. The tax assessor's job is to update assessments to reflect current market values, not to increase tax revenue for the municipality.

Why Do Towns Conduct Property Reassessments?

Ensuring Fair Tax Distribution

Over time, property values can change due to market fluctuations, renovations, or neighborhood developments. **A reassessment adjusts the assessed value of properties to reflect their**

current full market value. This process ensures that property taxes are distributed fairly and equitably among homeowners based on the actual worth of their properties.

Compliance with New York State Assessment Standards

Many jurisdictions have periodic reassessments to comply with state laws, Assessment Standard RPTL 305: "All Real Property in each assessing unit shall be assessed at a uniform percentage of value." This helps maintain equity in the tax system and prevents outdated assessments from creating disparities among taxpayers.

"Value" is defined as "Market Value" - The most probable sales price, in a competitive and open market, between a willing and knowledgeable buyer and seller, made without duress to either party

The tax bill must display the Municipality's uniform percentage and the parcel's market value.

Will My Property Taxes Go Up or Down?

Understanding Revenue Neutrality

INCREASED ASSESSMENTS DO NOT CAUSE INCREASED TAXES. A common misconception is that reassessments are a way for towns to increase tax revenue. In reality, the total amount of property tax revenue collected by the town remains the same unless a tax rate change is approved through the proper channels (such as a vote). The reassessment redistributes the tax burden based on updated property values.

Your tax bill results from the BUDGETS created by the School, Town and County. Your assessment may have not changed for many years, yet your property tax has increased - this is due to increased Budgets.

Individual Impact Varies

- **If Your Property Value Increased More Than the Average:** You may see a rise in your property taxes because your home's value has increased more relative to others.
 - **If Your Property Value Increased Less Than the Average or Decreased:** You might experience a decrease or minimal change in your property taxes.
 - **Important Note:** The key factor is how your property's value has changed in comparison to the average change in your area.
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Reassessments Are Not a Tax Increase Strategy

Maintaining Tax Equity

The primary goal of a reassessment is to ensure tax equity, not to generate more revenue. By adjusting property values to their current market values, the town ensures that each homeowner pays their fair share based on the true value of their property. Taxes are a zero-sum game. What one property owner doesn't pay will be picked up by someone else. So if one property or one neighborhood is significantly under assessed, not only are they paying too little in taxes but other property owners are subsidizing that taxpayer or neighborhood's share of the bill.

Transparent Process

- **Public Meetings and Notifications:** Towns often hold public meetings to explain the reassessment process.
 - **Opportunity for Appeals:** Homeowners usually have the right to appeal their new assessment if they believe it does not accurately reflect their property's value.
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Advantages of a Stable Property Tax Base Through Reassessment

- **Equity** - Property owners receive fair and equal treatment when all properties are assessed at a uniform level.
- **Corrects Inequities** - Taxes do not go up as a result of reassessment itself. Those who were unfairly paying too much will pay less, and those who are unfairly paying too little will pay more. Reassessment really merely corrects the inequities, with no net tax increase, reassessment is a zero-sum game.
- **Overall taxes do not increase significantly** - merely raising the assessed value to market value, by itself, does not raise individual owners taxes. Your taxes increase significantly only if you were previously under assessed (and, therefore, paying too little in taxes). For each property owner that sees an increase in taxes, someone else will see **their taxes come down**.
- **Reassessment does not help or hurt a particular group. Example: older residents or poorer neighborhoods.** - It all depends on whether the individual's property was previously undervalued or overvalued. The result, typical reassessment will help homes and neighborhoods that have not appreciated as fast as the rest of the community.

Risks of Not Maintaining Assessment Equity

- **Fluctuating Equalization Rates** - In Non-reassessment municipalities, rates will change each year as the overall market values change, causing a shift in the County and School portion. Taxpayers also do not understand why their “Full Market Value” as stated on their tax bills has changed, when their assessments have remained the same.
 - **Exemptions** - Fixed dollar exemption amounts that are dependent upon Equalization Rates (such as the Alternate Veterans Exemption) will drop as the rate drops. This increases the overall taxable portion of your assessment, resulting in higher taxes.
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Should You Let the Assessor Into Your Home?

Benefits of Allowing Interior Inspections

- **Accurate Assessment:** Letting the assessor view the interior can lead to a more accurate valuation. They can consider recent renovations or note areas that may decrease your property's value.
- **Avoiding Assumptions:** Without an interior inspection, assessors may rely on estimates or external factors, which could result in an overestimation of your property's value.

