

# Long Island Business NEWS

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## VIEWPOINT

# A coming storm of tax certs

By RICHARD FROMEWICK



The aftershocks from Hurricane Sandy continue to reveal themselves in ways we never appreciated when its winds and waves ravaged Long Island.

It is only now becoming apparent to Nassau County's financial officers that the real estate value of thousands of homes damaged by the storm will be challenged by their owners, exponentially adding to the county's \$300 million dollar tax certiorari debt. It is, in effect, the second coming of a superstorm.

Until last month Nassau County had no budget line for paying off its current tax debt but a recent Appellate Court decision has added urgency to the matter. The court struck down a law passed by the Nassau Legislature that would have partially shifted paying refunds from the county to the school districts. For the past many years, Nassau schools kept 100 percent of the property taxes they collected, leaving the county to pay any refunds.

Regardless of the merits of that problem, the Appellate Court ruled that the Legislature was taking an illegal shortcut without obtaining enabling legislation from the state of New York.

What happens in the meantime? Not much, likely. The county doesn't have the money, according to the current budget. NIFA, the county's financial oversight board, has bonding power available, but the Legislature has to vote to approve the borrowing.

Because there are 10 Republicans and nine Democrats, our representatives have not joined together to create the bipartisan 13 votes needed to accept NIFA bonds.

It is a Mineola partisan logjam worthy of Capitol Hill.

In the meantime, there is the \$300 million dollar debt that is growing larger every day – \$300 million dollars that could be a genuine stimulus to the county's economy at a time when the Sandy recovery effort demands genuine nonpartisan leadership from both sides of the aisle.

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