

The Assessment office for the Town of Naples has completed its town-wide revaluation for the 2024 assessment roll. The last revaluation was completed in 2021. Assessment change notices will be mailed the first week of February 2024. Arm's length transaction sales are used to determine market value, which in Naples continues to increase. The market value of property determines the assessed value AND equalization rate of a municipality.

It is important to note that **Revaluations DO NOT raise more money for the town**. It is a process that ensures each property only pays their **fair** share of the tax levy based on their specific property value. Revaluations are necessary because neighborhood values do not change at the same rate. Owners' property taxes may increase, decrease, or remain the same based on the new assessed/market value.

Tax Levy is the budget a municipal board creates to provide service to its citizens. New York's **property tax cap** limits the **levy** growth each year at either 2% or the rate of inflation, whichever is lower. This is the amount needed in a municipalities budget regardless of the taxable assessed value. **The levy is NOT affected by the taxable assessed value.**

When a municipality completes the budget and determines the levy, a tax rate is established. An example of this would be, if the levy amount is \$1,000,000, and the overall taxable assessed value is \$213,675,214, the resulting tax rate is \$4.68 per \$1000 of taxable assessed value (Levy \$1,000,000/total taxable AV 213,675.214). In this case a home assessed at \$200,000 would **pay \$936 in taxes** ($\$200,000/1000 \times \4.68).

If the overall taxable assessed value were to **increase by 30%**, the tax rate would decrease. A 30% taxable value increase would result in a taxable assessed value of \$277,777,778. And the resulting tax rate would now be \$3.60 (Levy \$1,000,000/taxable assessed value \$277,777.778). The same \$200,000 home, now assessed at \$260,000 would **pay the same \$936 in taxes** ($\$260,000/1000 \times \3.60).

The same remains true if assessments were **decreased by 30%**, the tax rate would increase and the resulting tax burden would remain the same. The overall taxable assessed value, with the 30% assessment reduction, is \$149,572,650. The resulting tax rate would be \$6.69 (LEVY \$1,000,000/taxable AV \$149,572.650)

The \$200,000 home, now assessed at \$140,000, would **pay the same \$936.60 in taxes** ($\$140,000/1000 \times \6.69).

Additional information regarding the assessment process can be found on the Town of Naples assessor's page at www.naplesny.us or by contacting the assessor.