Privacy Considerations

- **Your Right to Decline:** You are not legally obligated to allow an assessor inside your home. However, be aware that this may affect the accuracy of your assessment.
 - **Scheduled Appointments:** Assessors typically schedule visits in advance, allowing you to prepare for their arrival.
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Other Pertinent Points for Homeowners

Review Your Assessment Notice Carefully

- **Check for Errors:** Ensure that all property details are correct, including square footage, number of rooms, and any improvements.
- **Understand the Valuation Method:** Assessments may be based on market value, replacement cost, or income potential (for rental properties).

Know How to Appeal

- **Gather Evidence:** If you believe your assessment is too high, collect comparable property values, recent sales data, or appraisals.
- **File Timely Appeals:** Be aware of the deadlines and procedures for filing an appeal in your jurisdiction.

Prepare for Future Reassessments

- **Keep Records of Changes:** Document any significant changes to your property, whether improvements or damages, to support future assessments.
- **Stay Informed About Market Trends:** Understanding how the real estate market is performing in your area can help you anticipate changes in your property's assessed value.

Conclusion

Property reassessments are a routine part of maintaining a fair and equitable property tax system. While the idea of a reassessment may cause concern, understanding the process can alleviate uncertainty. Remember that a reassessment doesn't necessarily mean an increase in your taxes—it aims to distribute the tax burden fairly based on current property values. By staying informed, reviewing your assessment carefully, and knowing your rights, you can navigate the reassessment process with confidence.

The reassessment process

1. **Mass appraisal:** An assessor reviews market sales and other indicators within a jurisdiction to determine which properties need a valuation adjustment.
2. **Property data collection:** Assessors gather data about a property, which can include measuring the lot and building, noting the number of bedrooms, bathroom and features like garages, storage building, pools, and observing its physical condition. Sometimes, a physical re-inspection is needed.
3. **Valuation:** The assessor uses mass appraisal techniques to estimate the current market value of all properties in the municipality.
4. **Notification:** After the values are updated, property owners receive a notice of their new assessment.
5. **Tax bill calculation:** The local government sets a total tax levy (the amount of money needed to fund services). This levy is then divided among all taxpayers based on their property's assessed value. A higher assessed value does not automatically mean a higher tax bill, especially if the overall tax rate decreases proportionally.

How to appeal a reassessment

If you believe your property has been inaccurately valued, you have the right to appeal.

1. **Review the notice:** Carefully check the assessment notice and your property's record card for any factual errors, such as incorrect square footage, number of rooms, or features.
2. **Gather evidence:** Collect recent sales data for comparable properties in your area. Look for homes of similar size, age, condition, and location.
3. **Contact the assessor:** Many jurisdictions encourage an informal review with the assessor's office first to resolve any issues.
4. **File a formal appeal:** If an informal review is unsuccessful, file a formal grievance with the local appeals board before the deadline. You will need to present your evidence, including photos and comparable sales data.
5. **Attend a hearing:** If your case goes to a hearing, present your findings to the review board calmly and professionally. Stick to the facts and your evidence.

How A Reassessment Affects Your Taxes

A reassessment can either raise or lower your property tax bill, depending on how your property's new assessed value compares to its previous one. The effect isn't just about your individual property—it also depends on how values shift across your neighborhood or municipality.

If Your Assessed Value Increases

A higher assessed value usually means higher taxes, especially if your increase is above the average in your area. However, if everyone's values go up similarly, your share of the tax burden might not change much.

If Your Assessed Value Decreases

A drop in your property's value can lower your taxes, but not always. If the entire area declines in value, your percentage share might stay the same, or even increase, depending on how other properties change.

Tax Rate Vs. Assessed Value

Remember, your total tax bill is a function of both the assessed value and the local tax rate. Sometimes, local governments adjust tax rates to balance their budgets after a reassessment, which can offset the change in your home's value.

How To Prepare For A Property Tax Reassessment

Being proactive can help you manage the impact of a property tax reassessment—and possibly avoid overpaying. Here are some pivotal steps to help you get ready:

Keep Records Of All Property Changes

Maintain documentation for any renovations, repairs, or upgrades you've made. This helps justify your property's value if needed and clarifies what does or doesn't contribute to an increase.

Track Comparable Properties

Keep an eye on recent sales in your neighborhood. If similar homes are selling for less than your assessed value, you may have grounds for appeal.

Review Past Assessments

Go over previous assessment notices and property descriptions. If there are errors, like inflated square footage or incorrect features, you'll want to get them corrected before the next reassessment.

Budget For Possible Increases

Even if you believe your property hasn't changed much, market-driven reassessments can still raise your tax bill. Setting aside funds for a potential increase can prevent financial surprises.

