

# Inter-County Association of Western New York

*Representing the Counties of Allegany, Cattaraugus, Cayuga, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Tompkins, Wayne, Wyoming, and Yates.*

## RESOLUTION NO. 2020-9-IC

### RESOLUTION IN OPPOSITION TO STATE LEGISLATIVE PROPOSALS THAT UNDERMINE THE CAREFUL BALANCE THAT EXISTS IN STATE LAW RELATED TO THE TAX FORECLOSURE PROCESS IN New York STATE

Offered by: the Inter-County Association of Western New York

**WHEREAS**, the current real property tax law process to ensure tax compliance and limit tax foreclosure has been on the books for decades; and

**WHEREAS**, the real property tax foreclosure process is designed to strike a balance for a strong enforcement mechanism to ensure critical property tax revenues are protected in order to provide vital state mandated and local services in our communities, while providing property owners important alternatives and additional time to make payments to avoid foreclosure; and

**WHEREAS**, a recent state legislative initiative proposed to eliminate certain tax enforcement fees and penalties, allow for varying interest rates in tax delinquencies, and eliminate the current law “reverse chronological order” of satisfying tax liens; and

**WHEREAS**, reducing these fees, penalty and interest tax enforcement measures will likely reduce the effectiveness and balance of the current system, and sow confusion among taxpayers across the state; and

**WHEREAS**, eliminating the current law “reverse chronological order” provisions will allow property owners to potentially abuse the system and remain perpetually in arrears on multiple years of their property taxes, significantly damaging tax compliance; and

**WHEREAS**, reduced tax compliance will jeopardize the delivery of critical state and local services in the community, and will unfairly shift the burden of these unpaid property taxes to other property owners; and

**WHEREAS**, county government is the primary governmental unit, along with some cities and other municipalities, charged by the State with ensuring real property tax law compliance and enforcement at the local level; and

**WHEREAS**, under this charge, counties are required to fully reimburse all school districts and most towns and villages for any property taxes they cannot collect in the first instance, which often requires counties to borrow tens of millions of dollars annually while tax recoupment is commenced, all with the primary goal of ensuring fairness for taxpayers and avoiding tax foreclosure; and

**WHEREAS**, the real property law provides an extensive notification process for property owners that fall into arrears to help them understand what is happening and their options; and

**WHEREAS**, the real property tax law also allows installment payment plans for up to 36 months for tax delinquency to ease the burden, and provides special allowances for farm property and military personnel – combined, these items can prevent tax foreclosure or extend the timeline for several years; and

**WHEREAS**, while many counties use these statutory allowances to ease the tax foreclosure process and burden, they also provide additional help including:

- Allowing partial payments for the initial property taxes due to ease the payment burden;
- Encouraging property owners to seek legal advice and other options so they can retain their property;
- Engaging family members, especially for senior citizens, to allow for these relatives to receive duplicate copies of property tax bills, delinquency notices and other real property items;
- Guiding property owners to local and state programs that may offer them assistance to clear up their delinquent taxes;
- Allowing property owners to repurchase their property in cases of tax foreclosure, under specified timelines and parameters, among other help, now, therefore be it

**RESOLVED:**

1. That the Inter-County Association of Western New York opposes state legislation that can undermine the careful balance that exists in state law related to the tax foreclosure process in New York State; and

2. That the Inter-County Association of Western New York is especially concerned about the unintended consequences this broadly drafted legislation will cause by eliminating the current law reverse chronological order for paying tax liens, which would allow taxpayers to delay paying their property taxes for years, shifting the burden to their neighbors, and jeopardizing the delivery of state and local services; and

3. That the Inter-County Association of Western New York Secretary is directed to send a certified copy of this resolution to state representatives and all others deemed necessary and appropriate.

*This is to Certify* that I, the undersigned, Secretary of the Inter-County Association of Western New York, have compared the foregoing copy of resolution with the original resolution now on file in this office and which was duly adopted by the Association at a session held on the 19<sup>th</sup> day of June 2020 and that the same is a true copy of said original and of the whole thereof.

*In Witness Whereof*, I have hereunto subscribed my name and affixed the official seal of the Inter-County Association of Western New York dated June 19, 2020.

*Jodi Adams*

Jodi Adams, Secretary  
Inter-County Association of Western New York



Sponsored by: Allegany County, Moved by: Rigby Riehle (*Allegany*), Seconded by: Rondinaro (*Schuylers*)