LOCAL OPTION PROPERTY TAX EXEMPTIONS IN NEW YORK STATE

A STUDY OF THE ADOPTION OF EXEMPTIONS FOR THE AGED, VETERANS, AND BUSINESS PROPERTY

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EXECUTIVE SUMMARY

Tax exemptions for real property have been in existence in New York State for more than a century. There are now over 200 types of these, ranging widely in their impact on local tax bases. In total, they remove about 30% of the state's property value from the tax rolls annually. Most of the exemptions are mandated by state law; that is, local governments must grant them to all eligible properties. However, about one–fourth of the exemptions are subject to local option, whereby each taxing jurisdiction (county, city, town, village, and school district) is allowed to choose whether or not to allow the abatement authorized in state law.

This report discusses three widespread types of local option exemptions: the exemption for aged persons, two exemptions for veterans, and three exemptions for business property. These are examined specifically in the context of the factors that may have led local governments to adopt or reject them. The focus is on four socioeconomic characteristics that may have influenced local decision making: urbanization of the municipality involved, the prominence of the affected taxpayer group in the population, the wealth of the community, and the state of the local economy.

Degree of urbanization is potentially significant since it is likely that in urbanized areas more people who might benefit from a tax exemption program would be aware of its availability, both as a result of more extensive newspaper coverage of state tax legislation and through organizations dedicated to promoting the interests of such citizens. The second characteristic analyzed, prominence of the affected taxpayer group in the population, may be significant since it is an indicator of the degree of pressure that might be exerted by those desiring adoption of the exemption. As an influence on decision making, the wealth of the community is potentially very important in that it reflects both the need of residents for the exemption (in cases where the exemption is limited to low–income taxpayers) and the ability of the community to bear the cost of an exemption program. With business exemptions, the state of the local economy may be significant in determining the adoption of exemption programs since economic indicators, such as high unemployment rates, may encourage local governments to seek ways of favoring business expansion to promote economic development.

In the case of the exemption for the aged, it was found that degree of urbanization was indeed closely related to exemption adoption. Of the cities and towns that chose to allow the exemption to its maximum extent, 63% were urban; of those either disallowing the exemption or allowing it only at minimum income levels, 93% were rural. Prominence of the affected taxpayer group was found not to be significant, either by itself or in conjunction with household income. Municipalities with relatively large proportions of elderly persons did not show a greater propensity for adopting liberal exemption provisions. However, a strong relationship was found between exemption adoption and wealth of the community, as measured by household income. Income in the pro–exemption group (municipalities allowing the exemption to its fullest extent) was nearly $10,000 higher than in the anti–exemption group (cities and towns not allowing the exemption or allowing it at low income levels only).

For the veterans exemptions, the results were similar to those obtained with the exemption for the aged, although less marked. Degree of urbanization seemed to be of significance in exemption adoption even though its effect at the municipal level was not always apparent. It is suggested that, in the case of veterans exemptions, the increased public awareness of government programs that is usually associated with urbanization was less in evidence than a high level of such awareness throughout the state, largely as a result of the efforts of several highly visible, politically influential veterans organizations. Representation in the population of taxpayers that would be affected by new veterans exemptions was found not to be a significant factor in exemption adoption. Community wealth, on the other hand, proved to be related to acceptance of more liberal exemption provisions. Especially in the case of the alternative veterans exemption, there was a clear indication that as mean household income increases so does adoption of the exemption program.

When factors influencing local decisions on business exemptions were analyzed, it was found that degree of urbanization, at least at the county level, was not by itself significant in affecting localities' willingness to offer such exemptions. In contrast, a consistent relationship was found between adoption of business exemptions and community wealth. As might be expected, municipalities in low–income counties were more likely to initiate economic development incentives such

as property tax exemptions. The same sort of influence was found with respect to the state of the local economy, at least in urban areas. Municipalities in urban counties having higher unemployment rates tended to favor adoption of business exemptions, as did the cities for which unemployment data was available (the state's larger cities).

