

PROPERTY TAX DEDUCTION DETAILS

Three recent actions could have an impact on your Federal tax return for 2017:

1. The passage of the Federal Tax Cuts and Jobs Act imposing limits on the deductibility of state and local taxes from federal income tax
2. Governor Cuomo's issuance of an Emergency Executive Order which stated, in part:
 - a. Partial payments must be accepted in person until the close of business Dec. 28, 2017 by 4:30 pm;
 - b. Partial payments must be accepted online until 11:59 p.m. on Dec. 31, 2017;
 - c. Partial payments must be accepted if sent by mail and postmarked on or before Dec. 31, 2017.
3. The Dutchess County Finance Department providing the printed and 2018 electronic tax rolls to local municipalities before the end of 2017.
 - *Please be aware that the Town is only providing the latest information about this matter. The Town is **NOT** making a recommendation regarding the early payment of taxes. Please speak to your tax advisor regarding whether or not to pay early.*

On January 1, 2018, the Tax Cuts and Jobs Act will limit the deduction of state and local taxes for those that itemize their taxes to \$10,000. The Governor's Executive Order **allows** local Tax Receivers to collect taxes from those taxpayers who want to prepay their 2018 property taxes in December 2017 provided that:

- 1) The collecting officer has received the tax warrant, and
- 2) The collecting officer is **willing** to accept early payments.

Town real property taxes (outside of those counties that have a special tax act) become a lien on the property on **January 1**. So, while the property taxes technically are not due until **February 1**, and can be paid without interest until **February 28**, a collecting officer may accept payments before January 1 if the warrant has been delivered to the collecting officer.

Article 9 of the Real Property Tax Law requires the county to deliver the warrant to the collecting officer by December 31. The warrant gives the collecting officer the authority to collect taxes; without the warrant, he or she cannot accept tax payments. Therefore, once the county delivers the warrant to the collecting officer, he or she may begin to accept tax payments.

- *Note that collecting officers cannot typically be compelled to accept early tax payments – as an elected official, it is within his or her discretion to collect tax payments in the time, place and manner as stated in the notice of receipt of the warrant.*

On January 1 and later, the collecting officer must accept property tax payments and comply with the hours of collection published in their notice of the warrant. For example, assume that the county has delivered the warrant to the collecting officer on December 26. As of December 26, the collecting officer can begin to accept early payments of taxes, although they do not have to accept the payments – it is their discretion. In short, a collecting officer has the authority to accept prepayments of taxes once the county delivers the warrant.

This information addresses the issue of prepayments of taxes. Again, taxpayers should consult with their tax professional as to the deductibility of the taxes.

PAYING EARLY

Because early collection of real property taxes *may* provide some taxpayers with benefit, the Receiver of Taxes in the Town of Fishkill is allowing for early payment. The front-page of the Town website; www.fishkill-ny.gov, contains a link marked “Pay Water Bills And Taxes Here!” This will direct those interested in paying their Town Taxes to their tax bill and to the amount owed. There are **five** methods for payment:

- 1) Deliver a check to the Receiver of Taxes until 12/28/2017 by 4:30pm
- 2) Deliver a check to the drop-off box in the lobby of Town Hall (in off hours) until 12/31/2017 by 11:59pm
- 3) Pay online with an e-check (a \$2.50 service fee is added)
- 4) Pay online by credit card (a 2.75% service fee and a .48¢ processing fee is added)
- 5) By US Mail – Please note that the payment envelop must be Post Marked by 12/31/2017 or payment cannot be accepted. Payers can request that the Clerk at the Post Office postmark the envelope to substantiate on-time payment.

- Again, please note that the service fees above are in addition to the tax amount.

Once more, please discuss the benefits/risks of prepayment with your tax preparer.

The steps outlined above will be the **ONLY** opportunity to prepay the 2018 property tax.