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**PROPERTY TAX RELIEF FROM NEW YORK's FARMLAND
ASSESSMENTS AND AGRICULTURAL BUILDINGS
EXEMPTIONS IN THE 1980's**

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INTRODUCTION

In New York, as throughout the Nation, local governments generally rely much less on property taxes for financing public services than was the case three decades ago. In 1960, for example, property taxes accounted for 49 percent of local government revenues in New York (excluding New York City). By 1988, this figure had dropped to 39 percent (State of New York Office of the State Comptroller, 1988). This difference has in large measure been due to increases in state and Federal aid and, in some parts of the country, to a greater reliance on sales and income taxes and user fees (Fisher, 1987).

Despite this decrease in relative terms, property tax burdens have continued to rise. Revenues from property tax levies in upstate New York (excluding the City) increased from \$1.1 billion to just over \$10 billion between 1960 and 1988. The property tax remains by far the single most important source of revenue to local governments. As the Federal and state government continue to shift the burden of financing services back to the localities in an effort to balance their budgets, pressure on local property tax bases as a reliable source of revenue for local governments is likely to intensify throughout the 1990's.

While intensifying pressure on the property tax to fund local services might be viewed with alarm by local property owners, it is important to remember that these tax dollars are used to finance a wide array of public services that bring some positive and some very direct benefits to taxpayers and their property. Additionally, the property tax has come to be recognized as a mechanism to help achieve a number of societal goals and objectives. Viewed from this perspective, the property tax has been used to alter the economic incentives for land ownership and land use. Barlow (1986) reminds us that property tax policy has been used to: a) foster more intensive land use; b) promote conservation and environmental goals; c) advance particular land tenure goals; d) influence investments; and e) enhance property values.

Important examples of such efforts are the property tax incentive programs, begun in the late 1950's, used throughout the United States to encourage the retention of farmland in agricultural use. Most of these programs call for the

taxation of farmland at its value in agricultural use, exempting any difference between agricultural value and market value from tax levies as an incentive to keep land in farming. These incentives parallel state and local property tax exemptions designed to promote economic growth by providing a financial incentive for industry to relocate or remain in a particular state or locality. Although both these types of tax exemptions are designed to promote worthwhile objectives, they also reduce the size of the local property tax base and can mean significant shifts in the local property tax burdens among owners of certain classes of property (Boisvert, Bills, and Solomon, 1980).

The purpose of this report is to examine two such property tax exemptions in New York that affect agriculture directly. The first, the "use-value assessment" feature of New York's Agricultural Districts Law, is perhaps the more well known of the two. The other law, exempting new or reconstructed agricultural buildings and structures from property taxes, has been on the books for two years longer than the Agricultural Districts Law, but is perhaps less well known and clearly has generated much less public interest and debate.

New York's Agricultural Districts Law of 1971 is a nationally recognized approach to farmland retention. Through this Law, New York State declared its commitment to protect agricultural lands and promote the continuation of commercial farming. The Law facilitates the retention of agricultural land in three basic ways.¹ First, the Law restricts many of the usual options (e.g., local ordinances regulating farm structures and practices and acquisition by eminent domain) open to other governments whose boundaries overlap those of the agricultural districts. Second, to promote a more stable environment for farm operations and to reduce non-farm competition for scarce rural land resources and the uncertainties that can lead to a gradual disinvestment in agriculture, state agencies must modify their administrative regulations and procedures to facilitate the retention of agricultural land. Finally, the Agricultural Districts Law may provide direct savings to farmers who are willing to participate in a district. Special use districts that overlap an agricultural district are restricted in the imposition of benefit assessments or special ad valorem levies on farmland within the district. In addition, landowners of 10 or more acres which generated the average gross sales of at least \$10,000

¹ Gardner (1990) contains a more detailed discussion of these programs.

in the preceding two years may make annual application to pay property taxes on assessments as if the land's value were generated strictly from agricultural use. These owners are not taxed on that part of the value of their land that is attributable to speculative or developmental purposes, but with respect to its capacity to produce agricultural commodities. This is the "use-value assessment" feature of the Law.

Many argue that the "use-value" assessments are needed in certain parts of the State for agriculture to remain viable in the face of appreciating land values due to development pressure. Others argue that taxation on the basis of use value is justified as a matter of equity.

To further promote commercial farming, a 1969 law exempts new agricultural buildings and structures from property taxes for up to 10 years. This program provides tax savings to farmers who are willing to make new investments in production agriculture. Public support for a property tax exemption of this type has its origins in state and local efforts, begun in the postwar era, to promote economic growth by providing financial inducements to industry to relocate or remain in a particular state or locality. The stated purpose of this Law to exempt farm buildings from property taxes was to encourage farm construction and stave off the premature disinvestments in farming that occur in areas of urban penetration and speculation.

It has been just about 20 years since these tax relief measures for New York agriculture were enacted. Both have affected the amount of property taxes paid by farmers throughout the State and, in some cases, have had important implications for the ability of local governments to finance local services. Yet to our knowledge, there has not been a systematic comparison of the relative importance of each exemption by county or between rural and urban counties of the State where development pressures are likely to be quite different. It is to this task that we now turn.

To place the property tax and these two property tax exemptions into proper perspective, the remainder of this report begins with a brief review of trends in local government finance in New York. This discussion is followed by a brief review of the provisions of the tax preferences available for agricultural

property and a summary of trends in the numbers of exemptions and their values relative to the full value of the tax parcels involved. Important differences in these trends between the two programs and by rural and urban areas across the State are highlighted. Finally, the implications for the retention of farmland, the viability of agriculture, local tax policy and the financing of local government are discussed within the context of some current policy options for achieving similar objectives.

LOCAL GOVERNMENT FINANCE IN NEW YORK

If there is one dominant characteristic in state and local government throughout the country, it is diversity. According to the U.S. Bureau of the Census, this diversity has been achieved through the creation of more than 83,000 units of local government nationwide, ranging in 1987 from fewer than 30 in Hawaii to over 6,400 in Illinois (U.S. Department of Commerce, 1987).

New York is no exception; as of 1988, there were 4,075 units of local government in the State (State of New York Office of the State Comptroller, 1989). Within the 57 counties (excluding New York City), there are 61 city, 557 village and 932 town governments, along with 722 school districts, 841 fire districts and many special districts.

Variety in state and local government is not confined to the numbers and kinds of governments. Considerable variation also exists in the division of responsibility between state and local governments and among units of local governments themselves in their taxing authorities, in state and other financial aid and in the kind and quality of local services provided.

Where the Money Goes

Between 1976 and 1988, general expenditures by state and local governments in the U.S. rose from \$255.6 billion to just over \$700 billion (Mason, Boisvert and Plimpton, 1978; U.S. Department of Commerce, 1988). State and local spending over the same period in New York State (including New York City) rose from \$31.4 billion to \$75.2 billion, or by nearly 240 percent. This was less than the 300+ percent increase at the national level, but when adjusted for the general rate of inflation of 98 percent over the same period, as measured by the

change in the consumer price index (Executive Office of the President, 1990), it is easy to see that state and local spending in New York and nationally has continued to rise both in nominal and in real terms. It is also important to note that local spending in New York was two-thirds of all state and local spending in 1988, compared with a local share nationally of only 60 percent.

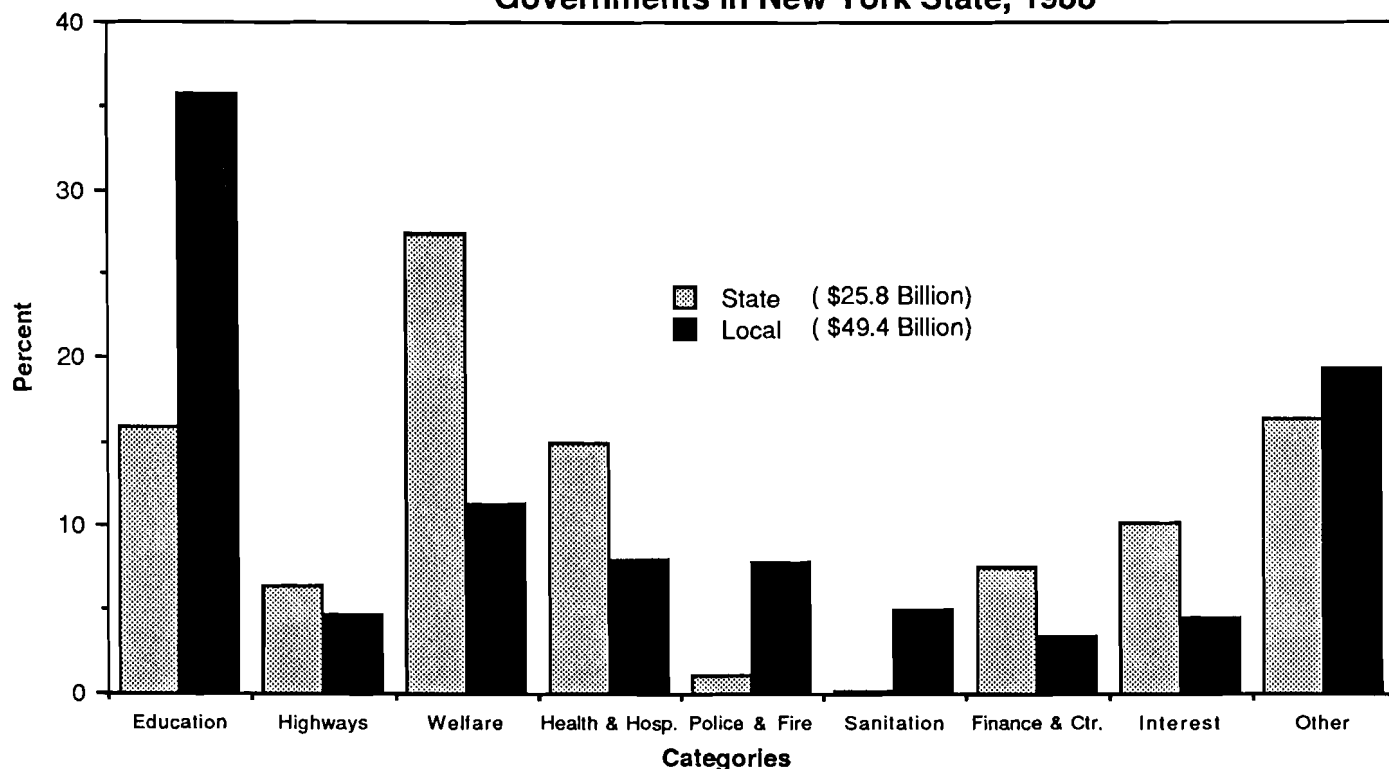
In response to changing spending priorities at all levels of government, the composition of services has changed over time as well. Compared with 30 years ago, spending on education, welfare, and health and hospital care has risen dramatically. These changes are explained in large measure by: the maturing of the post-war baby boomers; the inauguration of many new welfare programs in the 1960's and the increased benefits provided throughout the 1970's; and the aging of the general population (Mason, Boisvert and Plimpton, 1978). On a percentage basis, the distribution of monies by major expenditure category has changed only slightly since the mid-1970's.

Given the substantial differences in the functions and powers and duties assigned to state government and to the various units of local government, it is not surprising that the distribution of expenditures is substantially different as well. Figure 1 highlights the differences by major expenditure category in New York for the fiscal year ending in 1988. At the local level, education is the undisputed leader, accounting for over a third of local general expenditures. This is in sharp contrast to the 16 percent figure at the State level. The largest single category of State expenditures, on the other hand, is public welfare (27.4 percent), and when combined with expenditures for health and hospital care, account for 42.3 percent of State spending. Public welfare accounts for only 11.3 percent of local spending and health and hospital care are only half as large in percentage terms locally as they are at the State level.

