

December 27, 2017

Dear South Colonie Real Property Owner:

The tax legislation signed last week by President Trump limits deductions of state and local income, property and sales taxes at \$10,000 total. In response to this legislation Governor Cuomo signed an Executive Order on December 22, 2017 to assist taxpayers seeking to pay property taxes prior to December 31, 2017 in order to deduct them on their 2018 federal income taxes. The recently enacted tax law expressly provides that taxpayers may not deduct state or local income taxes for any period beginning after December 31, 2017 on their federal taxes for 2017. What this means is that taxpayers cannot deduct prepayments of 2018 state or local income taxes on their 2017 federal income taxes; however, the law does not say that property taxes paid early cannot be deducted.

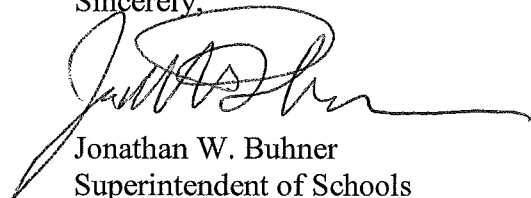
As public stewards, we have studied the Executive Order signed by Governor Cuomo and reviewed it with our legal counsel. Unfortunately, the Executive Order does not expressly authorize school districts to adopt tax warrants and issue tax bills in advance of adopting the 2018-19 school budget. In addition, the Executive Order does not suspend any provision of Article 13 of the Real Property Tax Law which governs the levy of real property taxes for most school districts.

South Colonie-like all other school districts within the state of New York-has not adopted its budget and tax levies for 2018-19, assessments have not been finalized, and equalization rates within the Towns of Colonie, Niskayuna and Guilderland could change. These considerations require the District to act prudently since discrepancies between any estimated tax bills issued now and the actual tax bills published in August, 2018 could be significant.

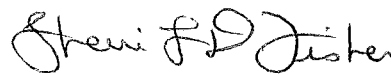
The Executive Order does not provide authority for school districts to adopt estimated or partial warrants for the 2018-19 school taxes, nor to issue tax bills corresponding to those warrants. Consequently, Governor Cuomo's Executive Order will not benefit you with respect to the prepayment of the 2018-19 school taxes.

Our District encourages an open dialogue. If you have questions, please feel free to contact the District Office at (518) 869-3576.

Sincerely,



Jonathan W. Buhner  
Superintendent of Schools



Sherri L.D. Fisher  
Assistant Superintendent for  
Management Services and  
Strategic Planning