

December 23, 2017

Dear Friends,

On Friday federal tax legislation was signed into law that will dramatically limit the ability of taxpayers to deduct state and local taxes on federal income tax returns.

By the end of the day on Friday Governor Cuomo had issued an emergency executive order to allow pre-payments of tax bills where a local jurisdiction adopts a tax warrant. The executive order clarifies the ability of local jurisdictions to accept pre-payments and partial payments, which may mean savings on your federal tax bill.

I have been following the federal legislation closely and am writing today to urge you to contact the local government and/or school district that collects your local property taxes to review whether pre-payment of taxes by December 31, 2017 applies in your situation and how pre-payment being processed in your community.

Local governments and school district have varied fiscal years and billing cycles. You should contact the jurisdictions that send you tax bills to inquire regarding their process for pre-payment of taxes before the end of the year. For some school districts you may have already paid the amount due for 2018 depending upon their billing schedule. You should also review your own tax situation to determine whether prepayment makes sense.

The Governor's announcement can be found at:

<https://www.governor.ny.gov/news/governor-cuomo-takes-emergency-executive-action-deliver-property-tax-deductibility-new-yorkers>

The executive order can be found at:

https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/EO_172.pdf

The executive order allows online payments until 11:59 p.m. on Sunday, December 31, 2017. The deadline for payments made by mail will be based on postmark on or before December 31, 2017.

The decision by Congress and the President to limit the deductibility of local property taxes is a radical departure from long-established national tax policy that has traditionally supported home ownership. It also represents double taxation and will have a significant impact on millions of Americans.

Governor Cuomo's executive order is the first response to the tax legislation that has been adopted. I will be working with the Governor and my colleagues to find other ways to protect taxpayers and return to a federal policy that supports homeownership.

I hope this information is helpful. My goal is to find ways state and local government can help protect us from these federal changes. I will post additional information as it becomes available.

Sincerely,



Steven Otis
NYS Assemblyman