Sources of Funds

The sources of funds to finance state and local government services are diverse as well. One of the few generalizations that can be made nationally, however, is that the property taxes are used almost exclusively at the local level.

Figure 1.
Distribution of General Expenditures of State and Local
Governments in New York State, 1988



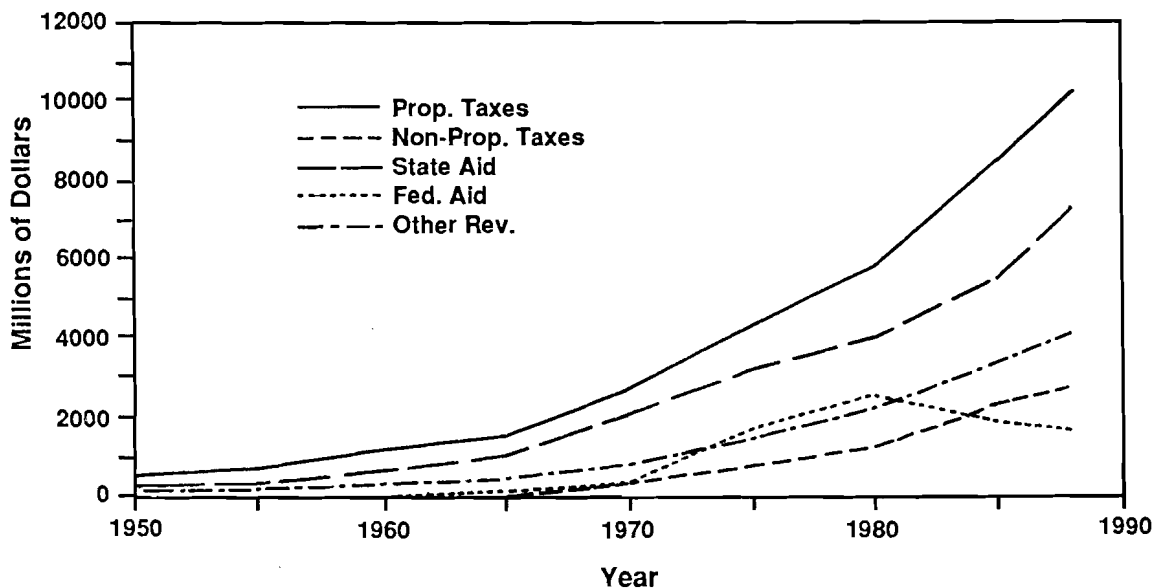
Source: U.S. Department of Commerce, (1989)

Thus, to place the property tax and its exemptions into perspective, it is important to focus on sources of funds for local government finance.

Over the past 40 years, revenues collected by local governments in New York have risen dramatically. In 1950, revenues from all sources to local governments in New York (excluding New York City) were just over \$900 million; they reached \$10 billion in the early 1970's, and as of 1988, revenues stood at \$25.8 billion. These funds have come from four major sources: property taxes; non-property taxes; state aid; and Federal aid. There are a number of other minor sources of revenue, which, for our purposes, are lumped into a single miscellaneous category.

Revenues from most of these sources have been on a continual upward trend for many years (Figure 2). Focusing on the period since 1960, property tax revenues have increased nearly 10-fold, from \$1.1 billion to \$10.1 billion;

Figure 2.
Local Government Revenues in New York State



Source: State of New York Office of the State Comptroller, (various years)

*Excluding New York City

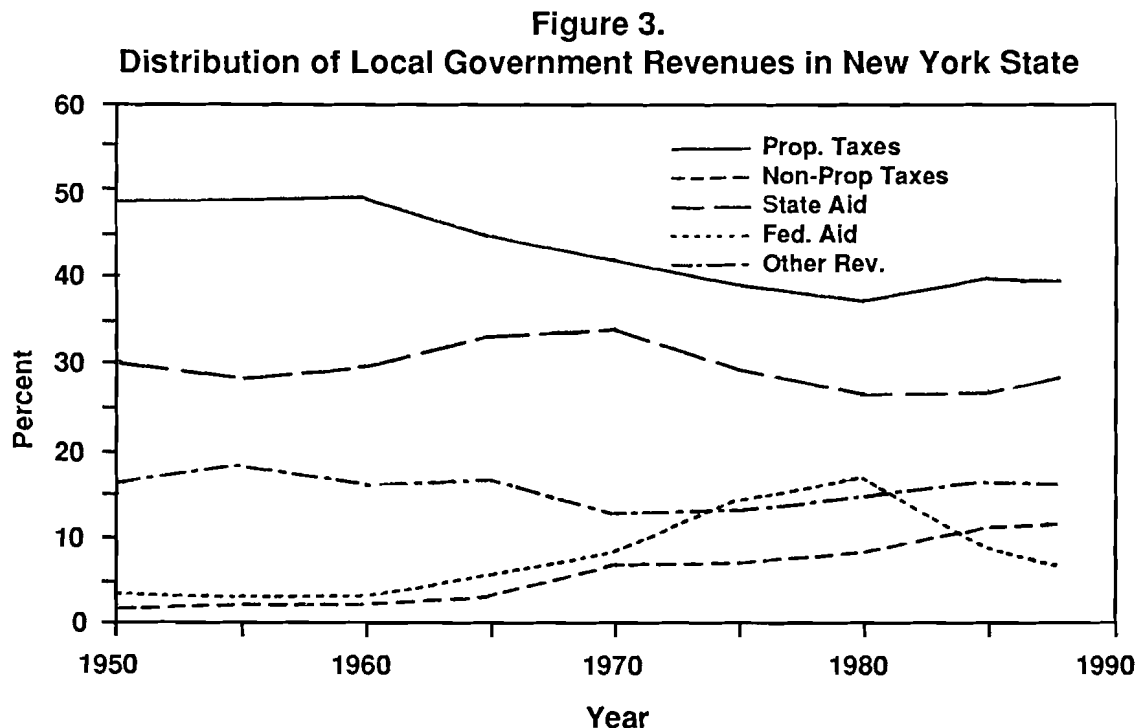
state aid has risen by an even greater percentage, from \$670 million to \$7.3 billion. However, as local governments have sought out new sources of revenue to finance the expanding demand for public services and meet the financial commitments of programs mandated at the state and Federal levels, they focused some attention on taxes other than the property tax as a source of revenue. Monies collected from this general category rose over this same period from \$56.3 million to \$2.7 billion.

The one exception to the continual upward trend in revenues to local governments in New York is the recent and absolute decline in Federal aid. Aid from the Federal government peaked in 1980 at \$2.2 billion. In the eight years following, Federal monies have been cut back to just over \$1.6 billion.

Fueled by unprecedented rates of inflation during some of the period and by the expanding role of government to meet the needs of an increasing complex

and interrelated society, it is hardly surprising that local government revenues from most sources have increased over the past several decades. Less obvious are some dramatic shifts in the relative importance of individual revenue sources. The recent decline in Federal aid reflects efforts by the Congress and past Administrations both to "down-size" the public sector and to shift more of the responsibility for financing government back to the states and localities. The effect of this complete reversal of the expansionary aid policies of the 1960's and early 1970's is illustrated dramatically in Figure 3. Federal aid as a percentage of New York local government revenues peaked in 1980 at 15.5 percent, nearly three times the current level of 6.3 percent.

Perhaps the major implication of this change for local government finance in New York is the need for increased reliance on more traditional sources of revenue, such as the property tax. Between 1960 and 1980, property taxes as a



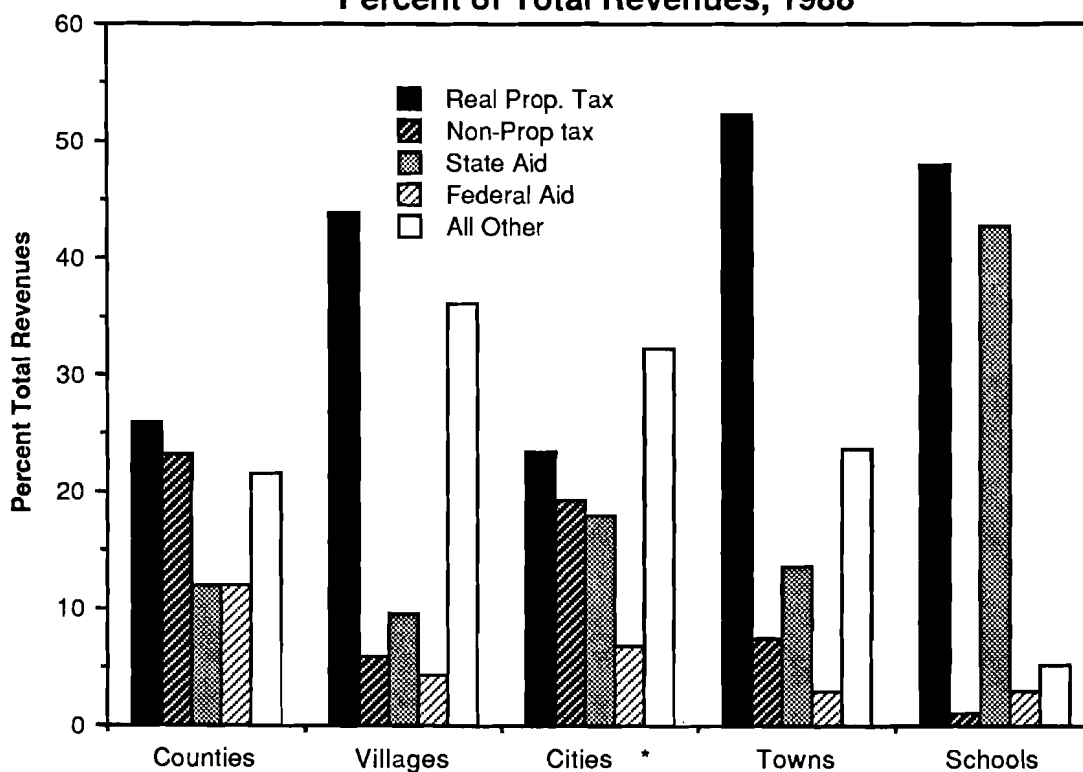
Source: State of New York Office of the State Comptroller, (various years)

*Excluding New York City

proportion of local government revenues in New York declined continually, from 49.0 percent to 36.7 percent. However, with the cutbacks in Federal aid, this trend ended abruptly and the relative importance of the property tax to local governments has risen gradually throughout the 1980's and is back up to 39.0 percent. With the current budget situation at the state level, the property tax may again reach its historic high level of relative importance before the turn of the Century.

If true, it is certain that some local governments will be affected disproportionately. Counties and cities receive about a quarter of their revenues from the property tax (Figure 4). However, the situation is different for the other three major types of local governments. Towns rely most heavily on the real property tax for its revenues; over half of all revenues are from property taxes. School districts are a close second with 48 percent of their revenues coming from local property tax levies. Villages are not far behind (44 percent). These latter three types of

Figure 4.
Revenue Sources of N.Y. Local Governments as
Percent of Total Revenues, 1988



Source: State of New York Office of the State Comptroller (1989)

* Excluding New York City

local governments will be particularly concerned about how the growth in the property tax base and the size of property tax exemptions are affected by changing economic conditions throughout the state and Nation and by changes in public policy at the state and local levels.

THE PROPERTY TAX AND ITS EXEMPTIONS

Over time the process of setting budgets of units of local governments has become increasingly complex. New demands are continually placed on the scarce financial resources of local governments and local officials often have tough choices to make in setting expenditure priorities.

