

Valuation date (generally) - Real Property Tax Law, § 301:

All real property, which is subject to taxation, and which is located in assessing units having a March 1 taxable status date, is valued as of the preceding January 1.

In assessing units subject to the assessment calendar prescribed by the Real Property Tax Law (RPTL), the assessments on the assessment roll must be based upon the condition and ownership of property on March 1 of that year (the taxable status date (RPTL, § 302)), and upon the value of the property as of January 1 of the same year (the valuation date (RPTL, § 301)). We have been asked to clarify the application of section 301, which provides:

Valuation date. All real property subject to taxation, and assessed as of a March first taxable status date, shall be valued as of the preceding first day of January. The valuation date of real property in a city or town not subject to the provisions of this section shall be determined as of the date provided by law applicable to such city or town, or if not so provided, then as of the taxable status date of the city or town. The valuation date of the real property entered on any assessment roll shall be imprinted or otherwise indicated at the top of the first page of each volume of such roll.

Section 301 was added to the RPTL (L.1984, c.379, § 1) at the suggestion of the State Board of Equalization and Assessment. Separating valuation date from taxable status date and setting that valuation date at an earlier point in time recognizes that the assessor needs time to collect and analyze the sales data that helps the assessor to determine the market value of property and, thereafter, assess that property.

The relationship between valuation date and taxable status date was well explained in *Beisner v. Campbell*, 137 Misc.2d 296, 520 N.Y.S.2d 474 (Sup.Ct., Dutchess Co. 1987), where the court considered the circumstance of a home that was 70 percent complete on January 1 and fully complete on March 1. In explaining the interrelationship of the two dates, the court concluded that the assessment is the value of the structure in place on taxable status date, March 1. The date as of which that structure is valued is the preceding January 1, the valuation date. The assessment roll which is based on those two dates is to be used for the levy of school taxes in the following September (RPTL, § 1306) and for the levy of county and town taxes on the following December 31 (RPTL, § 900).

It should also be noted that section 301 requires that the valuation date be imprinted on the first page of the assessment roll (RPTL, § 301; 9 NYCRR 190-

1.3(a)(1)). Thus, the valuation date of an assessment should be readily ascertainable by referring to that assessment roll.

Finally, we note that in assessing units, such as cities, which do not operate on the assessment calendar prescribed by the RPTL, reference must be made to the appropriate charter or special tax act provision to ascertain the valuation date. If none is provided, then the valuation date is deemed to be the same date as the taxable status date for the assessing unit (RPTL, § 301).

September 16, 1992

Matter of Beisner v. Campbell

A motion in the above-captioned matter was hereby assigned to this court by order of Deputy Chief Administrative Judge Robert J. Sise on December 22, 1986.

In this proceeding brought pursuant to article 7 of the Real Property Tax Law, petitioners challenge the assessment of their real property in the Town of Clinton as established by the town assessor and the Town Board of Assessment Review for the 1986 tax year. This dispute has arisen because of differing interpretations of how sections 301 Real Prop. Tax and 302 Real Prop. Tax of the Real Property Tax Law operate in conjunction with each other for the purposes of determining the annual assessment roll. Section 301, which became effective January 1, 1986, provides that "[a]ll real property subject to taxation, and assessed as of a March first taxable status date, shall be valued as of the preceding first day of January." Section 302, which also became effective January 1, 1986, provides that the taxable status date for the assessment of real property shall be March 1st of each year. It is on this date that the assessor makes a determination as to whether the subject parcel of real property is completed, partially completed, vacant, etc.

Respondents made the determination, which is not disputed by petitioners, that as of the taxable status date of March 1, 1986, the home was fully constructed. Respondents base this determination on the fact that the town building inspector had issued petitioners a certificate of occupancy on February 26, 1986. It is also apparently not disputed that as of the valuation date of January 1, 1986, the home was only 70% complete. Petitioners claim that, based on these facts, sections 301 and 302, when read together, provide that the home must be assessed at a value which is equal to 70% of its value when fully constructed. Respondents maintain, on the other hand, that sections 301 and 302 require that the parcel be assigned the value it would have had had it been fully completed as of the valuation date of January 1, 1986.

In addressing this issue, the court notes that this question is apparently one of first impression. Despite the lack of any case authority or legislative history revealing the intent underlying the enactment of the sections, however, the court concludes that respondents' interpretation is clearly the correct one. These sections plainly require that the taxable status of the property must first be determined before the property is assigned an assessed value as of the valuation date, and that the taxable status must be taken into account in determining the value. Petitioners' interpretation, however, in effect requires that the taxable status of the property on March 1 be ignored and that the assessed value be calculated with reference to its status on January 1. This interpretation is, therefore, contrary to the plain requirements of these statutes.

Accordingly, petitioners' argument is without merit and the petition must be dismissed.

Matter of Beisner v. Campbell, 137 Misc. 2d 296, (N.Y. Sup. Ct. 1987)

