

Editorial

Inequities in Ulster County

A new study of the operation of property taxes in Ulster County is sober, thoughtful and even-handed. We highly commend this report, not only to the residents of Ulster County, but also to the broader populace of the Mid-Hudson Valley.

A product of the new Center for Research, Regional Education and Outreach at SUNY New Paltz, the report, "Equity and the Property Tax Burden for Citizens in Ulster County," illuminates the problem of inequities among property taxing jurisdictions.

Among the interesting observations of the report's authors are:

- There is a wide variation of tax bases for similar functions, such as school districts, there being no necessary correlation between tax base and need.

- There is a wide variation of taxes that may be paid within Ulster County by persons owning properties of similar actual value. At one extreme, a Marbletown resident of the Onteora Central School District pays slightly more than \$15 per \$1,000 of full-value in total property taxes, which includes all jurisdictions, such as town, county and school. Meanwhile, a village of Ellenville resident pays more than \$45 per \$1,000 of full value.

- The Onteora Central School District has the largest per-pupil property tax base in Ulster County. The district's five Ulster County towns pay the four lowest and seventh-lowest combined property tax rates among the 55 major taxing layers within Ulster County.

- Despite imposing the lowest tax burden in Ulster County, the Onteora district spent more per pupil in 2006 (\$19,060) than any other school district enrolling Ulster County students. By way of contrast, the adjacent Saugerties Central School District spent \$12,472 per student, a stunning \$6,588 or 34.6 percent less.

- Residents of the city of Kingston and the county's three villages generally pay the most property taxes, largely because the constrained geographical breadth of the jurisdictions limit property wealth, while the centrality of services provided tend to concentrate poverty and the demand for services that come with that poverty.

- Property taxes for homeowners in the city of Kingston are 22.7 percent higher than the average within the county. Property taxes for businesses in the city are 55 percent higher than the average.

- Residents of the villages of New Paltz, Saugerties, and Ellenville pay, respectively, 22.8 percent, 24.9 percent and 47.8 percent more in total property taxes than their town neighbors.

Taken as a whole, the inequities revealed by this study within Ulster County, which is essentially a single political community of common interests, are irrational as a matter of both policy and equity and, hence, insupportable.

It doesn't have to be this way. The boundaries of taxing jurisdictions are political constructs that can be reshaped, reformed or, in the case of villages, eliminated entirely. And, as the authors of the study note, some states have shared property tax receipts among local jurisdictions in the pursuit of greater equity.

Ulster County residents took a bold step in seeking to reshape their form of county governance by adopting a charter government that will take effect on Jan. 1. Of course, in large part it took the outrage of a county jail project that was incompetently, if not criminally, mismanaged to achieve the reform.

The inequities revealed by this study are no less outrageous. They cry out for the attention of this political community.