Once the priorities are established and expenditure levels for each program are set, government officials must find sufficient revenue to meet expenses. This is also a complex process, but once the revenues from other sources (e.g., state and Federal aid, non-property taxes) are accounted for, the remainder of current government expenses must be met out of property tax revenues. To raise this revenue, property tax rates are set by dividing these "residual" expenditure needs by the taxable assessed value of real property. The higher the taxable value of property in a given jurisdiction, the lower is the tax rate required to meet a fixed budget expenditure.

For this reason, local officials have a keen interest in economic factors that affect the size of or growth in the property tax base. Policies designed to promote economic development or environmental objectives through full or partial property tax exemptions for certain types of property or classes of property owners erode the local tax base. There is a trade-off between these state or local objectives and the ability of local governments to finance other activities. There is also the question of equity as the burden of financing local services is shifted from one class of property owner to another.

The Property Tax Base

Excluding New York City, there were approximately four million property tax parcels on the 1988 assessment rolls in New York State; the equalized (full) value of real property across the State, was estimated at \$446.6 billion. This

figure is up over 90 percent from the \$233.9 billion figure for the 3.9 million tax parcels on the 1982 (the first year for which detailed data on property tax exemptions were published) assessment rolls (N.Y. State Board of Equalization and Assessment, 1984; 1990).

While the value of real property in the State may seem very large and is growing every year, these gross figures are perhaps misleading because much of the increase is due to an appreciation of existing properties in the active post-recessionary real estate market. To the extent this is true, it merely reduces the tax rate per unit value needed to raise a given revenue. It does not mean the "real" tax base has expanded. Furthermore, some of the value of this property is either wholly or partially exempt from property tax levies of one or more units of local government. In 1982, for example, there were 125,000 parcels that were wholly exempt from property taxes in the State (excluding the City) and another 589,000 that were partly exempt. These parcels represented 19 percent of the total. In that year, just under 18 percent of the tax parcels were exempt for county and town and village purposes; just over 25 percent of the full value of property was exempt from these taxes. For school tax purposes, only 7 percent of the tax parcels were wholly or partially exempt, but these parcels represented nearly 23 percent of the property value.

The situation has changed little in the intervening years. In 1988, the most recent year for which data are available, about 3.3 percent of the tax parcels outside the City are wholly exempt from property taxes, while 20.3 percent, a slight increase from 1982, of the parcels are partly exempt. Despite this increase, just over 21 percent of the parcels (and 23 percent of the value) are exempt for county and town and village property taxes. The 7.3 percent of the parcels exempt for school purposes account for 20.1 percent of the value of property.

Classifying Exemptions

Although these data provide some perspective on the magnitude of the property tax exemptions across the State, they mask the wide variety of exemptions. In their statewide summary of exemptions in 1982, the N.Y. State Board of Equalization and Assessment (1984) listed over 200 individual exemptions, which are grouped into 8 major categories (Table 1).

Table 1. Major Categories of Real Property Tax Exemptions in New York State

Description	Number of Specific Exemptions ^a		Percent Exempt Value	
	1982	1988	1982	1988
Residential Property Other than Multiple Dwellings	18	40	5.9	7.0
Property of N.Y. State Government and Agencies	10	11	8.4	11.4
Property of Municipal Governments and Agencies ^b	56	61	45.4	33.8
Property of U.S or Foreign Governments and Agencies and Indian Tribes	9	11	4.2	8.1
Property of Community Service, Social and Professional Societies	33	33	14.3	15.0
Industrial, Commercial, and Public Service Property	25	33	4.3	11.2
Urban Renewal and, Public and Private Subsidized Housing	40	34	6.0	12.1
Agricultural and Forest Property	9	7	0.6	0.7

Source: N.Y. State Board of Equalization and Assessment (1984; 1990).

^aEach specific exemption is distinguished by a five-digit code. The first digit represents the type of property ownership and type of exemption. The middle three digits identify and group the exemptions, while the fifth denotes the tax purpose for which the property is exempt.

^bIncludes school districts, BOCES, and special districts.

The bulk of real property tax exemptions statewide are concentrated in properties owned by governments and their various agencies. In both 1982 and 1988, over 50 percent of the value of property exempt from property taxes was government property. Interestingly, by far the largest category is the property owned by the municipal governments themselves. In 1982, this category

accounted for over 45 percent of the total exempt value, but it fell to 33.8 percent of the total by 1988. In contrast, the relative importance of exemptions in the other two categories of government property increased ; the implications of these higher percentages on local finance in New York is somewhat misleading, however, because payments in lieu of taxes are paid on some of these properties. Nonetheless, as seen above, these and the other classes of exemptions reduce the property tax bases of local governments across the State substantially. To the extent that owners of these types of properties are distributed unevenly across jurisdictions, local governments and taxpayers are affected differently. Jurisdictions with relatively more exempt public property must tax remaining property at higher rates to obtain needed tax revenues.

At the other extreme, the two exemptions upon which the remainder of this report is focused, the agricultural assessments on farmland and farm building exemptions, are classified under the major category of Agricultural and Forest Property exemptions. Total exemptions on agricultural and forest property constitute less than one percent of the value of all exempt property in the State.

These aggregate statistics mask the importance of agricultural exemptions for individual taxing jurisdictions containing substantial amounts of farm real estate. The situation becomes a bit clearer at the county level. According to the 1988 assessment rolls, there were 21 counties in the State in which these combined Agricultural and Forest exemptions constituted over five percent of the total value of property exempt from property taxes. These 21 counties represent some of the more sparsely populated and agriculturally oriented counties in the State. As seen in Table 2, the proportion due just to the agricultural use value and building exemptions is also significant, ranging from a high of 22.8 percent in Yates to a low of 4.4 percent in Cortland. Given the expected variation around these county averages, one could expect that, for many of the individual towns, villages, and school districts, the importance of these exemptions relative to the total value of exempt property is even larger.

The Agricultural Use-Value Exemption

Of the two major agriculturally related property tax exemptions, the use-value assessment provisions of the New York Agricultural Districts Law is the

Table 2. Percent Agricultural and Forest Exemptions are of Total Exemptions, Selected Counties, 1988

County	All Agricultural and Forest Exemptions	Use-Value and Building	County	All Agricultural and Forest Exemptions	Use-Value and Building
	----percent----			----percent----	
Cayuga	11.0	10.2	Orange	6.6	6.3
Chenango	18.6	8.0	Orleans	7.0	7.0
Columbia	15.7	15.0	Schoharie	13.9	4.1
Cortland	7.4	4.4	Schuyler	14.1	5.2
Delaware	11.5	7.7	Seneca	8.2	8.2
Genesee	11.0	11.0	Steuben	7.1	5.7
Lewis	22.7	11.1	Washington	5.6	5.4
Livingston	13.5	13.0	Wayne	10.2	10.2
Madison	10.2	7.1	Wyoming	11.6	11.6
Montgomery	7.9	7.0	Yates	23.1	22.8
Ontario	10.8	10.8			

Source: N.Y. State Board of Equalization and Assessment (1990).

Note: For those counties not listed, the combined value of the agricultural and forest exemptions are less than five percent of the total value of exemptions in the county.

best known and most widely discussed method of sheltering farm property from the real property tax. This Law provides for a reduced property tax bill to owners who qualify for an exemption from property taxes on the difference between the assessed value of the land and its estimated value in agricultural use. The Law is specific on the rules which qualify both landowners and farmland for an exemption. Farm operators are eligible if they own 10 or more acres which were used in the preceding two years for the production of crops, livestock, or livestock products of an average gross sales value of \$10,000 or more. Nonfarm landlords can also receive an exemption if the rented parcels meet the size and gross sales requirements. Those who rent out over 10 acres to an eligible farmer but do not independently meet the gross sales requirement can also qualify if they rent the

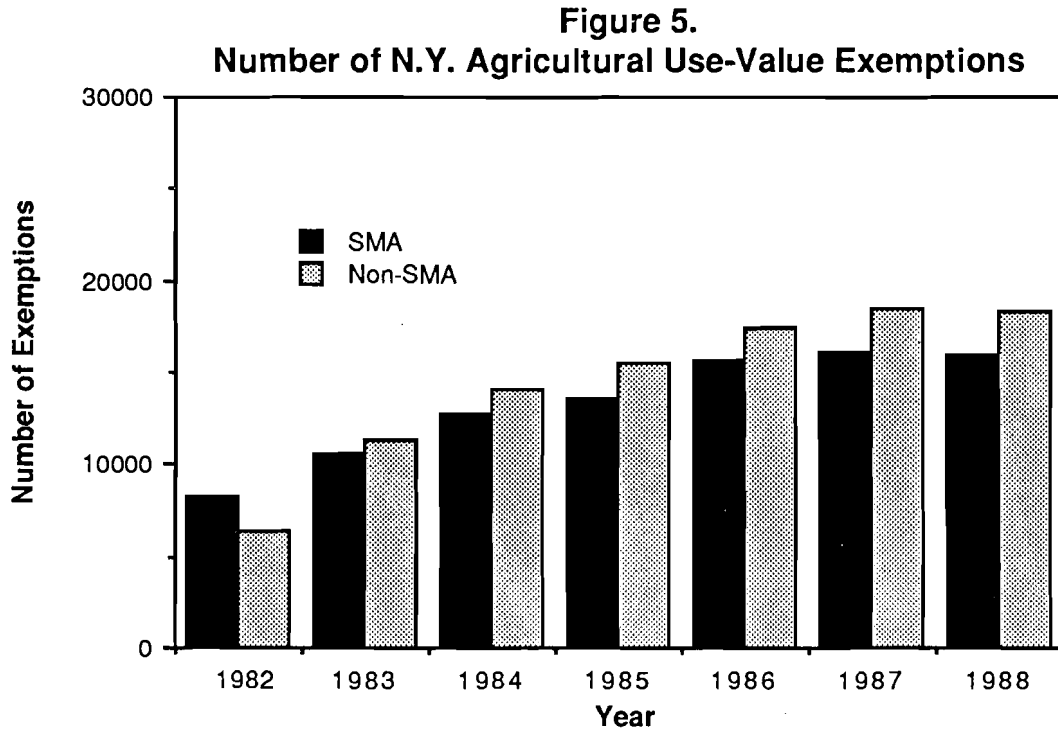
acreage to a qualified farm operator under a written rental agreement for at least a five-year term.²

The Law also specifies that the exemption is limited to land in agricultural production, defined to include harvested cropland, support land, and crop acreage either set aside or retired under Federal supply management or soil conservation programs. Up to 50 acres of woodland can receive an agricultural assessment on each separately described eligible tax parcel.

These eligibility requirements for parcel size, gross sales, and rented land are the Nation's most stringent and reflect the State Legislature's intent to limit the benefits to bona fide farming operations; precise estimates cannot be made but probably no more than 60 percent of New York farmland is eligible. There is also some evidence that historically farmland has been underassessed relative to other classes of property around the State, particularly in jurisdictions with out-dated assessment rolls (Boisvert, Bills, and Solomon, 1980). This means that the benefits to be gained by applying for use-value assessment can be quite small or completely absent on much of the farmland throughout the State. Conversely, more owners have incentives to apply when tax rolls are revalued, because revaluation often boosts assessed values placed on farmland.

Consequently, it was estimated that in 1977, only 4,000 tax parcels received use-value exemptions (King, 1978). By 1980, the number had increased to about 10,000, but this still represented only a very small fraction of all New York farm tax parcels. The New York State Division of Equalization and Assessment (E&A) has recently compiled more complete information on use-value exemptions. These data show that nearly 22,000 or about 21 percent of the State's agricultural tax parcels had use-value exemptions in 1983 (Figure 5). This was a dramatic increase over the less than 15,000 exemptions in the previous year. By 1987, the number of exemptions had risen to 34,700, only to fall by slightly more than 300 in the subsequent year. The total value of the exemption rose continuously during this period, from \$542 million to \$966 million (Figure 6).