With regard to business exemptions, this report also examines the distribution of exemptions granted in terms of their effect on local tax bases and by type of business involved. It was found that tax shifts due to the exemptions were generally highest in urban counties. Significant shifts in the tax burden from businesses to other property owners ($1 million or more) were found in 12 counties, 10 of which were urban. Most of the tax shift in these counties was attributable to the business investment exemption (authorized by RPTL §485–b), as was the case statewide, where that program was responsible for 95% of the tax shift due to business exemptions.

As for the types of businesses granted exemption, these were ranked in terms of the amount of tax shift caused by them. The leading exempt business type was found to be "other businesses," which predominated in 30 of the state's 57 upstate counties. Within this category, almost all of the tax shift was due to the exemption of public utilities. The second most significant business type was manufacturing, the predominant exempt type in 13 counties. The lead was taken by retail establishments in 8 counties, by services in 4 counties, and by wholesale trade in 2 counties. Two of the types of exempt businesses that dominate in most counties, either in terms of the number of exemptions or the amount of tax shift they cause, raise serious questions regarding the justification for business exemption programs in their current form. These two are retail establishments and public utilities. As has been shown frequently in prior research, the location decisions of such businesses depend little or not at all on the availability of property tax exemptions. Far more important to the retail sector is access to local markets. For utilities, decisions determining location are generally made by regional or state regulatory agencies on the basis of the varying needs of local communities for utility services, although this situation is changing, as noted later in this report.

Finally an attempt was made to gauge the effect of business exemptions on the local economy. Three factors were examined: reductions in unemployment rates, increases in the

number of employed persons, and increases in the number of business establishments. When changes in unemployment rates were compared with the percentage of businesses having exemptions, little evidence was found to suggest that exemptions had any influence on employment levels. However, when the comparison was made with exemption values, a relationship did become apparent; higher exemption values were associated with larger reductions in unemployment rates.

Value per exemption was also compared to changes in the number of employees and the number of business establishments. For the manufacturing industry, there appeared to be little relationship between exemption value and employee/establishment changes. In the case of wholesaling, exemption value did not seem to be related to changes in the number of employees but did appear to be associated with changes in the number of establishments. The results were similar for the retail sector — no apparent relationship between exemption value and changes in employment levels but a clear relationship between exemption value and changes in the number of business establishments.

INTRODUCTION

In New York State about 30% of the value of real property is exempt from taxation. At the present time there are over 200 types of exemptions that apply to various categories of property. The categories are listed below, together with the percentage of exempt value that each represented in 1988.

1. Residential property, other than multiple dwellings, and nonresidential property owned by certain individuals – 7%.
2. Property of New York State government and agencies – 11%.
3. Property of municipal governments and agencies, school districts, BOCES (Boards of Cooperative Educational Services), and special districts – 34%.
4. Property of U.S. or foreign governments and agencies, international or interstate agencies, and Indian tribes – 8%.
5. Property of private community service organizations, social organizations, and professional societies – 15%.
6. Industrial, commercial, and public service property – 11%.
7. Urban renewal property, public housing, and private subsidized housing (multiple dwellings) – 12%.
8. Agricultural and forest property – 1%.

While most of these exemptions are mandated by law and apply to property statewide, about one–fourth of them are subject to local option. That is, each taxing jurisdiction (county, city, town, village, and school district) is allowed to choose whether or not to allow the exemption. There are three types of options possible: "opt in" – where the taxing jurisdiction must pass a local law, ordinance, or resolution allowing the exemption, "opt out" – where the jurisdiction must formally act to disallow the exemption, and "agreement" – where the municipality and taxpayer share a written agreement to exempt property, often on a project–by–project basis. Local option exemptions currently in effect are listed by year of enactment and type in Appendix Table A–1. The number of such exemptions and their value in 1988 are given in Table A–2.

Enactment of local option provisions in exemption statutes is becoming more and more popular, largely in response to complaints by local governments regarding the increasing financial burden imposed by state mandates. For example, a 15–year exemption for solar and wind energy

systems in effect between 1978 and 1988 was mandatory, but when exactly the same exemption was re–enacted in 1990 it was made subject to local option. Merely enacting such an option, however, does not ensure that each locality will have complete freedom to choose or reject an exemption. Faced with pressure from taxpayers, particularly where they are represented by organizations formed to promote their interests, local governments often find themselves forced into adopting exemptions they would rather not have. Furthermore, localities are sometimes required to grant exemptions when they had not planned to do so. This happens occasionally with "opt out" exemptions, such as the often costly 10–year business investment exemption authorized by Real Property Tax Law §485–b. If the municipality delays in taking formal action to disallow an exemption, it may find itself confronted by an eligible taxpayer demanding that it be granted to him. Later opting out will free the municipality from granting future exemptions, but it will not remove the ones already granted.

