

Tax Collection Report

August 2012

COUNTY OF ULSTER

Office of the Comptroller

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Why are real property taxes of concern to Ulster County?

Real property taxes in New York State are almost 80% above the national average. Compared to all other counties in the state, Ulster County had the fifth highest tax levy per \$1000 of personal income in 2005.

"Property Taxes in New York State," April 2006, Office of the New York State Comptroller

Tax burdens in Ulster County vary by large amounts. As one example, those living in the Village of Ellenville within the Ellenville School District pay almost three times as much in taxes as those living in the Onteora School District.

"Equity and the Property Tax Burden for Citizens of Ulster County," October 2008, Center for Research, Regional Education and Outreach

This report will analyze the tax collection processes throughout Ulster County in order to evaluate efficiencies in the payment and collection of those taxes.

How many school districts, cities, towns, and villages have taxable properties in Ulster County?

- 15 school districts
- 1 city
- 20 towns
- 3 villages

Including school taxes, all taxpayers must pay either two or three different tax bills each year. Those residing within the city or towns must pay a total of two tax bills. Those residing within a village must pay one additional tax bill, for a total of three.

Is there consistency in tax collection throughout Ulster County?

Per New York State Real Property Tax Law and Ulster County standards, there are some regulations pertaining to towns' tax collection processes:

- All real property taxes must be paid by January 31st of each year in either one full payment or two half installments.

- After January 31st, unpaid taxes incur late penalties as follows:
 - 1% interest in February
 - 2% interest in March
 - 3% interest in April
 - 4% interest in May
- Beginning June 1st, all unpaid taxes are turned over to Ulster County.

Other fees may be added at the municipality's discretion, such as penalty fees for late payments received.

With the exclusion of the Kingston City School District, all other school districts with taxable properties in Ulster County mail taxes during the last week of August or first week of September. Taxes are due, without penalty, on September 30th. School districts accept either two or three installments in September. While there is no penalty fee for paying in installments, there may be an interest fee charged.

It is important to note that penalties are not the same as interest fees. Interest fees are a potential result of paying taxes in multiple installments. However, penalties occur as a result of late payment. Penalty charges are then added to the remaining unpaid tax balance in addition to any accrued interest fees.

School taxes not paid by September 30th are charged an interest fee each month until the taxes are handed over to Ulster County on the third Wednesday of November (by resolution). Taxes remaining unpaid throughout the rest of the year plus any interest and penalty fees will then be added to town property tax bills in January.

The Kingston City School District collects taxes from September 15th to December 15th.

Kingston City school taxes are payable in 2 installments without penalty. The 1st installment is usually due by October 15, or the Monday closest to the 15th. While there is no penalty fee charged for paying in installments there is an interest fee associated with paying in installments. Payments made after October 15th but before November 1st are charged a 2% interest fee which increases by 1% each month.

After December 15th, unpaid school taxes for parcels in the City of Kingston are turned over to the city and unpaid taxes for parcels from outside of the City of Kingston are handed over to Ulster County. Late penalty and/or interest fees determined by the city or county are then added to the tax bill.

Is the tax collection process uniform?

Different municipalities accept varied forms of payment. All municipalities accept cash and checks. However, only four municipalities (two towns, two villages) accept payment by credit card.

Of the four municipalities that accept credit cards, Ellenville passes along a 3% processing fee to the tax payer. The Town of Ulster only allows credit card payments online and passes a 2.8% processing fee to the tax payer. In the Town and Village of Saugerties credit card payments do not incur any processing fees.

Currently the Town of Ulster is the only municipality that offers the option for taxpayers to pay online. All other municipalities only accept payments in-person or by mail. It is important to note that there are processing fees associated with payments made online.

All school districts accept cash and checks but none accept payment by credit card or offer the convenience of online payments. All school taxes in Ulster County must be paid in-person or by mail.

Who is responsible for collecting taxes?

There are 4 towns in Ulster County that have an elected town Tax Collector. Collectors of tax within towns of Ulster County are elected for either a two-year or four-year term. The remaining 16 towns designate the elected Town Clerk as the Tax Collector.

In the City of Kingston, taxes are collected by the Tax Collection Department in the city's Comptroller's Office. The position of Comptroller is appointed.

In the three villages, taxes are collected by the Village Treasurer. In all villages, this position is appointed.

School district taxes are collected by a wide range of individuals. Some school districts have seasonal tax collectors, while other school districts have individuals that are responsible for the collection of taxes along with other duties. Saugerties Central school district is the only district in Ulster County whose taxes are collected at the town-level, rather than within the district.

Would the creation of a centralized tax collection database increase the efficiency of tax collection in Ulster County?

All towns in Ulster County use the Ulster County Information Services (UCIS) Tax Collection System and Ulster County generates their tax bills. The City of Kingston does not use the UCIS Tax Collection System and does not have its tax bills generated by Ulster County.

Currently the UCIS Tax Collection System does not allow information to be shared between municipalities or between municipalities and the county.

Seven school districts allow public access to online records of tax payments. Four of these school districts use TaxLookup.net, two school districts use infotaxoline.com, and the other school district uses a system on its own district website.

Updated software could potentially allow all municipalities, school districts, and the county to have access to read-only tax information for all of Ulster County. This could further develop into a system that allows the public to view information via secure internet access. Ultimately, taxpayers could make payments through this system using credit cards.