² If land benefitting from this exemption is converted to a non-agricultural use, penalty taxes, equalling five times the taxes saved in the last year the land benefitted, are assessed. Interest compounded for up to five years is also collected.

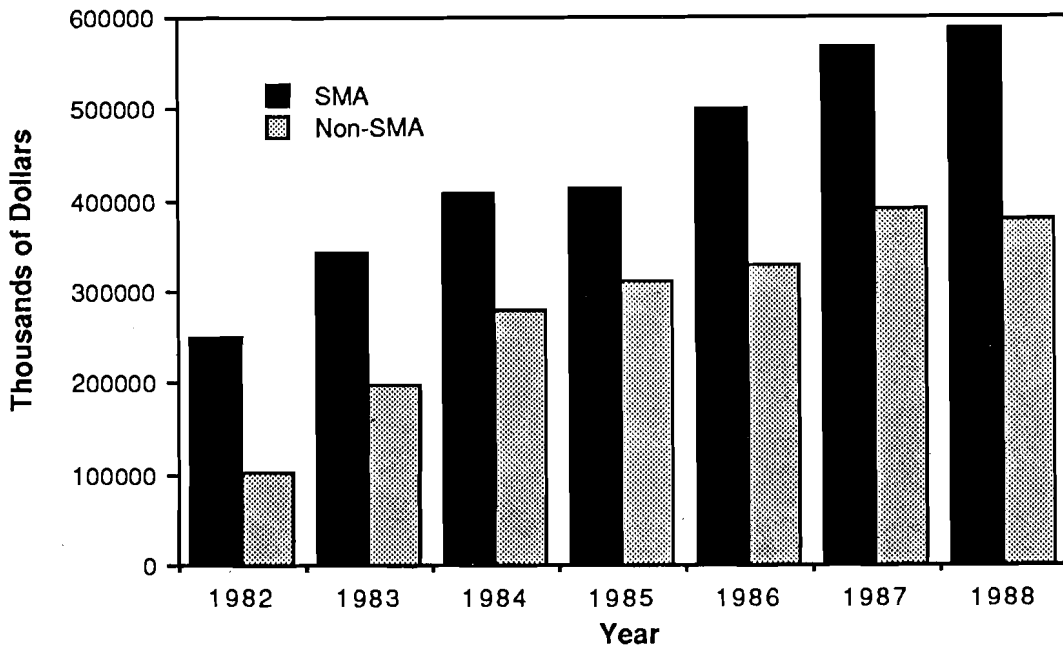


Source: N.Y. State Board of Equalization and Assessment (1984-90)

The geographic distribution of the number of use-value exemptions and their values are provided for each county in Appendix A, and are summarized in Figures 5, 6, and 7. To gain some perspective on this distribution of exemptions near urban areas, counties are grouped by a Federal definition of metropolitan status (Map 1). Those counties in Standard Metropolitan Areas (SMA's) contain large central cities or are immediately adjacent to them. SMA counties are likely to be affected by greater urban pressure than are Non-SMA counties; one might expect that the gains from the use-value assessment would be higher due to the larger difference between the market value of farmland and its value in agricultural use.

Thus, despite the fact that, in 1983, the number of use-value assessments in Non-SMA counties surpassed those in SMA counties, the dollar value of them has remained higher in the more urbanized areas (Figures 5 and 6). In 1988, for example, the 46.6 percent of the exemptions in SMA counties, constituted 60.8

Figure 6.
Value of N.Y. Agricultural Use-Value Exemptions



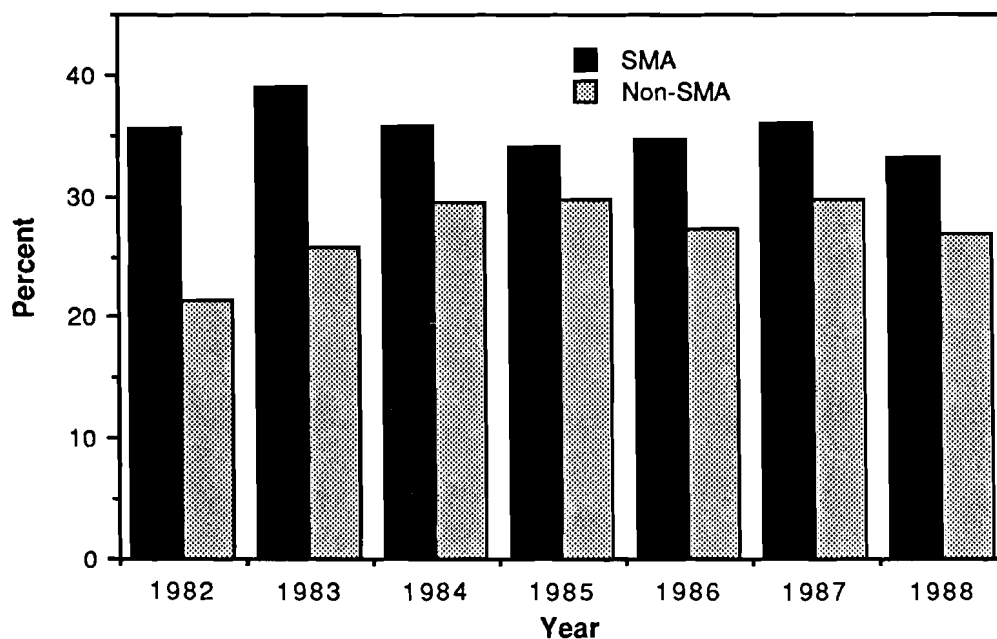
Source: N.Y. State Board of Equalization and Assessment (1984-90)

percent of the value of the exemption statewide. This is also reflected in the fact that the percent exempted through use value is of full value of the properties has been consistently over 30 percent in the SMA counties, whereas it has remained under 30 percent for the Non-SMA group (Figure 7).

The Agricultural Building Exemption

New York's Real Property Tax Law was amended to provide exemptions for capital improvements to farm real estate beginning in 1969 (Linton, 1973). Originally, the law provided that new farm improvements on land that had been in production for at least two years prior to application be exempted from taxes levied for school, county, and town purposes. The exemption applied to structures and building used directly in agricultural production or housing for farm employees not in the farm operator's immediate family and was for a period of five

Figure 7.
Percent N.Y. Agriculture Use-Value Exemption is of Full Value



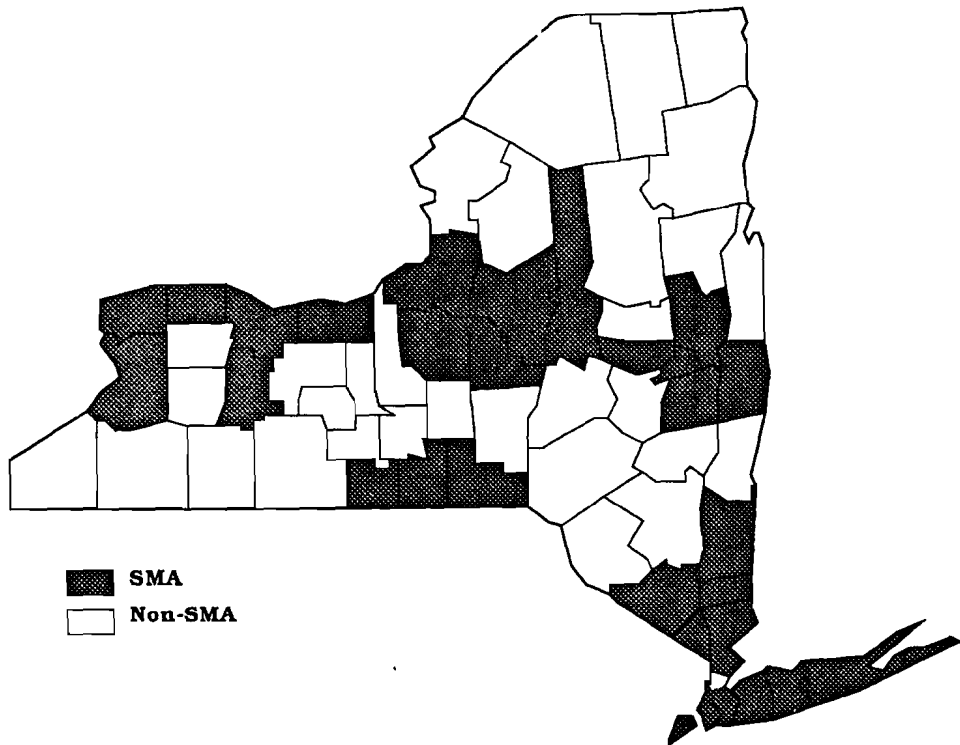
Source: N.Y. State Board of Equalization and Assessment (1984-90)

These percentages are based on the full value of only those parcels receiving the exemption.

years after their construction.³ The exemption is renewed automatically for up to this maximum length of time; the assessed value is then added back in to the taxable portion of the assessment rolls. The taxes exempted are levied as a rollback tax in the event the property is actually converted to a nonfarm use during the exempt period. The rollback is equal to the tax that would have been paid had no exemption been granted, but does not apply to property where farming has simply been discontinued.

Although in place a full two years prior to the Agricultural Districts Law, this legislation has received much less notoriety, but the value of property exempt under this Law rose much more rapidly in the early years. By 1975, there were over 7,400 building exemptions statewide with an estimated full value of \$103 million (King, 1978). In 1983, the number of building exemptions peaked at just over

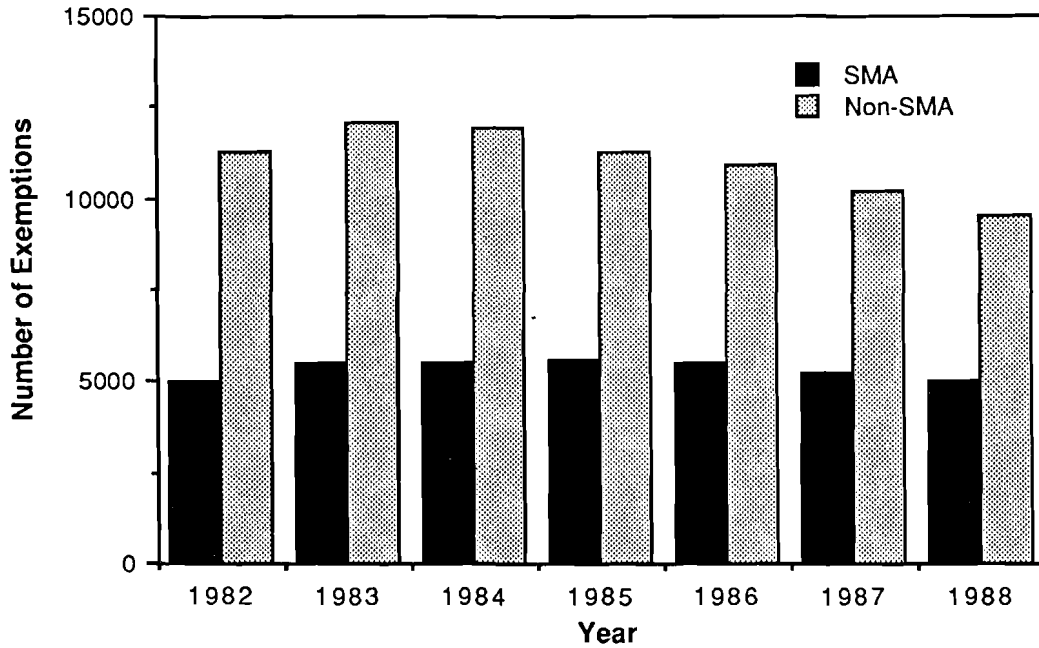
³ In 1978, this Law was amended to extend the exemption for 10 years after construction.

