

Effective Tax Rates Continue Decline

Effective property tax rates for 1979 continued to decline from their 1976 and 1977 highs for all classes of real property in the metropolitan area, according to the latest edition of *Effective Real Property Tax Rates*, published by the Center for Local Tax Research. The declines are attributed to higher property values not reflected in assessments.

Effective rates for every metropolitan county in New Jersey were lower for residential property, with only two counties, Essex and Warren, having higher rates for business property. In the metropolitan counties of New York, five had higher rates for all classes.

For the first time in five years, New York City's Finance Department has refused to make its data available to the Center for the report. Until such time as New York City publicly discloses the real data on its tax base and a coherent policy in assessing it, the assumption must be made that its real property tax is levied more inequitably and more irrationally than the rest of the region.

The 1980 20-page supplement and the 1979 five-year summary are available for \$3.50 by writing or phoning the Center for Local Tax Research in New York City.

The following article appeared in the New York Times, November 10, 1980, and is being reprinted with the permission of the paper, ©1980.

City Won't Let Analysts See Real Estate Sales Data

By PETER KIHSS

New York City, facing numerous challenges that its real estate tax assessments are far below market values and discriminate among classes of property, has refused to make official real estate sales data available to analysts for the first time in five years of studies.

The refusal follows reports by the Center for Local Tax Research of so-called "effective tax rates." In these, the center has calculated, for example, that in 1978, the city taxed residential property at \$2.15 per \$100 of averaged sales values.

State law, as interpreted by the Court

of Appeals in 1975 requires that real estate be assessed at full value. Since 1977, the city's official tax rate has been \$8.75 per \$100 of assessed valuation, and is due to rise to \$8.95 on Jan. 1, 1981.

Philip Finkelstein, director of the center and a former deputy city administrator, disclosed yesterday that the center's request for the city's aggregated 1979 data on sales had been turned down because the data was "confidential."

Harry S. Tishelman, who just resigned as City Finance Commissioner to become district director in the Small Business Administration, explained the refusal by saying that sales records had been put on

computer tapes that included tax returns filed when an owner sold property, and that this information must be kept secret.

Mr. Tishelman said that the data were also sought by persons suing for tax refunds from the city based on claims of inequality in assessing classes of property, as well as individual property.

The center's new study of 1979 data calculated that residential properties in nine nearby New York State counties were taxed at \$3.42 per \$100 of full value, as against \$2.36 in 14 New Jersey counties and \$1.30 in Connecticut's Stamford and Greenwich districts.