

Board Policy: **Taxes, PILOTs and Assessments**
Policy Type: **Operating Policies**
Monitored by: **Finance and Audit Committee**
Board Resolution: **#1320, approved September 21, 2016**



Board Policy on Taxes, PILOTs and Assessments

It is the policy of the Long Island Power Authority to:

- a) Pay only such taxes, Payments in-lieu-of Taxes (“PILOTs”), and assessments as are required by law or the Authority’s PILOT agreements with local municipalities and avail itself of the lawful right to challenge excessive payment obligations, including a reasonable and economically justifiable level of property taxes imposed on our customers contractually through the providers of generation and transmission service to the Authority.
- b) Promote tax equity among taxing jurisdictions for all of the Authority’s customers to minimize the cross-subsidization of tax payers in some jurisdictions by ratepayers in other jurisdictions and balance the amount of taxes imposed on electricity users compared to all other sources of state and local taxation.
- c) Inform customers of the burden of taxes, PILOTs, and assessments in their electric rates.
- d) Seek input from the public on the appropriate balance between taxes, PILOTs, and assessments imposed on electric utility service relative to all other direct and indirect sources of funding for State and local government services.