

Schumer: IRS shouldn't tax septic grants

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Sen. Chuck Schumer on Wednesday called for the Internal Revenue Service to quickly rule that homeowners don't have to pay taxes on Suffolk grants they receive for new nitrogen-removing septic systems.

Standing in the Patchogue backyard of Josephine and Howard Brennan — who unexpectedly had to pay \$1,500 in taxes on a \$10,000 grant this year after getting a federal tax form from the county — Schumer said the IRS should clarify the issue.

"I'm here to demand answers and get the IRS to fix the problem," Schumer said, comparing it to taxing someone for the cost of road repairs in front of their house. "We're all on the same side. The IRS should not tax people when they get grants to fix their homes."

An IRS spokesman said, "Federal law prohibits the IRS from commenting on specific taxpayer matters," including tax issues involving public entities, like county governments. The spokesman could not say how long a ruling would take.

Earlier this year, Suffolk County Comptroller John M. Kennedy sent tax forms to dozens of homeowners who had received \$10,000 to \$20,000 grants as part of the county's Septic Improvement Program, the start of an effort to curb nitrogen coming from unsewered homes and the signature environmental policy of County Executive Steve Bellone. The county's outside law firm, Harris Beach, had said the tax forms should go to the installers instead of the homeowners, but Kennedy said the opinion was insufficient.

Installers and designers of the systems said they already pay taxes on the grant checks, which are made out to them. Schumer said having homeowners pay again would result in people paying double to the federal government.

Bellone, a Democrat, is seek-

ing a third term in November and is being challenged by Kennedy, a Republican.

Bellone, in a statement, said the county's program "was carefully and purposely designed so that installation companies, not homeowners, receive the grant funding and report those disbursements to the IRS as income . . . the county is optimistic that the IRS will confirm that grants should not be considered taxable income to homeowners."

Kennedy's campaign manager, Dean Murray, said Kennedy supports the septic improvement program. He noted that Kennedy's office in an April 2018 letter asked for the county to clarify with the IRS to whom the tax forms should go. Kennedy in March requested a formal opinion from the IRS, which advocates said could take months.

Schumer (D-N.Y.) said he's "not getting into finger pointing" about who was at fault, noting there was a political race going on.

Josephine Brennan, a retired teacher, said she and her husband decided to install the \$26,000 septic system after reading about the environmental benefits.

"We love the environment," she said as she described feeding ducks in her backyard, which backs up to water. When she received the tax forms, "We were shocked."

She said when she took the 1099 form to her tax preparer, she was told the \$10,000 grant would be counted toward her gross income — and bumped them up to the next tax bracket.

Environmental advocates have said the tax uncertainty is threatening the future of the county program. High nitrogen levels have been blamed for harmful algal blooms that hurt shellfish stocks, degrade wetlands and lower oxygen levels in Long Island's bays, rivers and Long Island Sound.

Schumer said a simple letter from the IRS should suffice, rather than requiring a "long, formal ruling."



The Nassau County Training and Intelligence Center is expected to open on the Nassau Community College campus in 2021.

NASSAU'S SAFETY

groundbreaking ceremony.

The Nassau County Police Department has not had its own training facility since 1982, forcing the department to train recruits at a variety of sites during the past 37 years, including trailers Curran said one officer described to her as a "broken-down mess." The county currently leases classroom space for its academy at the former Hawthorne Elementary School in Massapequa Park, paying \$700,000 a year in rent.

"That is a waste of taxpayer dollars," Curran said. "The new center for training and intelligence will stop that waste and be a modern and beautiful facility."

Ryder said working at the college will also help strengthen the department's relationship with Nassau County's young people by showing students "the police

department is on their side."

"We are going to train our cops, our detectives and our supervisors to be the best," Ryder added.

Ryder said the ceremony was taking place on the 40th anniversary of the death of Nassau patrolman Michael Kavanagh, who was struck and killed by a vehicle driven by a person who was trying to evade police. Ryder said 40 officers were killed in the line of duty since Kavanagh's death.

"This academy will be a tribute to them, to the sacrifices they made," Ryder said.

Nassau Community College's criminal justice students will also benefit from construction of the facility, Curran said.

"Students who are studying criminal justice at the college will not only learn from their professors but from actual

NCPD instructors, and that will make this one of the premier programs in the country," Curran said.

Former police commissioner Lawrence Mulvey, who founded the Nassau County Police Foundation in 2008 to raise money for construction of a police academy, said recruits are trained to both protect life and take life, and they require a state-of-the-art academy to help them master their jobs.

"Police chiefs, our elected officials must back up this awesome responsibility that we delegate to our police with the best training, with the best policies, with the best procedures that recognize these complexities and give our police officers clear guidance and direction and equips them to fulfill their duties," Mulvey said. "This center will do that."