



# Hellerstein v. Town of Islip

37 NY2d 1 (1975)

## Case Brief Summary

### Facts:

Plaintiff, an owner of a beach front vacation property, located on Fire Island, in the Town of Islip, in Suffolk County, New York, brought this action to declare the entire assessment roll for the Town of Islip void as a matter of law.

Plaintiff argues that such assessments were not made in accordance with section 306 of the New York State Real Property Tax Law, which states that: "All real property in each assessing unit shall be assessed at the full value thereof."

The Town of Islip conceded that all assessments throughout the township were made, based on a percentage of market value.

It is further not disputed that the Town of Islip's power to levy, collect and assess real property taxes, must be performed in accordance with state law.

### Issue:

Is the Town of Islip entitled to assess real property on the basis of a percentage of the property's market value?

### Answer:

No.

### Rule:

Real Property, in accordance with section 306 of the Real Property Tax Law must be assessed at the full value thereof.

### Conclusion:

The Court held that section 306 of the Real Property Tax Law has an ancient lineage, dating back to 1788, with the first reference of the term "full value" appearing in a proposed amendment to the statute in 1826, which was enacted in 1829.

The court found no merit to the argument that by establishing the State Equalization Board the Legislature has indicated that the requirements of section 306 are satisfied if assessments are simply made at a uniform percentage of full value throughout the taxing unit, due to the fact that the State Equalization Board is only concerned with maintaining equality among taxing units, and does not purport to measure the ratio of assessed valuation to full value of any individual property nor is it designed to insure that assessments are made at a uniform percentage of full value within the taxing unit.

The court further held that the vast majority of States require assessors, either by statute or constitutional prescription, to assess at full value, true value, market value or some equivalent standard.

The plaintiff is entitled to an order directing the township to make future assessments at full value as required by section 306 of the Real Property Tax Law.

The court determined that any order to immediately invalidate the assessment roll of the Town of Islip could bring fiscal chaos. As a result, the plaintiff is not entitled to have the past assessment rolls declared a nullity, and the order of this court should therefore not go into effect immediately.

This does not mean, however, that the court would indorse the practice of partial assessment or withhold relief insofar as future assessments are concerned. It did admit that future compliance with the full value requirement would undoubtedly cause some disruption of existing procedures, "but time should cure the problem."

As a result, to make this transition as successful as possible, the Town of Islip was allowed a reasonable time, but not later than December 31, 1976, to begin assessments at full value. In the interim assessments could be made in accordance with the existing practice. After such date, however, full value must be the standard.