



August 17, 2008

Tax cap would lighten homeowners' unduly heavy load

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Guest essayist

"We're all keeping up with the Syossets. One school installs FieldTurf, now we're all installing FieldTurf."

This comment, from a participant in a Long Island forum on school property taxes, holds more truth than we care to admit. The athletic facility improvements are the most obvious — but the same principle applies to class size, science labs, technology, even our approach to special education.

Confronting a lawsuit on education funding in New York City, various groups tied themselves up in knots trying to develop guidelines on "necessary" school spending. Studies aside, parents apply a relative standard — my kids deserve the same as kids in the next district.

However, we can spend less and still provide pupils an excellent education. In 2004-05, schools in Monroe County's suburbs spent 8 percent more per pupil than those in Erie County's suburbs — 34 percent more on special education, 27 percent more on central administration, 21 percent more on fringe benefits, and 6 percent more on general instruction (where most of the money is). I don't think education in Buffalo suburbs is inferior.

Is cutting taxes important? That depends on whom you ask. Property taxes influence business location decisions on the margin. And they influence personal relocation decisions: In recruiting talent, we like to highlight our affordable housing. That only works until the candidate figures out that what she doesn't spend on a mortgage, she'll pay in taxes.

The combined state and local tax burden per capita in New York state is extraordinary. The Tax Foundation reports that New York is in second place, behind New Jersey. As our state taxes per capita fall in the middle of the pack, that means our local taxes are unusually high.

That a school property tax cap is supported upstate and downstate is testimony to the problem's breadth. Fourteen of the nation's 17 most highly taxed counties were in upstate New York in 2005. Wayne County tops the list with Monroe placing third. Measured were property taxes as a share of property value, which is partly a reflection of a lackluster real estate market (also related to the tax burden). Monroe County's median property value is ranked 238th of 783 counties.

While downstate counties may boast higher property values, taxes are also much higher. Ranked by share of median income spent on property taxes, New York counties capture five of the top 11 spots. Long Island taxes are particularly troublesome. Nassau County was third in the nation and Suffolk County was eighth in 2005. No wonder Nassau County's Tom Suozzi was named to chair a commission that recommended capping school property tax growth. Median property taxes in Nassau County were over twice those in Monroe in 2006. Median incomes in Nassau County were only 57 percent higher.

This problem is more complex than the tax cap can fix. But the cap is a good start.

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