



NEW YORK STATE SENATOR

Timothy M. Kennedy

Closing the Gap: Kennedy Stands With Local Schools Superintendents to Call for Fair Share of Millions in Lost Revenue Due to Untaxable Cemeteries

TIMOTHY M. KENNEDY November 19, 2015

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Districts Across New York State Continue to Lose Out On Money from Cemeteries Exempt from School Taxes

Kennedy's Bill Will Turn Hundreds of Acres of Cemeteries into Thousands of Dollars in Additional State Aid to Make Districts Whole, Without Any Impact on Cemeteries Tax-Exempt Status

Kennedy Formula Would Deliver Over \$1.1 Million in Additional Funds to Several School Districts Across Erie County

BUFFALO, NY – Senator Tim Kennedy (D-Buffalo) today stood with superintendents from Cheektowaga Central Schools and Cleveland Hill Union Free Schools to call on New York State to step up to the plate and reimburse school districts for cemeteries within their parameters, which are currently exempt from paying school taxes. Through the senator's new legislation, districts who are losing out on a significant level of funds due to tax-exempt cemetery land would be eligible for state funds. These funds will be administered by the Department of Tax and Finance as supplemental aid each year.

Districts across New York State that contain a greater concentration of state and private cemetery land consistently lose much-needed money generated by school tax revenues every year. Currently, they can receive compensation for certain federally owned tax-exempt properties, including cemeteries, that make up 10% or more of property in the district and meet criteria. However, there is not a similar aid program involving cemeteries at the state level.

“We constantly talk about fighting to arm our students and our educators with the tools and the funding they need to thrive; it's time we deliver. School districts across Erie County as well as New York State, through no choice of their own, are unable to generate tax revenue from cemetery land, which remains tax-exempt in perpetuity,” said **Senator Tim Kennedy**. “Of course we all agree that cemeteries should remain tax exempt, but by requiring New York State to fairly compensate these select districts that contain high percentages of cemeteries, we're administering much-needed aid that these districts rightfully deserve.”

“For school districts to operate we rely on critical funding generated by our local school taxes every year. The high percentage of tax-exempt cemetery properties in the Cleveland Hill district results in an annual exemption of approximately \$10.8 million a year. This along with

the limited number of properties available for future growth places an undue burden on our local district taxpayer,” said **Cleveland Hill Schools Superintendent Jon MacSwan**. “Through Senator Kennedy’s proposal, districts like ours will be able to receive state funding to help equalize property tax liabilities. We support his legislation, and the opportunities it opens up for our community and other similar districts across New York State.”

“Cheektowaga students deserve a high-quality education that will set them forward along the path to college or careers, and Cheektowaga taxpayers deserve the biggest bang for their buck,” said **Cheektowaga Central Schools Superintendent Dennis Kane**. “Providing over an additional \$100,000 in state aid to compensate schools for the lost tax revenue from tax-exempt cemetery land will provide a much-needed boost to our schools, and continue to alleviate the burden on local taxpayers. I applaud Senator Kennedy for putting forth this proposal, and urge the legislature to approve this bill in the upcoming session.”

Because most cemetery land has never been assessed, an average assessment of the locality's land was used in the legislation’s formula to apply potential school taxes on the property as if the land was not exempt. Only school districts where cemetery land posed a significant impact on school aid would be eligible for funding through the program, similar to the threshold for federal programs of this nature. An examination of initial calculations suggest Kennedy’s legislation could generate upwards of **\$302,000** in additional funding for Cleveland Hill, and **\$106,000** for Cheektowaga Central.

The chart below illustrates the additional funding that could be generated for certain districts across Erie County under this formula:

District Name	Number of Cemeteries	Total Value of Cemetery Land	Proposed Increase in Aid
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Cheektowaga Central	27	\$6,349,600	\$106,926
Cleveland Hill	7	\$10,586,700	\$302,690
East Aurora	6	\$2,074,750	\$32,249
Hamburg	8	\$2,492,432	\$50,206
Kenmore	8	\$26,401,957	\$561,949
Lackawanna	3	\$3,816,500	\$63,926

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