Fur Flies After Grievance Day '95

By Stephan Roussan

RIVERHEAD—Claims were up slightly from last year on Grievance Day, an annual open forum where town residents and businesspersons can seek reductions in their property-tax burden from the Board of Assessment Review. The figure climbed from 474 in 1994 to 499 in 1995.

But Riverhead Assessor Laverne Tennenberg said the grievances filed were about what was expected. A stabilizing trend in the real estate market seems to have closed the gap between the market and assessed values of most properties, keeping the number of grievers under control, she said.

"A good number of residential property owners and most of the commercial owners are repeat filers," according to Ms. Tennenberg. "They come in every year to try and get a break. Market value is a continually fluctuating thing, and it is their right to do so, even though it bogs down the office with paperwork."

Turning to a Tax Buster

More and more people have been turning to law offices and professional grievance firms for help in their pursuit of tax breaks. Paul Henry's Tax Reduction Services in Greenport is an example of one firm handling 5,000 grievances in Nassau and Suffolk counties.

"Our job is to make sure that our clients get an equitable assessment," said Mr. Henry. "Whenever something is unfair, it is in everyone's best interest to fix it, and it should be welcomed at Town Hall as good government. Long Islanders pay some of the highest property taxes in the country as it is. They don't need to be overcharged on top of that.

"I can understand the resistance to granting reassessments," Mr. Henry continued. "When the town loses money after tax day, it puts pressure on budget-makers. They aren't going to be rolling out the red carpet for us. But they can't dispute the fairness of the process."

About 75 percent of grievances are from businesses.

Mr. Henry believes that tax burdens would be fair, and grievances unnecessary, if assessors were doing their jobs properly. "Grievance Day used to be the best-kept secret at Town Hall," he said. "Assessors used to intimidate grievers out of their offices, sometimes threatening to raise their taxes if they filed a claim. We have become the taxpayer's watchdog. If the town doesn't want to do a total property value reassessment for the whole town, they'll have to deal with grievances."

"Not this town," assessor chairman Leroy Barnes said, responding to allegations about shoddy work and intimidation in his department. "We definitely have an open door policy. We're always trying to get people to come in and discuss [their assessments] with us. One thing Mr. Henry leaves out is that he solicits almost every property owner in Riverhead Town and, in some cases, inflates the market value using antiquated assessment ratios."

Mr. Henry responded that the ratios he uses are "tentative ratios" determined by the state. And he accused Mr. Barnes of "consistently and consecutively manipulating the Residential Assessment Ratio (RAR), using misguided practices to skew the numbers by at least eight percent." Mr. Henry also called for Mr. Barnes to disclose his 1995 "corrections" to the public. "I am drafting a letter to the Division of Equalization and Assessment regarding the blatant skewing of the RAR by Barnes," said Mr. Henry.

Mr. Barnes would welcome complete reassessment in Riverhead, as was done in Massachusetts and Connecticut, he said. As he sees it, the problem is that such action often becomes "a political football" that elected officials are loath to okay. "The state Board of Equalization and Assessment must make all towns in New York do full-value assessment," Mr. Barnes said. "That's the only way it's going to be fair. I believe it should be a statewide issue."

As the assessor chairman sees it, Mr. Henry's firm and others like it "are creating more inequities than are out there" by reducing some taxpayers' burdens at the expense of their fellow citizens. "If the school budget is $42 million and I reassess the whole town, the school budget is still going to be $42 million," said Mr. Barnes.

Ms. Tennenberg said she wishes residents would come in and speak to her before filing grievance claims or seeking outside representation. "We're not ogres," she said. "We try very hard to educate taxpayers on how the process works, but let's face it, no one likes to pay taxes and what we do here is not very popular. We're doing the best we can." She also recommends that those who feel their taxes are too high contact appropriate officials about cutting the county and local budgets.

Doing the Numbers

Ms. Tennenberg also urged residents to bear the following formula in mind. "You get your total tax burden by multiplying your assessment by the tax rate," she said. "Comparing bottom lines with your neighbor doesn't tell you anything. Just because a person's taxes are high doesn't mean that they are overassessed."

And Mr. Barnes stressed that it's not town residents who are swamping his office with grievances. More often, it's owners of commercial property who are looking to lower overhead for their businesses, he said. "Only about 25 percent of the grievances are from homeowners," said Mr. Barnes. "The rest are from businesses."

Citing examples, Mr. Barnes said that Splish Splash has filed a grievance in an attempt to get pools and slides considered personal property and, as such, deducted from their tax burden. "The same people who tell us how much their tax dollars help the community are fighting us in court for every penny," he said.

Kmart has joined Caldor, King Kullen and Waldbaum's in filing grievances this year, Mr. Barnes noted. And Suffolk Life publisher Dave Willmott, who took title to his 108,000-square-foot building on Route 58 last fall, after enjoying a 10-year Industrial Development Agency tax break, also has joined their ranks, according to Mr. Barnes.

"What I'm getting sick of is businesses hiring attorneys when, in fact, they can come in and talk to us," said Mr. Barnes. "The assessors just want to be fair. Our salaries are not predicated on the amount of taxes coming in."

Mr. Cleary and Mr. Willmott were not available for comment.