Map 1. SMA and Non-SMA Counties in New York State

17,500. In that year, the full value of the exemption was estimated at \$321 million. By 1988, the number of exemptions had fallen to just over 14,600; despite this drop in numbers, the exempt value had remained relatively constant, ranging between \$317 million in 1985 to \$330 million in 1988 (Figures 8 and 9). The value of the exemption as a percent of the full value of the properties to which the exemption applies has remained constant as well (Figure 10). This is in sharp contrast to the upward trends in both the numbers and value of the use-value exemptions throughout the 1980's. Much of the difference is probably explained by the slow down in the agricultural economy in recent years, resulting in less new capital investment for expansion or for replacement purposes.

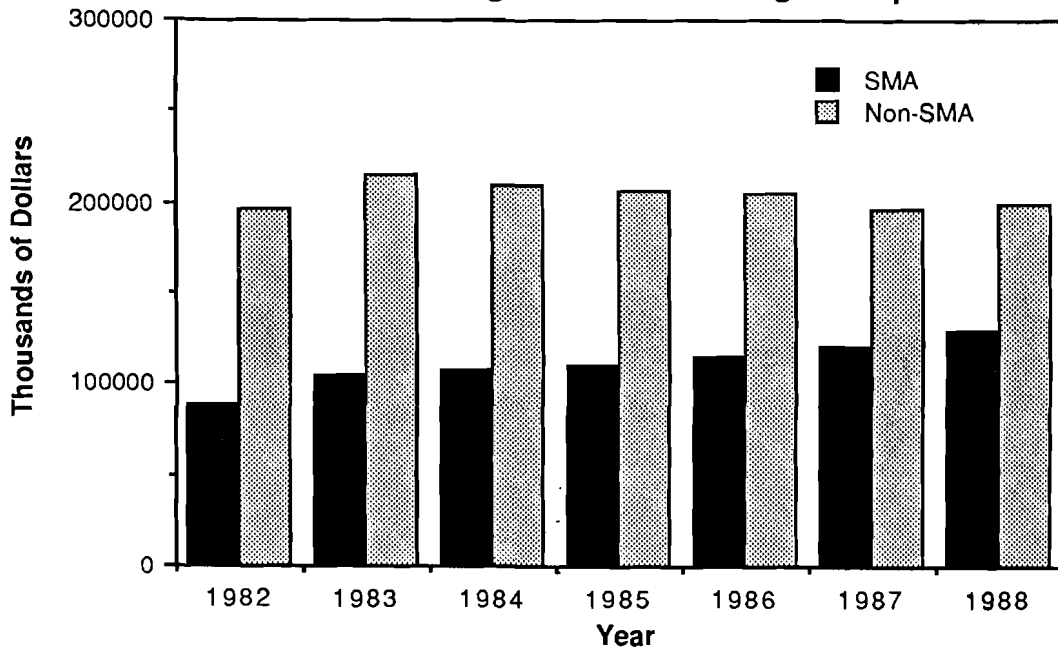
The geographic distribution of agricultural building exemptions is also dramatically different from that of the use-value exemption (See Appendix B for county details). From Figures 8 and 9, it is clear that both the number and the value of the building exemptions are concentrated in the less urbanized (Non-

Figure 8.
Number of N.Y. Agricultural Building Exemptions

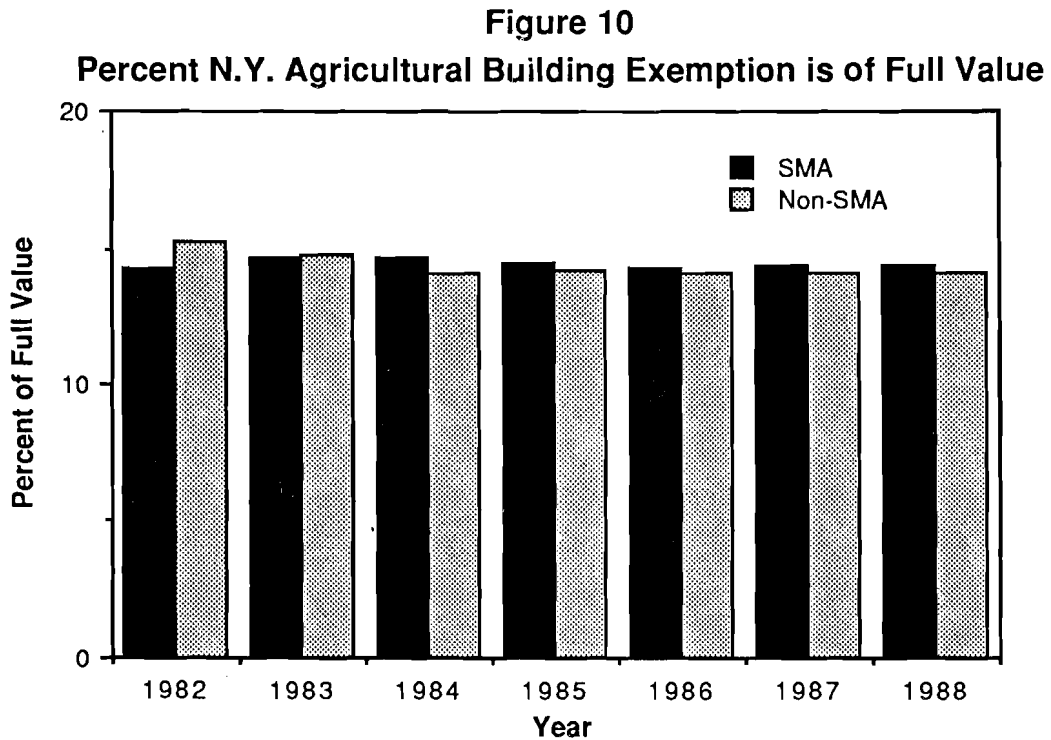


Source: N.Y. State Board of Equalization and Assessment (1984-90)

Figure 9.
Value of N.Y. Agricultural Building Exemptions



Source: N.Y. State Board of Equalization and Assessment (1984-90)



Source: N.Y. State Board of Equalization and Assessment (1984-90)

These percentages are based on the full value of only those parcels receiving the exemption

SMA) areas of the State. In 1988, 65.4 percent of the exemptions were in these counties, as was 60.6 percent of the value of the exemptions. These rural areas account for much of New York's agricultural production and one would expect substantial capital improvements to agricultural real estate to occur there. Although New York has a diverse agriculture, dairy farms account for more than 60 percent of total farm receipts. Capital requirements for dairy production are relatively heavy and tilted toward land improvements (barns, silos, milking parlors, etc.). Heavier use of the building exemptions in such counties is consistent with the evidence that dairy production is increasingly concentrated in less densely populated, rural localities. These locations reduce the risk associated with making long-lived capital investments on land where prospects for conversion to urban use are reasonably high. In rural locations, conflicts with nonfarm neighbors over management of livestock wastes may also be reduced.

DISCUSSION

This report has shown that the property tax in New York remains as a bell-weather source of funds for locally financed public goods and services. There is general agreement that these services are needed to meet basic social needs and maintain a satisfactory quality of life for all New York citizens. If current trends prevail, at least in the near to intermediate term, the resources required to fund these services will place even more pressure on the local property tax. Only limited assistance can be expected from higher levels of government. The Federal budget wallows in a sea of red ink and the recession-plagued state legislature attempts to cope with continuing budget deficits.

It is within this general economic environment that the unrelenting debate over the scope and direction of property tax policy for farm real estate occurs. It is generally acknowledged that present provisions for a 10-year holiday on new farm structures and reduced, use-value assessments on farmland allow owners to avoid increasing amounts of property tax liabilities. With aggregate value of land and buildings exempted standing in excess of \$1.3 billion, applying an average effective property tax rate of 3 percent suggests that owners of such farm real estate avoided about \$39 million in taxes during the 1988 tax year. These avoided taxes were largely borne by the owners of other classes of property and non-exempt farm property through higher tax rates.

Yet, exemptions of this magnitude have not spared farmland owners from larger tax bills. According to USDA estimates, farm real estate taxes increased from \$110 to \$142 million between 1969 and 1988 (USDA, 1973 and 1990). Recall that the legislature instituted tax relief programs in 1969 (for buildings) and in 1971 (for land). Total farmland acreage dropped precipitously over this 20-year period, from 10.1 million to 8.4 million acres (U.S. Department of Commerce, 1988). This 17 percent acreage decrease, combined with a 29 percent increase in gross levies boosted farm real estate taxes from \$4.91 to \$17.14 per acre. The average annual increase was about 17 percent on a per acre basis (USDA, 1982 and 1989). In comparison, the index of all prices paid by New York farmers increased about 10 percent per year during the 1969-87 period (NYS Dept. of Agriculture and Markets).

For these reasons, some would argue that the tax benefits authorized under current laws are too low. Partly on the basis of a 1989 study by the New York Senate Agriculture Committee concluding that farm real estate tax levies in New York are significantly higher than those in nine "competitor" states (Ambrus), it has been argued that new legislative initiatives are warranted to redress competitive disadvantages triggered by the local property tax. Subsequent legislative proposals have centered on augmenting present benefits with circuit breaker tax credits. The circuit breaker included in the 1990 Family Farm Preservation Act would phase in tax reductions designed to reduce taxes to \$8 per acre on participating farms. The reductions would be achieved with credits against state income tax liabilities. Annual program costs, measured in terms of state income tax revenue foregone, were estimated at \$26 million, or 67 percent of the combined value of the agricultural land and building exemptions. Program beneficiaries would be those owners receiving an agricultural exemption on land under current law. According to estimates available from state records, this program would benefit the owners of about 2.2 million acres, or 25 percent of New York's total farmland base. Furthermore, unlike the direct property tax exemptions, the costs of the circuit breaker would be borne by taxpayers statewide rather than by local property owners. These differences are likely to have important implications for financing local governments in rural areas where agricultural property is a significant portion of the local real property tax base.

Although the legislature failed to act on the property tax circuit breaker proposal during the 1990 legislative session, renewed efforts to legislate additional tax relief can be expected in future years. Proponents argue that such measures are required on both equity and land use grounds. The latter involves longstanding concerns about unfavorable effects on patterns of land conversions in urbanizing communities and an emerging belief that property taxes disadvantage New York farmers in regional and national commodity markets.

