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Taxing issue

COUNTERPOINT: Circuit breaker the best way to limit property tax impact

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When New York state lawmakers talk about their proposed property tax cap, they paint a rosy picture about its effects. It's an election year, and unfortunately they're using a glib sound bite for a complex problem. They hear the frustration from constituents about how the cost of living is rising and, in response, they are offering a bad option that would seriously set back the progress our schools and students are making.

The politicians are seeking to limit the amount of support that any community can show for its schools in school budget votes. Instead, they mandate setting an Albany-determined cap. They offer no solutions to meeting the rising costs in feeding students, fueling buses and heating and maintaining schools.

While their proposal is short on details, its effects would be clear. It would set the stage for an erosion of much of the progress seen in New York's schools the past few years, as districts would be forced to choose from a menu of bad choices. The menu of cuts could include athletics, Advanced Placement courses, vocational education, art, music, and/or staff.

If these politicians would take the time to examine what has happened in other states, they would see that undermining school resources produces predictable and unappetizing results.

California's Proposition 13, passed in 1978 was more extreme than what is proposed for New York. It created revenue problems for cities, counties and, especially, schools.

Once a beacon of public education, California now has constant crises over education funding. Schools in wealthy districts are succeeding, as well-to-do parents can afford to funnel private donations into local educational foundations, while middle-class and high-needs districts cannot match their funding and have cut all nonessential programs.

This two-tier system of school funding blurs the line between public and private schools. It certainly goes against the spirit and letter of New York's law, which attempts to appropriate school funding fairly so all children can succeed, no matter their hometown or school district.

While Massachusetts enacted a less Draconian property tax cap, it still created unfortunate backward movement in some schools. Some experts have reported a decline in test scores in many high-needs districts, the kinds of schools that need more, not less, state support.

Other academic studies have shown that the lack of resources has forced many school districts to sacrifice arts and athletic programs. That created another unintended consequence, as some parents began moving their children to districts that provided adequate funding to their schools, abandoning districts with fewer resources to help students succeed. Their property tax cap has deepened the achievement chasm between some well-off and high-needs districts.

New York has a much better option. We can reduce taxes for those who really need tax relief: seniors and lower- and middle-class earners. The Legislature should establish a property tax "circuit-breaker" formula for them and limit the total property taxes to a percentage of their household income. That will help keep

our schools and communities strong, make our taxes more equitable and give tax relief to those who really need it.

A recent Siena College poll found that when voters are asked to choose between the governor's arbitrary tax cap and a "real" cap on their own taxes called a circuit breaker, the majority support the circuit-breaker approach.

The circuit breaker is the only solution that will provide real and immediate property-tax relief for residents struggling to pay their property-tax bill. The governor's proposed tax cap will slow the rate of growth, but do nothing to help people who can't pay their property taxes right now.

New York is setting the standard nationally for academic success. We don't need an election-year scheme that would potentially diminish property values across the state and hurt generations of students.

We can provide "circuit breaker" tax relief and our children can have good schools and a brighter future. If we cut revenue like California and Massachusetts did, we will create schools desperate for resources, low in results and dependent on parent contributions for survival.

Let's have real property tax relief without jeopardizing our schools' successes. The experience in other states shows us there's a price to capping property taxes and it's the state's children who pay it.

Ron Deutsch is executive director of New Yorkers for Fiscal Fairness, which coordinates the Better Choice Budget Campaign involving a coalition of more than 100 faith-based, human service, labor and community-based organizations in the state ([http://www.abetter choicefornny.org](http://www.abetterchoicefornny.org)).