"Ulster County Centralized Tax Collection Database Study,"
January 2009, Ulster County Department of Finance and Ulster
County Department of Information Services

Why should Ulster County consider creating a centralized tax administration program?

A centralized tax administration program would aim to make the tax collection process as efficient as possible. In such a program, one centralized agency would administer and collect all village, town, city, and school taxes and record all tax information in a single county-wide database.

In terms of efficiency, many options for forms of payment would be available to all taxpayers of Ulster County. These may include cash, checks, money order, and credit card. It would also be most efficient to offer taxpayers multiple methods to pay taxes. These could include paying in-person, by mail, or online.

In the long-run, having a central tax collection agency would lower costs. Currently, there are thirty-six different offices that collect taxes from Ulster County taxpayers. With centralized collection there would be one office with a substantially smaller staff than the combined total of staff throughout the county at this time. This would financially benefit all levels of municipalities and school districts.

Ulster County would need a solid implementation plan in order to create a centralized administration tax program. The plan should thoroughly consider timing, cost, local participation, and technology.

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2012 Tax Collection Procedures of Ulster County Municipalities

Municipality	Form(s) of Payment Accepted	Installments or Full	How to Pay	Collectors Title
Denning	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/ Tax Collector
Ellenville	Checks, cash, credit card ◊	1 full or 2 half installments	In-person, mail	Village Treasurer (Appointed)
Esopus	Checks, cash	1 full or 2 half installments	In-person, mail	Tax Collector (Independently Elected)
Gardiner	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Hardenburgh	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Hurley	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Kingston, City	Checks, cash,	1 full or multiple installments	In-person, mail	Comptroller has tax collection department
Kingston, Town	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Lloyd	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Marbletown	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Marlborough	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk
New Paltz, Town	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk
New Paltz, Village	Checks, cash	Full	In-person, mail	Village Treasurer (Appointed)
Olive	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Plattekill	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Rochester	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Rosendale	Checks, cash	1 full or 2 half installments	In-person, mail	Tax Collector (Independently Elected)
Saugerties, Town	Checks, cash, credit card	1 full or 2 half installments	In-person, mail	Tax Collector (Independently Elected)
Saugerties, Village	Checks, cash, credit card	1 full or 2 half installments	In-person, mail	Village Treasurer (Appointed)
Shandaken	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Shawangunk	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk/Tax Collector
Ulster	Checks, cash, credit card	1 full or 2 half installments	In-person, mail, online*	Town Clerk
Wawarsing	Checks, cash	1 full or 2 half installments	In-person, mail	Tax Collector (Independently Elected)
Woodstock	Checks, cash	1 full or 2 half installments	In-person, mail	Town Clerk

*Online payment processing fee for Town of Ulster: Credit Card - 2.8% service fee (minimum \$5), ACH service fees (Only applies to payments by check) - \$4 if total payment less than \$4000, \$8 if total payment between \$4000 and \$8000 dollars, \$10 if total payment greater than \$8000
 ◊3% processing fee

2012 Tax Collection Procedures of School Districts with Taxable Properties in Ulster County

School District	Form(s) of Payment Accepted	Installments or Full	Penalties	How to Pay	Collector's Title	Online Tax Information
Ellenville Central	Checks, cash	Allows 3 installments	Oct. - 1%, Nov. -2%	In-person, mail	Tax Collector/Registrar	Yes – Taxlookup.net
Highland Central	Checks, cash	Allows 2 installments	Oct. - 2%	In-person, mail	Accounts Payable/School Tax Accounts	No
Kingston Consolidated	Checks, cash	Allows 2 installments	Determined by county or city	In-person, mail	Deputy tax Collector	Yes – District Website
Livingston Manor	Checks, cash	Full	Oct. – 2%, Nov. – 3%	In-person, mail	Tax Collector (Seasonal)	Yes – Taxlookup.net
Margaretville Central	Checks, cash	Full	Oct. – 1%, Nov. – 3%	In-person, mail	Tax Collector (Seasonal)	No
Marlborough Central	Checks, cash	Allows 2 installments	Oct. - 2%	In-person, mail	Tax Collector	No
New Paltz Central	Checks, cash	Allows 2 installments	Oct. - 2%	In-person, mail	Account Clerk Typist	Yes – Infotaxonline.com
Onteora Central	Checks, cash	Allows 3 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Accounts Payable/Tax Collector	Yes – Taxlookup.net
Pine Bush Central	Checks, cash	Full	Oct. – 2%, Nov. – 3%	In-person, mail	Principle Clerk	Yes – Infotaxonline.com
Rondout Valley Central	Checks, cash	Allows 2 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Senior Account Clerk	No
Saugerties Central	Checks, cash	Allows 2 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Tax Collector (Town)	No
Fallsburg Central	Checks, cash	Allows 3 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Tax Collector	Yes – Taxlookup.net
Tri-Valley Central	Checks, cash	Allows 3 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Tax Collector (Account Clerk)	Yes – Taxlookup.net
Valley Central	Checks, cash	Full	Oct. - 2%	In-person, mail	Receiver of Taxes (Town of Newburgh)	No
Wallkill Central	Checks, cash	Allows 3 installments	Oct. – 2%, Nov. – 3%	In-person, mail	Tax Collector	No