APPENDIX A

COUNTY DATA ON AGRICULTURAL USE-VALUE ASSESSMENTS
IN NEW YORK STATE

Table A1. Number of Agricultural Use-Value Exemptions

County	1982	1983	1984	1985	1986	1987	1988
<u>Non-SMA</u>							
Allegany	81	100	123	146	190	221	203
Cattaraugus	2	4	19	33	50	111	107
Cayuga	644	1,111	1,305	1,458	1,582	1,640	1,556
Chautauqua	310	328	358	428	469	576	1,116
Chenango	556	1,060	1,132	1,207	1,231	1,240	1,114
Clinton	7	7	9	3	164	285	349
Columbia	544	573	608	684	712	718	729
Cortland	444	721	781	824	859	852	758
Delaware	725	770	859	877	958	947	877
Essex	3	4	15	23	23	27	47
Franklin	6	7	40	56	75	116	124
Fulton	0	0	0	0	1	35	72
Genesee	225	1,007	1,295	1,489	1,592	1,611	1,662
Greene	5	4	5	5	4	2	2
Hamilton	0	0	0	0	0	0	0
Jefferson	0	452	623	553	625	628	396
Lewis	0	31	63	175	287	346	294
Ontario	1,006	1,318	1,472	1,674	1,757	1,788	1,768
Otsego	125	172	211	252	312	324	313
St. Lawrence	2	126	332	417	498	517	385
Schoharie	78	130	195	215	273	297	275
Schuyler	6	4	14	29	44	57	59
Seneca	71	205	359	455	540	645	699
Steuben	121	1,202	1,412	1,539	1,622	1,648	1,517
Sullivan	6	6	7	11	12	108	116
Tompkins	185	436	506	517	524	512	481
Ulster	762	775	823	808	803	790	790
Warren	0	0	0	0	0	0	0
Washington	86	135	281	324	369	517	603
Wyoming	87	257	600	656	1,061	1,135	1,071
Yates	334	376	613	736	773	845	857
Non-SMA Total	6,421	11,321	14,060	15,594	17,410	18,538	18,340

Table A1. (cont.) Number of Agricultural Use-Value Exemptions

County	1982	1983	1984	1985	1986	1987	1988
<u>SMA</u>							
Albany	3	2	4	2	2	2	1
Broome	78	85	81	91	150	181	153
Chemung	6	5	7	7	7	7	51
Dutchess	866	936	961	983	1,020	1,052	1,031
Erie	224	309	360	447	1,232	1,368	1,382
Herkimer	0	0	0	20	54	150	134
Livingston	1,098	1,467	1,480	1,547	1,592	1,575	1,576
Madison	242	432	684	864	1,006	1,053	970
Monroe	404	552	651	681	850	881	870
Montgomery	349	781	880	899	935	984	882
Nassau	0	1	4	6	11	16	6
Niagara	500	902	1,020	1,194	1,290	1,372	1,338
Oneida	39	37	76	88	116	144	183
Onondaga	38	112	147	178	206	211	488
Orange	2,013	1,984	1,971	2,045	2,033	1,950	1,847
Orleans	90	361	539	644	793	823	846
Oswego	2	6	4	1	1	1	9
Putnam	15	16	15	11	13	14	14
Rensselaer	764	816	832	831	841	838	828
Rockland	37	37	35	37	39	38	32
Saratoga	648	691	727	744	751	733	677
Schenectady	1	1	1	32	36	44	55
Suffolk	467	543	509	553	705	722	665
Tioga	20	42	80	81	109	115	105
Wayne	269	495	1,581	1,616	1,805	1,789	1,809
Westchester	93	87	96	104	98	95	79
SMA Total	8,266	10,700	12,745	13,706	15,695	16,158	16,031
State	14,687	22,021	26,805	29,300	33,105	34,696	34,371

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table A2. Value of Agricultural Use-Value Exemptions

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>Non-SMA</u>							
Allegany	490	894	1,142	1,391	1,672	1,972	1,389
Cattaraugus	22	75	249	338	488	1,063	958
Cayuga	5,699	17,383	27,881	30,605	33,371	34,718	31,540
Chautauqua	2,238	2,698	3,033	4,129	3,842	5,209	17,864
Chenango	3,369	10,642	13,005	14,424	15,404	15,796	10,050
Clinton	65	55	79	40	3,904	6,230	6,853
Columbia	21,661	28,084	33,457	37,274	41,641	49,434	56,700
Cortland	3,647	10,016	12,852	13,544	14,289	14,987	10,733
Delaware	11,749	16,727	20,155	20,101	22,810	22,588	18,049
Essex	14	58	197	243	275	444	562
Franklin	221	367	621	1,020	1,117	1,672	1,462
Fulton	0	0	0	0	5	254	512
Genesee	1,629	15,864	26,066	30,042	32,533	33,016	30,298
Greene	154	157	186	166	182	93	179
Hamilton	0	0	0	0	0	0	0
Jefferson	0	4,775	7,994	7,573	7,212	7,453	4,480
Lewis	0	196	391	3,550	5,016	4,835	3,928
Ontario	19,261	32,598	42,107	48,358	54,411	56,265	52,258
Otsego	1,046	2,107	2,670	3,372	4,411	5,140	4,521
St. Lawrence	8	1,234	3,086	3,917	4,619	5,086	2,511
Schoharie	867	2,557	3,861	4,235	5,365	5,435	4,213
Schuyler	49	28	147	200	330	488	866
Seneca	472	2,522	4,455	4,991	6,393	8,761	8,633
Steuben	881	12,474	16,519	17,858	19,311	21,057	15,608
Sullivan	356	371	423	457	513	1,848	1,879
Tompkins	975	4,357	6,831	7,077	7,826	8,743	7,137
Ulster	20,655	20,101	24,176	24,986	27,046	30,323	38,450
Warren	0	0	0	0	0	0	0
Washington	633	2,087	5,506	6,292	7,359	11,102	13,619
Wyoming	749	3,209	7,566	8,084	13,008	13,394	9,751
Yates	3,814	7,582	14,143	17,375	19,478	22,897	24,240
Non-SMA Total	100,724	199,218	278,798	311,642	353,831	390,303	379,243

Table A2. (cont.) Value of Agricultural Use-Value Exemptions

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>SMA</u>							
Albany	65	20	62	32	30	29	23
Broome	755	1,260	1,227	1,345	1,914	2,024	1,179
Chemung	422	100	128	144	146	154	673
Dutchess	47,274	60,097	66,347	68,971	75,347	77,903	86,606
Erie	2,235	4,390	5,377	6,633	26,745	31,598	29,953
Herkimer	0	0	0	344	758	2,075	1,312
Livingston	13,488	32,391	36,318	37,925	36,376	36,775	32,131
Madison	2,066	4,934	9,336	11,111	14,062	16,293	12,525
Monroe	8,166	13,034	17,050	17,272	24,049	27,504	27,491
Montgomery	3,970	15,049	18,379	18,977	19,909	21,607	17,164
Nassau	0	141	888	1,375	14,019	21,829	7,480
Niagara	5,249	11,662	15,380	18,117	20,516	21,989	19,904
Oneida	612	648	1,186	1,492	1,741	2,037	2,593
Onondaga	523	2,853	4,246	5,040	5,721	6,378	15,038
Orange	89,016	98,137	100,105	95,842	104,136	108,239	129,086
Orleans	355	3,536	6,800	8,483	10,540	11,458	10,439
Oswego	7	23	15	7	8	8	57
Putnam	742	898	946	713	806	1,397	1,820
Rensselaer	16,045	20,811	22,510	22,925	23,718	24,081	23,012
Rockland	6,548	6,499	6,106	4,874	5,754	6,495	7,112
Saratoga	10,030	13,957	15,466	15,875	16,185	16,447	14,616
Schenectady	6	9	10	562	608	717	869
Suffolk	27,931	33,373	42,239	36,362	51,889	79,861	86,848
Tioga	179	338	666	805	888	1,688	1,507
Wayne	3,980	7,348	24,820	23,408	29,871	31,719	37,411
Westchester	11,297	11,454	12,933	14,559	16,406	18,736	20,188
SMA Total	250,961	342,962	408,540	413,193	502,142	569,041	587,037
State	351,685	542,180	687,338	724,835	855,973	959,344	966,280

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table A3. Full Value of Property with Use-Value Assessments

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>Non-SMA</u>							
Allegany	3,429	4,275	5,131	5,944	8,075	9,823	8,911
Cattaraugus	159	272	718	1,160	2,242	5,298	5,500
Cayuga	48,490	77,767	88,903	101,062	111,550	116,598	118,521
Chautauqua	14,928	16,065	17,365	20,340	22,965	28,794	48,928
Chenango	27,890	54,904	59,700	64,117	67,869	67,531	63,923
Clinton	212	365	422	154	11,048	18,408	27,257
Columbia	68,935	78,567	86,185	96,306	106,817	118,975	138,858
Cortland	29,370	46,603	50,250	52,421	56,281	57,586	54,934
Delaware	55,665	61,388	68,454	69,225	77,106	77,381	78,047
Essex	206	212	760	821	909	1,256	2,330
Franklin	820	924	1,930	2,856	3,651	5,731	6,622
Fulton	0	0	0	0	49	1,303	2,133
Genesee	16,313	65,045	82,977	94,468	104,968	104,881	113,075
Greene	478	413	487	511	455	192	323
Hamilton	0	0	0	0	0	0	0
Jefferson	0	31,847	43,542	38,995	40,481	40,246	30,963
Lewis	0	1,925	3,879	13,994	20,793	24,045	23,202
Ontario	74,110	97,131	108,849	125,608	139,170	142,344	148,780
Otsego	7,559	10,418	12,733	16,113	21,124	23,945	24,650
St. Lawrence	61	6,012	16,227	21,055	25,037	27,530	22,379
Schoharie	5,012	10,455	14,534	15,839	19,357	19,754	20,495
Schuyler	347	308	793	1,319	2,180	3,114	4,498
Seneca	2,758	8,328	16,704	19,609	25,944	32,467	41,196
Steuben	4,495	51,534	59,241	63,467	69,614	76,001	74,872
Sullivan	2,292	1,864	1,896	2,453	3,062	8,366	9,087
Tompkins	9,829	29,802	34,288	35,826	40,056	43,914	44,799
Ulster	59,708	60,331	65,518	66,463	73,908	81,669	99,338
Warren	0	0	0	0	0	0	0
Washington	7,052	11,618	23,693	26,459	29,539	41,921	56,096
Wyoming	5,715	15,247	37,430	41,749	65,938	70,187	70,871
Yates	22,446	27,356	43,681	54,519	59,682	68,012	76,733
Non-SMA Total	468,279	770,976	946,290	1,052,853	1,209,870	1,317,272	1,417,321

Table A3. (cont.) Full Value of Property with Use-Value Assessments

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>SMA</u>							
Albany	276	188	379	81	60	61	32
Broome	4,914	5,630	5,035	5,980	9,071	10,799	10,448
Chemung	755	442	484	497	522	513	2,620
Dutchess	119,817	134,574	143,218	152,470	174,731	186,491	225,023
Erie	13,422	19,592	21,994	27,476	80,535	94,091	100,288
Herkimer	0	0	0	1,552	3,801	11,307	10,012
Livingston	85,171	114,172	109,994	117,393	117,497	119,544	131,841
Madison	13,945	24,932	40,288	48,577	58,306	65,504	64,979
Monroe	26,832	37,013	43,469	45,687	62,579	70,973	77,788
Montgomery	22,733	48,797	53,862	56,751	61,405	66,189	66,562
Nassau	0	200	2,001	2,749	19,322	30,054	10,242
Niagara	29,278	49,304	56,048	65,770	77,182	80,859	81,391
Oneida	2,963	2,957	5,263	6,460	7,490	9,184	12,683
Onondaga	2,081	7,448	9,652	11,927	13,660	15,817	37,977
Orange	171,318	178,086	180,714	180,410	199,464	207,915	261,618
Orleans	4,101	16,357	25,425	30,177	38,159	42,575	43,917
Oswego	86	119	112	90	96	102	374
Putnam	1,740	2,019	2,161	1,817	2,208	2,447	3,794
Rensselaer	58,125	63,763	58,573	58,660	60,104	62,551	70,181
Rockland	9,061	8,813	7,417	5,924	6,902	7,936	8,206
Saratoga	40,382	43,900	46,188	47,621	49,575	50,827	53,955
Schenectady	121	121	87	1,421	1,566	2,044	2,552
Suffolk	57,322	68,437	70,183	78,328	106,890	127,965	140,404
Tioga	1,014	2,139	3,074	3,400	4,571	5,941	6,105
Wayne	17,451	27,888	230,564	231,951	262,488	271,481	304,250
Westchester	20,057	20,697	24,406	27,727	31,169	35,698	39,564
SMA Total	702,965	877,588	1,140,591	1,210,896	1,449,353	1,578,868	1,766,806
State	1,171,244	1,648,564	2,086,881	2,263,749	2,659,223	2,896,140	3,184,127

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table A4. Percent Agricultural Use-Value Exemptions are of Full Value