What To Do If You Think Your Reassessment Is Wrong

If you believe your new assessed value is too high or based on incorrect data, you have the right to challenge it. Here's how to take action:

Review The Assessment Notice Carefully

Check for mistakes in property details like square footage, number of bedrooms, or recent improvements. Even minor errors can affect your tax burden.

Gather Evidence

Collect photos, property records, and recent sales data from comparable homes in your area. This evidence will support your case if you choose to file an appeal.

Understand The Appeals Process

Most jurisdictions have a formal process and strict deadlines for submitting appeals. This usually involves submitting documentation and possibly attending a hearing.

File A Timely Appeal

Appeals must often be filed within a certain timeframe of receiving your notice. Waiting too long could forfeit your right to dispute the assessment.

Consider Professional Help

Consulting local appraisers, realtors can simplify the appeal process and possibly get to reduce inflated valuations.

Frequently Asked Questions About What Causes A Property Tax Reassessment

Does New York State Require Reassessments?

NO

New York state real property tax law addresses the issue of assessment equity. While it does not require assessments to be 100% of Market Value, it does establish a standard that assessments be a fair and uniform percentage of market value.

Who is responsible for assessments and who is responsible for taxes?

Assessments are determined by the Assessor, who independently estimates the market value of real property in your community. Market value is how much a property would sell for under normal conditions.

Your taxing jurisdictions: School, Town, County etc. are responsible for developing and adopting the Budgets. There are several steps involved in the process - revenue from all sources other than property taxes are determined. After revenues are subtracted from the budget, they arrive at a Tax levy. This is the total amount necessary to be raised by Property taxes.

What is the difference between Market Value and Assessment of my property?

The market value of your property is generally defined as what the property would sell for under normal conditions.

The Town of Madrid is currently assessed at a fraction of market value (**69%**), your assessment should be based on the same percentage used throughout the community.

How often are properties reassessed?

The frequency varies by municipality. Some reassessments occur annually, while others are done every few years or only when triggered by the real estate market.

Will insurance claims or repairs after damage affect my assessment?

Usually, repairs that restore your home to its original condition after damage (e.g., storm, fire) don't result in reassessment. However, improvements that enhance the property beyond its previous state might.

Do reassessments apply to rental properties or vacation homes?

Yes, all real estate, including secondary homes and rental properties, can be subject to reassessment.

Can I prepare in advance even if no reassessment is scheduled?

Absolutely. Proactively maintaining accurate records, staying informed about local market trends, and understanding your rights will position you well whenever a reassessment occurs.

Does a property tax reassessment automatically mean higher taxes?

Not always. While many reassessments result in higher values, they don't guarantee a larger tax bill. Your taxes may stay the same—or even decrease—if the tax rate is adjusted accordingly or if your value increase is modest compared to others in the area.

Assessments VS. Taxes

What's the Difference?

Your Assessment could **INCREASE**
Your Assessment could **DECREASE**

Sample 1 Decrease

	2025		2026
Assessment	\$100,000	Assessment: (5% increase)	\$105,000
Total Value of Town:	\$50,000,000	Total Value of Town (8% increase)	\$54,000,000
Total Budget Levey	\$1,500,000	Total Budget Levey	\$1,500,000
Tax Rate	\$30 per \$1000	Tax Rate	\$27.78 per \$1,000
Your Tax Bill:	\$3,000	Your Tax Bill:	\$2,917 (Decrease of \$83)

Sample 2 No Change

	2025		2026
Assessment	\$100,000	Assessment: (5% increase)	\$105,000
Total Value of Town:	\$50,000,000	Total Value of Town (8% increase)	\$54,000,000
Total Budget Levey	\$1,500,000	Total Budget Levey	\$1,542,855
Tax Rate	\$30 per \$1000	Tax Rate	\$28.57 per \$1,000
Your Tax Bill:	\$3,000	Your Tax Bill:	\$3,000 (no change)

Sample 3 Increase

	2025		2026
Assessment	\$100,000	Assessment: (5% decrease)	\$95,000
Total Value of Town:	\$50,000,000	Total Value of Town (5% increase)	\$47,500,000
Total Budget Levey	\$1,500,000	Total Budget Levey	\$1,542,855
Tax Rate	\$30 per \$1000	Tax Rate	\$32.45 per \$1,000
Your Tax Bill:	\$3,000	Your Tax Bill:	\$3,083 (Increase of \$83)

Assessor Calendar

Valuation Date:	July 1, preceding year
Taxable Status Date	March 1, 2026
Exemption Filing Deadline	March 1, 2026
Tentative Roll Filed	May 1, 2026
Grievance Day	May 28, 2026
Final Roll Filed	July 1, 2026