His Grievance Could Be Your Gain

GREENPORT—Like a lot of people on eastern Long Island, Paul Henry had a feeling he was paying too much in taxes on his Greenport home. But unlike a lot of people, he was in a position to do something about it.

A former research scientist and current independent computer consultant, Mr. Henry had both the skills and the game plan to analyze - and then challenge - the amount he was paying in property taxes. And the result was well worth the time and trouble. In the first year, Mr. Henry was able to get his taxes reduced by over \$2,000. And a year later, he received an additional 15 percent reduction.

After the success of his personal tax appeal, Mr. Henry, 37, soon found himself besieged by family and friends anxious to have him test his new methodology on their homes. The results were equally impressive. Within a year, he formalized this experiment into a thriving business, Tax Reduction Services. To date, he has helped hundreds of Long Islanders gain substantial reductions on their property taxes through the appeal process. According to Mr. Henry, Tax Reduction Services has reaped an average \$800 savings for 85 percent of the clients for whom it filed tax appeals. Mr. Henry also notes, "the other 15 percent are still definitely overassessed. We just have to re-file."

The company's success rate is the result of a statistical study of real estate tax structures and assessing practices in virtually every community on Long Island. "What we've found is that there are substantial pockets of overassessed neighborhoods throughout Nassau and Suffolk counties," said Mr. Henry. "Plus, some of the assessment methods are either out of date or inconsistent or both."

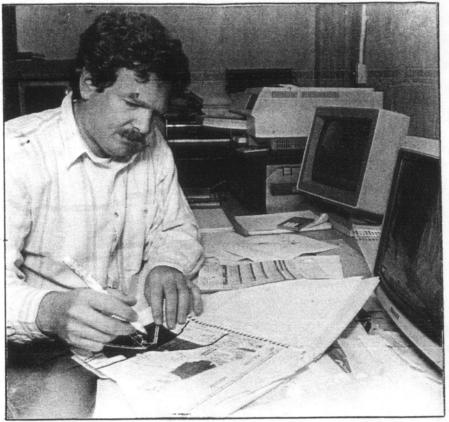


Photo by Judy Ahrens

ON THE JOB-Tax-buster Paul Henry working in his Greenport office on Monday.

Asked to describe the methodology upon which his service is based, Mr. Henry replied: "What happens is that pockets of inequity develop because as the assessment roll increases in age, it deteriorates. And we have developed a statistical model that identifies those pockets of inequity."

Which is not to say, Mr. Henry warned, that everybody is overassessed. "Just because your taxes are high, you are not necessarily overassessed," he said. And the best way to find out, he said, is to call for a free consultation.

Some Success Stories

Mr. Henry cited the following cases among his success stories: A homeowner in Huntington filed a grievance, but failed to get a tax reduction. A year later, Tax Reductions Services was able to file an appeal that resulted in savings of \$1,250. A Brookhaven resident turned to Mr. Henry after her attorney refused to get involved, and reaped a \$897 savings on property taxes. In Riverhead, a local resident was sent home by the town assessor's office, having been told he was wasting his time. Mr. Henry was able to get a \$1,400 reduction. And in Smithtown, Tax Reduction Services' system helped another homeowner get a \$2,800 savings in his property taxes.

So far, the results in Riverhead have been most impressive, Mr. Henry said. There his company enjoys an 82 percent "success rate," with an average reduction of 19.7 percent, and average dollars savings of \$1,147 per customer. He also wants taxpayers in general to know that he is not the enemy. "The impact in dollars on the town of Riverhead is minuscule," he said. "Think of it this way: If I save someone \$100 on their tax bill, that \$100 is spread out among the 12,000 property owners in Riverhead."

The standard compensation for Tax Reduction Services is one-half of the first year's tax savings. There also is a one-time \$45 charge to cover processing and the tax appeal filing fee required by Nassau and Suffolk counties.

Not everyone is thrilled by the success of Tax Reduction Services. "I'd be lying if I said they rolled out the red carpet for us every time we went to a local assessor's office," Mr. Henry concedes. "But they've come to realize that we're there to do a job, just like they are, and we've sort of forged a mutual respect in most towns."

A Different Assessment

Perhaps in "most towns," but not in Riverhead, where chief assessor Leroy Barnes has come to cringe at the mention of Mr. Henry's name. "He keeps claiming that he's looking for justice for his clients," Mr. Barnes said of Mr. Henry, "But he is soliciting clients, and he is making a living off my blood, sweat and tears. And I think eventually the homeowner will suffer because of the confusion all of this has caused."

Margaret Madine of Gregory Way in Wading River, who calls herself an "extremely satisfied customer" of TRS, wouldn't mind "suffering" again, if it means saving \$750. That's how much Mr. Henry's company succeeded in knocking off her tax bill last year, and she said Monday she intends to file another tax grievance in 1992.

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