County	1982	1983	1984	1985	1986	1987	1988
<u>Non-SMA</u>							
Allegany	14.3	20.9	22.3	23.4	20.7	20.1	15.6
Cattaraugus	13.8	27.6	34.7	29.1	21.8	20.1	17.4
Cayuga	11.8	22.4	31.4	30.2	29.9	29.8	26.6
Chautauqua	15.0	16.8	17.5	20.3	16.7	18.1	36.5
Chenango	12.1	19.4	21.8	22.5	22.7	23.4	15.7
Clinton	30.7	15.1	18.7	26.0	35.3	33.8	25.1
Columbia	31.4	35.7	38.8	38.7	39.0	41.6	40.8
Cortland	12.4	21.5	25.6	25.8	25.4	26.0	19.5
Delaware	21.1	27.2	29.4	29.0	29.6	29.2	23.1
Essex	6.8	27.4	26.0	29.6	30.3	35.3	24.1
Franklin	27.0	39.7	32.2	35.7	30.6	29.2	22.1
Fulton	0.0	0.0	0.0	0.0	10.2	19.5	24.0
Genesee	10.0	24.4	31.4	31.8	31.0	31.5	26.9
Greene	32.2	38.0	38.2	32.4	40.0	48.4	55.4
Hamilton	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jefferson	0.0	15.0	18.4	19.4	17.8	18.5	14.6
Lewis	0.0	10.2	10.1	25.4	24.1	20.1	16.9
Ontario	26.0	33.6	38.7	38.5	39.1	39.5	35.1
Otsego	13.8	20.2	21.0	20.9	20.9	21.5	18.3
St. Lawrence	13.1	20.5	19.0	18.6	18.4	18.5	11.2
Schoharie	17.3	24.5	27.0	26.7	27.7	27.5	20.6
Schuyler	14.1	9.1	19.0	15.2	15.1	15.7	19.3
Seneca	17.1	30.3	26.7	25.5	24.6	27.0	21.0
Steuben	19.6	24.2	27.9	28.1	27.7	27.7	20.8
Sullivan	15.5	20.0	22.3	18.6	16.8	22.2	20.7
Tompkins	9.9	14.6	19.9	19.8	19.5	19.9	15.9
Ulster	34.6	33.3	36.9	37.6	36.6	37.1	38.7
Warren	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Washington	9.0	18.0	23.2	23.8	24.9	26.5	24.3
Wyoming	13.1	21.0	20.2	19.4	19.7	19.0	13.8
Yates	17.0	27.7	32.4	31.9	32.6	33.7	31.6
Non-SMA Total	21.5	25.8	29.5	29.6	27.3	29.6	26.8

Table A4. (cont.) Percent Agricultural Use-Value Exemptions are of Full Value

County	1982	1983	1984	1985	1986	1987	1988
<u>SMA</u>							
Albany	23.6	10.6	16.4	39.5	50.0	47.5	71.9
Broome	15.4	22.4	24.4	22.4	21.1	18.7	11.3
Chemung	55.9	22.6	26.4	29.0	28.0	30.0	25.7
Dutchess	39.5	44.7	46.3	45.2	43.1	41.8	38.5
Erie	16.7	22.4	24.4	24.1	33.2	33.6	29.9
Herkimer	0.0	0.0	0.0	22.2	19.9	18.4	13.1
Livingston	15.8	28.4	33.0	32.3	31.0	30.7	24.4
Madison	14.8	19.8	23.2	22.9	24.1	24.9	19.3
Monroe	30.4	35.2	39.2	37.8	38.4	38.8	35.3
Montgomery	17.5	30.8	34.1	33.4	32.4	32.6	25.8
Nassau	0.0	70.5	44.4	50.0	72.6	72.6	73.0
Niagara	17.9	23.7	27.4	27.5	26.6	27.2	24.4
Oneida	20.7	21.9	22.5	23.1	23.2	22.1	20.4
Onondaga	25.1	38.3	44.0	42.3	41.9	40.3	39.6
Orange	52.0	55.1	55.4	53.1	52.2	52.1	49.3
Orleans	8.7	21.6	26.7	28.1	27.6	26.9	23.8
Oswego	8.1	19.3	13.4	7.8	8.3	7.8	15.2
Putnam	42.6	44.5	43.8	39.2	36.5	57.0	48.0
Rensselaer	27.6	32.6	38.4	39.1	39.4	38.5	32.8
Rockland	72.3	73.7	82.3	82.3	83.4	81.8	86.7
Saratoga	24.8	31.8	33.5	33.3	32.6	32.4	27.0
Schenectady	5.0	7.4	11.5	39.6	38.8	35.1	34.0
Suffolk	48.7	48.8	60.2	46.4	48.5	62.4	61.9
Tioga	17.7	15.8	21.7	23.7	19.4	28.4	24.7
Wayne	22.8	26.3	10.8	10.1	11.4	11.7	12.3
Westchester	56.3	55.3	53.0	52.5	52.6	52.5	51.0
SMA Total	35.7	39.1	35.8	34.1	34.6	36.0	33.2
State	30.0	32.9	32.9	32.0	32.2	33.1	30.3

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Note: These percentages are calculated by dividing the data from Table A2 by the data from Table A3 and multiplying by 100.

APPENDIX B

**COUNTY DATA ON THE AGRICULTURAL BUILDING EXEMPTIONS
IN NEW YORK STATE**

Table B1. Number of Building Exemptions

County	1982	1983	1984	1985	1986	1987	1988
<u>Non-SMA</u>							
Allegany	271	285	286	271	264	254	244
Cattaraugus	374	414	425	427	423	420	412
Cayuga	760	805	828	761	734	663	644
Chautauqua	797	794	779	730	701	678	600
Chenango	454	480	511	517	507	504	471
Clinton	431	483	512	489	456	425	427
Columbia	144	159	198	191	163	163	158
Cortland	315	351	320	306	288	279	243
Delaware	301	337	341	314	302	263	236
Essex	44	49	46	48	45	41	41
Franklin	228	257	270	277	281	274	258
Fulton	20	19	13	15	22	18	19
Genesee	478	511	501	477	462	437	373
Greene	36	45	47	48	49	44	43
Hamilton	0	0	0	0	0	0	0
Jefferson	908	921	847	764	721	645	561
Lewis	630	676	566	514	503	458	424
Ontario	346	358	346	335	311	299	294
Otsego	673	725	705	658	626	556	553
St. Lawrence	797	817	766	749	745	692	637
Schoharie	163	161	184	111	153	131	125
Schuyler	195	207	215	206	212	148	149
Seneca	233	251	256	256	267	257	237
Steuben	697	753	715	633	615	604	554
Sullivan	84	96	97	102	103	103	96
Tompkins	296	319	342	325	293	259	240
Ulster	142	162	176	168	162	140	134
Warren	1	1	1	1	1	1	1
Washington	315	420	406	390	386	350	335
Wyoming	762	783	760	716	677	632	605
Yates	390	440	478	484	464	448	459
Non-SMA Total	11,285	12,079	11,937	11,283	10,936	10,186	9,573

Table B1. (cont.) Number of Building Exemptions

County	1982	1983	1984	1985	1986	1987	1988
<u>SMA</u>							
Albany	26	31	32	28	28	29	28
Broome	124	150	151	162	166	153	159
Chemung	62	80	76	75	72	78	57
Dutchess	102	113	117	115	122	114	118
Erie	275	310	314	311	306	313	317
Herkimer	482	548	550	604	526	470	448
Livingston	376	418	422	395	395	387	374
Madison	503	546	552	541	543	530	486
Monroe	174	181	197	190	194	190	188
Montgomery	247	236	243	250	250	245	237
Nassau	0	0	0	0	0	0	0
Niagara	369	369	353	337	330	305	286
Oneida	285	313	305	334	349	331	321
Onondaga	134	149	157	168	166	160	177
Orange	329	374	398	407	392	364	334
Orleans	324	337	315	288	276	255	245
Oswego	218	235	241	242	234	221	205
Putnam	1	1	1	1	1	1	2
Rensselaer	228	247	231	226	214	186	165
Rockland	0	0	0	0	1	1	1
Saratoga	96	106	118	118	129	132	140
Schenectady	11	15	17	17	18	17	18
Suffolk	110	129	122	137	144	141	109
Tioga	132	131	132	155	149	140	129
Wayne	428	474	489	500	497	498	493
Westchester	7	11	14	13	15	17	16
SMA Total	5,043	5,504	5,547	5,614	5,517	5,278	5,053
State	16,328	17,583	17,484	16,897	16,453	15,464	14,626

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table B2. Value of Building Exemptions

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>Non-SMA</u>							
Allegany	5,003	5,269	5,164	4,688	4,368	4,167	4,327
Cattaraugus	5,576	6,506	6,777	6,767	6,383	6,315	6,290
Cayuga	11,398	11,888	12,525	12,229	12,484	11,543	12,123
Chautauqua	11,511	11,941	11,173	10,524	10,159	9,502	8,598
Chenango	6,479	7,818	8,601	8,688	8,714	8,405	8,094
Clinton	6,155	7,283	8,207	8,597	5,148	5,498	6,528
Columbia	7,301	8,865	9,458	11,503	11,897	12,626	14,086
Cortland	3,843	4,311	4,122	4,049	3,971	3,878	3,584
Delaware	5,814	7,057	7,304	6,885	6,852	6,387	6,360
Essex	905	1,091	1,050	1,210	1,186	1,208	1,359
Franklin	4,259	4,573	4,751	4,737	5,024	5,219	4,860
Fulton	350	354	274	304	386	394	518
Genesee	7,190	7,467	7,448	7,280	7,319	6,935	6,615
Greene	583	853	890	1,085	1,195	1,161	1,316
Hamilton	0	0	0	0	0	0	0
Jefferson	9,699	10,013	9,750	9,313	8,198	7,522	7,455
Lewis	12,963	14,443	12,335	11,494	11,413	11,284	10,698
Ontario	7,373	8,519	7,970	7,675	7,592	7,186	7,836
Otsego	8,825	9,906	10,238	10,179	10,825	10,428	10,897
St. Lawrence	14,855	13,514	12,689	12,959	13,509	12,749	12,203
Schoharie	4,349	4,191	4,203	2,051	3,338	2,674	2,514
Schuyler	3,279	3,569	3,621	3,242	3,707	2,812	3,200
Seneca	7,323	8,060	8,158	8,368	9,263	9,504	9,568
Steuben	13,466	17,303	13,523	12,369	12,126	12,017	11,106
Sullivan	1,903	2,084	2,101	2,438	2,635	2,772	2,874
Tompkins	4,043	4,634	5,172	5,083	5,065	5,011	5,309
Ulster	5,177	5,841	6,234	6,355	6,251	5,542	5,332
Warren	136	141	146	150	160	168	215
Washington	7,807	9,038	8,607	8,576	8,126	7,084	8,089
Wyoming	13,729	14,361	12,412	12,341	12,080	11,539	12,419
Yates	4,677	4,999	5,297	5,730	5,393	4,933	5,504
Non-SMA Total	195,971	215,892	210,200	206,869	204,767	196,463	199,877

