

Robert J. Berg
32 Tisdale Road
Scarsdale, New York 10583
(914) 522-9455
robertbergesq@aol.com

April 4, 2020

By e-mail (scousins@nysenate.gov)

Hon. Andrea Stewart-Cousins
Temporary President and Majority Leader
New York State Senate
188 State Street, Room 907
Legislative Office Building
Albany, New York 12247

By e-mail (paulina@assembly.state.ny.us)

Hon. Amy Paulin
Assemblywoman, District 88
New York State Assembly
Legislative Office Building 422
Albany, New York 12248

**Re: Waiver of Statutory Late Fees and Installment Plans
for Payment of 2020 Village and School Property Taxes**

Dear Sen. Stewart-Cousins and Assemblywoman Paulin:

We hope that your families and you are safe and well during these very difficult days. We thank you for your service to our State and our Scarsdale community. As you well know, the worldwide COVID-19 pandemic is hitting our State and our region particularly hard from both a health and an economic perspective. Our residents are struggling with collapsing businesses, job losses, and greatly depleted savings, while trying to protect their health and secure necessary food, supplies, and medicines safely for themselves and their families and neighbors. Meanwhile, the stream of bills, such as utility, rent, mortgage, repair, credit card, and car payments, flood in relentlessly. As we all juggle our finances to stay afloat, starting this month, we begin in the Village of Scarsdale the always daunting cycle of confronting our three sets of property tax bills – County, Village, and School District -- sadly, among the absolute highest in the entire country.

Despite its reputation as one of the wealthiest communities in the nation, the reality is that fifty percent of our households earn below \$250,000 annually. Of those households, the average annual income is just \$146,000. While still high by statewide standards, the costs of housing, property taxes, and life in general in the Village of Scarsdale are steep and these “lower” household earners are the most susceptible to

layoffs and reduced income during this crisis. Scarsdale residents at all wealth strata are badly affected by the depressed economy.

Against this frightening backdrop, the Village of Scarsdale and the Scarsdale Union Free School District are finalizing their budgets for their forthcoming fiscal years. Amidst the pandemic, the Village Board and the School Board are planning to raise their tax levies and tax rates to support their increased budgets – both by approximately 2% year over year. While we have urged both Boards to cut their budgets in order to give taxpayers some relief this year, they have rejected our recommendations.

But even if they do not reduce their budgets, perhaps, with your help (and the help of the Legislature and Governor), you can ease our cash flow problems by passing legislation that would waive the onerous statutorily-imposed late fees (interest) on property tax payments and allow for taxpayers to make proportionate installment payments (without any late fees) over the course of the next fiscal year to the Village and the School District based upon the cash flow needs of each entity.

Under our proposal, the State legislation would enable Towns, Villages, and School Districts to offer their taxpayers the option of paying their Town, Village, and/or School District property taxes in several installments over the next fiscal year without interest or penalty. Each governmental unit would be authorized to determine the appropriate proportional share of the tax levy required by the unit per installment to fund the unit's budget for the particular period. By matching taxpayers' payments more closely to the governmental units' actual cash flow needs, taxpayers will be better able to manage their own finances during the inevitably challenging economic times over the next fiscal year. Our proposal would be for legislation that sunsets after one year, subject to renewal by the Legislature and Governor should economic conditions warrant. Moreover, our proposal would allow governmental units to opt out should they determine that the legislation unduly interferes with their cash flow requirements.

Thus, our proposal differs from the one presently being considered by the Westchester County Board of Legislators. The current version before the Board of Legislators seeks to offer taxpayers the opportunity to delay payment of their County property taxes (presently due by April 30, 2020) for one month with a .5% penalty if payment is made by May 31, 2020, or a 1% penalty if payment is made by July 15, 2020. Under the County proposal, Towns may opt out and Cities in Westchester County are not eligible to participate.

We look forward to your thoughts and comments.

Respectfully,

Robert J. Berg
32 Tisdale Road
Scarsdale, NY

Sean D. Cohen
35 Chesterfield Road
Scarsdale, NY

Robert D. Selvaggio
16 Rochambeau Road
Scarsdale, NY