This paper discusses three very common types of local option exemptions: the exemption for aged persons, two exemptions for veterans, and three exemptions for business property. In 1988 these exemptions together constituted about 15% of the exempt value of privately owned property and 45% of the local option exemptions granted. There are several other local option exemptions that are not covered in this report, including those for which insufficient data are available and those housing exemptions which, because of the nature of the construction involved, are applicable in only in a very limited number of areas (for example, the exemptions for various kinds of multiple dwellings providing housing for low– or middle–income tenants).

The report focuses on socioeconomic factors that may have influenced local decisions regarding adoption of the exemptions, such as degree of urbanization of the municipality involved, the prominence of the affected taxpayer group in the population, the state of the local economy as indicated by business activity and unemployment rates, and the wealth of the community in terms of household income. For each type of exemption, rates of adoption of the exemption are examined in the context of these factors and explanations for the varying behavior of different taxing jurisdictions are suggested. Rates of participation by taxpayers in the exemption programs are also discussed.

AGED EXEMPTION

The partial property tax exemption for the aged, authorized by Real Property Tax Law §467, was first enacted in 1966. It is an exemption that applies to residential property only and may be obtained only if the combined income of the property owners falls within certain limits set by the taxing jurisdictions within which the property is located. Local taxing authorities may choose not to allow the exemption at all. If they decide to allow it, they are free, within certain limits specified in state law, to set the income ceiling of eligible homeowners.

When it first became law the exemption was equivalent to 50% of assessed value. In 1983 an additional provision was added to this "base exemption" authorizing reduced percentages of exemption at higher income ceilings. Adoption of this additional benefit, referred to here as the "sliding scale" exemption, is subject to a separate local option.

In response to cost–of–living changes, the state–specified income limits have been increased several times since the exemption first became law, as shown below.

Income Ceilings – Base Exemption*

Effective Date	Income Ceiling
June 14, 1966	$ 3,000
January 1, 1971	5,000
September 1, 1972	6,000
January 1, 1975	6,500
June 1, 1977	7,200
January 1, 1979	8,000
January 1, 1980	9,200
January 1, 1982	10,500
August 2, 1986	12,025

* In 1990 the income ceiling for the base exemption was increased to $15,000 (effective June 2, 1990). This report analyzes adoption of the exemption as it applied to 1988 assessment rolls.

Income Ceilings – Sliding Scale Exemption*

Greater than	but	Less than	Percent of Exemption
M		M + 500	45
M + 500		M + 1,000	40
M + 1,000		M + 1,500	35
M + 1,500		M + 2,000	30
M + 2,000		M + 2,500	25
M + 2,500		M + 3,000	20

* In 1989 the annual income eligibility levels for the sliding–scale exemption were changed from $500 to $600 increments (i.e., M + 600, M + 1,200, etc.). In 1991 two new income/exemption categories were added: (1) greater than M + 3,600 but less than M + 4,200 – 15% exemption and (2) greater than M + 4,200 but less than M + 4,800 – 10% exemption. Adoption of these additional categories requires a separate local action.

To qualify for the exemption, the combined incomes of the owners for the income tax year immediately preceding the application for exemption must not be greater than the maximum income eligibility level specified by local law. If title to the property is solely in a husband's or wife's name, the incomes of both spouses must be combined to satisfy the income requirement, even if both spouses do not reside on the property. Income includes social security and retirement benefits, interest, dividends, net capital gains (capital gains can only be offset by capital losses incurred in the same tax year), net rental income, net income from self–employment, salaries, and earnings, but excludes returns of capital, gifts, and inheritances. Income accruing to an owner confined in a residential health care facility is considered to be income only to the extent that it exceeds the amount paid by the confined owner, his spouse, or a co–owner for his care in the facility.