Table B2. (cont.) Value of Building Exemptions

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>SMA</u>							
Albany	504	598	609	384	411	510	548
Broome	2,901	3,548	3,287	3,323	3,312	3,096	3,565
Chemung	1,261	1,636	1,692	1,689	1,644	1,763	1,180
Dutchess	4,080	5,531	6,240	6,288	7,651	8,134	10,035
Erie	6,070	6,956	7,230	7,694	6,660	6,792	6,809
Herkimer	6,815	8,033	8,363	8,754	8,408	8,586	8,652
Livingston	6,771	7,655	7,002	6,906	6,920	7,117	7,409
Madison	7,603	8,800	8,959	8,724	9,043	9,024	9,144
Monroe	2,713	2,965	3,335	3,250	3,265	3,459	3,871
Montgomery	3,148	3,151	3,423	3,466	3,567	3,693	3,975
Nassau	0	0	0	0	0	0	0
Niagara	4,589	4,800	4,716	4,467	4,752	4,550	4,730
Oneida	5,838	6,480	7,090	7,602	7,950	7,245	7,701
Onondaga	4,004	4,898	5,426	5,482	5,436	5,615	4,824
Orange	5,151	6,680	7,110	7,626	7,935	8,663	10,156
Orleans	3,387	3,797	3,873	3,414	3,575	3,441	3,635
Oswego	3,606	4,203	4,373	4,545	4,717	4,824	4,913
Putnam	34	35	36	37	42	46	504
Rensselaer	4,312	5,016	5,166	5,435	5,786	5,312	4,824
Rockland	0	0	0	0	49	55	69
Saratoga	1,318	1,528	2,223	2,256	2,552	2,740	3,689
Schenectady	137	447	482	472	501	509	579
Suffolk	4,208	6,131	5,600	6,800	8,614	11,270	13,790
Tioga	3,075	3,427	3,592	3,177	3,305	3,042	2,691
Wayne	6,642	7,724	7,471	7,777	7,954	9,158	10,302
Westchester	324	953	1,133	1,019	1,303	1,678	2,135
SMA Total	88,491	104,992	108,431	110,587	115,352	120,322	129,730
State	284,462	320,884	318,631	317,456	320,119	316,785	329,607

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table B3. Full Value of Building Property

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
Non-SMA							
Allegany	23,942	25,780	26,449	24,746	24,125	23,288	23,737
Cattaraugus	33,705	37,690	39,713	40,143	40,719	40,899	41,856
Cayuga	97,285	107,900	112,411	106,216	106,755	99,179	104,711
Chautauqua	70,331	72,835	71,879	68,754	68,597	67,752	62,031
Chenango	49,191	55,501	59,958	62,191	62,902	61,548	59,767
Clinton	51,409	61,772	69,164	69,209	57,343	56,379	65,575
Columbia	31,256	39,384	53,684	55,135	48,709	52,444	57,453
Cortland	39,820	46,167	42,371	40,563	40,145	39,885	37,789
Delaware	41,009	50,262	51,528	48,048	48,488	45,050	43,725
Essex	3,787	4,500	4,320	4,542	4,134	4,392	4,998
Franklin	22,025	24,859	25,959	27,245	29,527	31,433	29,702
Fulton	1,497	1,594	1,164	1,293	2,004	1,607	1,805
Genesee	69,434	75,832	76,842	73,271	71,577	64,625	57,751
Greene	2,877	3,885	4,186	4,564	4,834	4,495	5,152
Hamilton	0	0	0	0	0	0	0
Jefferson	106,694	112,670	108,331	99,770	90,627	83,380	79,691
Lewis	73,492	84,651	74,333	72,347	71,492	66,096	62,971
Ontario	42,332	45,860	45,384	45,584	45,608	43,735	45,724
Otsego	72,496	81,121	83,824	82,183	88,515	84,010	89,302
St. Lawrence	69,475	73,317	69,550	70,348	73,894	70,405	66,498
Schoharie	17,162	18,507	22,126	15,224	19,623	17,343	17,090
Schuyler	13,554	15,858	16,475	16,090	17,886	14,525	15,464
Seneca	23,301	25,230	25,839	26,396	29,430	30,725	32,146
Steuben	70,130	80,316	78,522	72,900	73,250	73,946	70,904
Sullivan	12,505	13,541	12,916	15,505	16,798	18,124	17,757
Tompkins	37,287	42,300	46,777	45,668	47,009	44,759	46,019
Ulster	26,132	31,484	36,884	37,288	41,032	38,377	44,444
Warren	230	238	246	254	272	284	364
Washington	40,887	59,684	60,562	61,201	60,582	54,471	63,919
Wyoming	98,961	109,434	104,626	102,753	100,224	96,276	101,613
Yates	45,714	53,731	61,847	65,537	64,455	62,879	70,079
Non-SMA							
Total	1,287,920	1,455,903	1,487,870	1,454,968	1,450,556	1,392,311	1,420,037

Table B3. (cont.) Full Value of Building Property

County	1982	1983	1984	1985	1986	1987	1988
----- thousand dollars -----							
<u>SMA</u>							
Albany	2,046	2,708	2,862	2,517	2,689	3,152	3,748
Broome	14,000	17,518	18,078	20,209	21,394	20,939	23,215
Chemung	5,431	8,517	9,969	10,074	9,928	10,880	8,564
Dutchess	26,564	31,126	34,170	35,055	38,698	40,547	52,237
Erie	26,657	31,601	33,396	34,425	40,547	43,864	45,505
Herkimer	49,459	59,657	60,894	64,849	65,023	66,169	66,578
Livingston	64,928	75,526	72,076	70,487	69,607	71,484	73,264
Madison	62,141	70,470	71,691	70,108	73,798	75,259	74,219
Monroe	20,851	20,972	23,596	23,275	25,693	27,085	31,296
Montgomery	29,751	30,874	31,503	32,431	33,686	34,440	35,342
Nassau	0	0	0	0	0	0	0
Niagara	43,042	42,837	40,430	39,358	41,921	37,771	38,234
Oneida	28,079	33,507	36,161	39,884	42,142	40,205	42,125
Onondaga	13,613	15,772	17,133	18,036	18,841	19,334	29,388
Orange	47,878	58,082	69,801	72,261	81,213	85,110	101,391
Orleans	33,383	35,667	35,556	31,081	31,476	30,823	31,181
Oswego	17,201	19,914	21,214	22,849	23,546	24,299	25,130
Putnam	211	332	344	354	394	435	1,103
Rensselaer	39,169	44,688	39,181	39,694	40,178	37,018	38,436
Rockland	0	0	0	0	282	316	406
Saratoga	12,346	14,524	16,903	17,918	20,533	21,525	26,913
Schenectady	1,249	2,130	1,591	1,675	2,023	1,855	2,084
Suffolk	21,730	28,680	27,153	32,244	40,130	47,520	47,714
Tioga	11,361	11,854	12,110	16,684	17,040	17,354	16,981
Wayne	47,612	55,177	59,948	62,192	62,979	70,728	76,913
Westchester	2,284	3,279	3,897	3,898	5,281	6,506	7,560
SMA Total	620,986	715,412	739,657	761,558	809,042	834,618	899,527
State	1,908,906	2,171,315	2,227,527	2,216,526	2,259,598	2,226,929	2,319,564

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Table B4. Percent Building Exemption is of Full Value

County	1982	1983	1984	1985	1986	1987	1988
<u>Non-SMA</u>							
Allegany	20.9	20.4	19.5	18.9	18.1	17.9	18.2
Cattaraugus	16.5	17.3	17.1	16.9	15.7	15.4	15.0
Cayuga	11.7	11.0	11.1	11.5	11.7	11.6	11.6
Chautauqua	16.4	16.4	15.5	15.3	14.8	14.0	13.9
Chenango	13.2	14.1	14.3	14.0	13.9	13.7	13.5
Clinton	12.0	11.8	11.9	12.4	9.0	9.8	10.0
Columbia	23.4	22.5	17.6	20.9	24.4	24.1	24.5
Cortland	9.7	9.3	9.7	10.0	9.9	9.7	9.5
Delaware	14.2	14.0	14.2	14.3	14.1	14.2	14.5
Essex	23.9	24.2	24.3	26.6	28.7	27.5	27.2
Franklin	19.3	18.4	18.3	17.4	17.0	16.6	16.4
Fulton	23.4	22.2	23.5	23.5	19.3	24.5	28.7
Genesee	10.4	9.8	9.7	10.0	10.2	10.7	11.5
Greene	20.3	22.0	21.3	23.8	24.7	25.8	25.5
Hamilton	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jefferson	9.1	8.9	9.0	9.3	9.0	9.0	9.4
Lewis	17.6	17.1	16.6	15.9	16.0	17.1	17.0
Ontario	17.4	18.6	17.6	16.8	16.6	16.4	17.1
Otsego	12.2	12.2	12.2	12.4	12.2	12.4	12.2
St. Lawrence	21.4	18.4	18.2	18.4	18.2	18.1	18.4
Schoharie	25.3	22.6	19.0	13.5	17.0	15.4	14.7
Schuyler	24.2	22.5	22.0	20.1	20.7	19.4	20.7
Seneca	31.4	31.9	31.6	31.7	31.5	30.9	29.8
Steuben	19.2	21.5	17.2	17.0	16.6	16.3	15.7
Sullivan	15.2	15.5	16.3	15.7	15.7	15.3	16.2
Tompkins	10.8	11.0	11.0	11.1	10.8	11.1	11.5
Ulster	19.8	18.6	16.9	17.0	15.2	14.4	12.0
Warren	59.1	59.2	59.4	59.0	58.8	59.2	59.1
Washington	19.1	15.1	14.2	14.0	13.4	13.0	12.7
Wyoming	13.9	13.1	11.9	12.0	12.0	12.0	12.2
Yates	10.2	9.3	8.6	8.7	8.4	7.8	7.9
Non-SMA Total	15.2	14.8	14.1	14.2	14.1	14.1	14.0

Table B4. (cont.) Percent Building Exemption is of Full Value

County	1982	1983	1984	1985	1986	1987	1988
<u>SMA</u>							
Albany	24.6	22.1	21.3	15.3	15.3	16.2	14.6
Broome	20.7	20.3	18.2	16.4	15.5	14.8	15.4
Chemung	23.2	19.2	17.0	16.8	16.6	16.2	13.8
Dutchess	15.4	17.8	18.3	18.9	19.8	20.1	19.2
Erie	22.8	22.0	21.6	22.3	16.4	15.5	15.0
Herkimer	13.8	13.5	13.7	13.5	12.9	13.0	13.0
Livingston	10.4	10.1	9.7	9.8	9.9	10.0	10.1
Madison	12.2	12.5	12.5	12.4	12.3	12.0	12.3
Monroe	13.0	14.1	14.1	14.0	12.7	12.8	12.4
Montgomery	10.6	10.2	10.9	10.7	10.6	10.7	11.2
Nassau	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara	10.7	11.2	11.7	11.4	11.3	12.0	12.4
Oneida	20.8	19.3	19.6	19.0	18.9	18.0	18.3
Onondaga	29.4	31.0	31.7	30.4	28.9	29.0	16.4
Orange	10.8	11.5	10.2	10.6	9.8	10.2	10.0
Orleans	10.1	10.6	11.0	11.0	11.4	11.2	11.7
Oswego	21.0	21.1	20.6	19.9	20.0	19.9	19.6
Putnam	16.1	10.5	10.5	10.4	10.7	10.6	45.7
Rensselaer	11.0	11.2	13.2	13.7	14.4	14.4	12.6
Rockland	0.0	0.0	0.0	0.0	17.4	17.4	17.0
Saratoga	10.7	10.5	13.2	12.6	12.4	12.7	13.7
Schenectady	11.0	21.0	30.3	28.2	24.8	27.4	27.8
Suffolk	19.4	21.4	20.6	21.1	21.5	23.7	28.9
Tioga	27.1	28.9	29.7	19.0	19.4	17.5	15.8
Wayne	14.0	14.0	12.5	12.5	12.6	12.9	13.4
Westchester	14.2	29.1	29.1	26.1	24.7	25.8	28.2
SMA Total	14.3	14.7	14.7	14.5	14.3	14.4	14.4
State	15.0	14.8	14.3	14.3	14.2	14.2	14.2

Source: N.Y. State Board of Equalization and Assessment, 1984-1990.

Note: These percentages are calculated by dividing the data from Table B2 by the data from Table B3 and multiplying by 100.

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