



# **Instructions for Form RP-421-ff**

## **Application for Real Property Tax Exemption for Residential Capital Improvements in City of Auburn, Cayuga County (Real Property Tax Law, Section 421-ff, for use in city of Auburn only)**

### **1. Authorization for exemption**

Section 421-ff of The Real Property Tax Law authorizes the governing body of a city to adopt a local law offering a partial tax exemption from city taxes to residential properties that are reconstructed, altered or improved. The exemption is available only to such residential properties located in cities having a population not less than 27,500 and not more than 28,000 as measured in the 2010 federal census. Only the City of Auburn (Cayuga County) satisfies this criterion. Adoption of the partial exemption does not apply to county or school district taxes, special ad valorem levies or special assessments. The property owner must meet the following requirements:

- Benefits of this exemption are reserved exclusively for buildings used for residential purposes (*Item 4*), and which are reconstructed, altered, or improved after the effective date of the local law adopting the exemption. Such a project must be documented by a building permit, if required, or other appropriate documentation as required by the assessor (*Item 5a*)
- A basic exemption benefit is available on projects not meeting “green building” standards. To receive enhanced level of exemption benefits, the project must meet a certification standard adopted by the city council, determined to be equivalent to the certification for the categories of certified/silver, gold, or platinum for meeting green building standards as established by the Leadership in Energy and Environmental Design (LEED) (*Item 5b*)
- The assessor must determine whether the project meets eligibility requirements for the exemption at the time of application
- If enhanced level of exemption benefits are being sought, a certification that the reconstruction, alteration, or improvements meet(s) the approved LEED equivalent standard must accompany the application
- The value of residential reconstruction, alteration, or improvement project must exceed \$7,500 (*Item 5c*)
- Costs attributable to ordinary maintenance and repairs are not eligible for the exemption
- The eligible project may not commence until after the date on which the city’s local law has taken effect (*Item 5d*)
- Completion of project must be demonstrated by a certificate of occupancy (*Item 5e*)
- The exemption granted on a reconstructed, altered, or improved residential building ceases if such building is no longer used primarily for residential purposes.

### **2. Duration and computation of exemption**

If the exemption is locally authorized, the exemption benefit depends on which exemption applies: the basic exemption, or one of three enhanced levels of exemption, whereby the building project meets one of three certification standards as approved by the city government and which are determined to be equivalent to LEED standards (certified/silver, gold, or platinum). The basic exemption benefit (not meeting standards equivalent to LEED) starts at 100% of the increase in assessed value attributable to the reconstruction, alteration, or

improvement in the first and second years of a six-year benefit, declining by 20 percentage points in each succeeding year thereafter.

If the project meets standards equivalent to those for obtaining LEED certification, the exemption benefit starts at: a) 100% of the increase in assessed value attributable to eligible improvements attributable in the first three years of a seven-year benefit (certified/silver); b) 100% in the first four years of an eight-year benefit (gold); or c) 100% in the first six years of a ten-year benefit (platinum). In each instance the exemption benefit declines by 20 percentage points in each of the succeeding years following the last year of 100%-level benefits.

### **3. Application of benefits**

The exemption applies only to city taxes. It does not apply to school taxes, county special ad valorem levies, or to special assessments. The city government must adopt a local law providing for the exemption.

### **4. Place of filing of exemption application**

Application for this partial exemption from city taxes must be filed with the city of Auburn assessor. Do **not** file this form with either the New York State Department of Taxation and Finance or the Office of Real Property Tax Services.

### **5. Time of filing application**

The application must be filed in the city assessor's office on or before the appropriate taxable status date **and** within one year of the date of completion of the improvements. The taxable status date for the city of Auburn is February 1. Once the exemption has been granted, the exemption may continue for the authorized period provided that the eligibility requirements continue to be satisfied. It is not necessary to reapply for the exemption after the initial year in order for the exemption to continue.