Participation by Local Governments

The exemption for the aged is one of the most popular property tax exemptions in the state in terms of local taxing jurisdictions' participation in the program. While many localities permit the exemption only to elderly persons at the very low end of the income scale, 90% of the taxing jurisdictions allow the exemption to some extent.

Table 1 shows the extent of participation of each type of municipal corporation. We see that the highest rate of participation is by cities (98.4%), followed by counties (96.5%), school districts

(94.3%), towns (92.4%), and villages (73.5%). Not only are cities most apt to permit the exemption, they are the group allowing the most generous benefits under the program. About 42% of the cities allow the base exemption at the highest income limit ($12,025 in 1988). Counties are the next most liberal (with about 30% setting the income limit at $12,025), followed by school districts (with about 25% of them adopting this ceiling). Far behind are towns and villages, where the $12,025 limit has been adopted by only about 9% of each group.

When adoption of the exemption's sliding–scale provisions is considered, a similar pattern becomes apparent (see Table 2). Again cities lead the list in offering both the base exemption and the sliding scale (54.1%), followed by counties (47.3%), school districts (38.5%), towns (25.7%), and villages (20.7%). Also evident is a very strong tendency on the part of municipalities allowing the maximum income limit for the base exemption to provide further benefits by adopting the sliding scale provisions; about 83% of the municipal corporations having a $12,025 income limit also provide the sliding–scale exemption. It is very likely that the majority of these taxing jurisdictions will adopt future income–limit increases as they are enacted in state law.

Table 1. Municipal Corporations Allowing Aged Exemption (with or without Sliding–Scale Provisions), 1988 Assessment Rolls.

Maximum Income Ceiling	Counties		Cities		Towns		Villages		School Districts		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
$3,000 – 4,999	0	0.0	0	0.0	20	2.4	14	3.1	7	1.2	41	2.1
$5,000 – 6,999	7	12.3	2	3.2	172	20.4	70	15.5	84	14.5	335	16.8
$7,000 – 8,999	19	33.3	7	11.3	299	35.5	114	25.2	154	26.6	593	29.8
$9,000 – 10,499	9	15.8	11	17.7	127	15.5	51	11.3	82	14.2	280	14.1
Equal to $10,500	3	5.3	9	14.5	72	8.5	33	7.3	65	11.2	182	9.1
$10,501 – 12,024	0	0.0	6	9.7	16	19.9	11	2.4	10	1.7	43	2.2
Equal to $12,025	17	29.8	26	41.9	73	8.7	40	8.8	143	24.7	299	15.0
Total Allowing Exemption	**55**	**96.5**	**61**	**98.4**	**779**	**92.4**	**333**	**73.5**	**545**	**94.3**	**1,773**	**89.0**
Exemption Not Authorized	2	3.5	1	1.6	64	7.6	120	26.5	33	5.7	220	11.0
Total	**57**	**100.0**	**62**	**100.0**	**843**	**100.0**	**453**	**100.0**	**578**	**100.0**	**1,993**	**100.0**

Note: Does not include municipal corporations that reported invalid income limit information.

Table 2. Municipal Corporations Allowing Sliding-Scale Provisions of Aged Exemption, 1988 Assessment Rolls.

Income Ceiling for Base Exemption	Counties		Cities		Towns		Villages		School Districts		Total	
	Number	Percent of All Allowing Exemption	Number	Percent of All Allowing Exemption	Number	Percent of All Allowing Exemption	Number	Percent of All Allowing Exemption	Number	Percent of All Allowing Exemption	Number	Percent of All Allowing Exemption
$3,000 – 4,999	0	0.0	0	0.0	2	10.0	0	0.0	0	0.0	2	4.9
$5,000 – 6,999	2	28.6	0	0.0	29	16.9	4	5.7	8	9.5	43	12.8
$7,000 – 8,999	5	26.3	1	14.3	55	18.4	13	11.4	27	17.5	101	17.0
$9,000 – 10,499	3	33.3	3	27.3	28	22.0	10	19.6	14	17.1	17	6.1
Equal to $10,500	1	33.3	5	55.6	24	33.3	11	33.3	25	38.5	66	36.3
$10,501 – 12,024	0	0.0	3	50.0	7	43.8	6	54.5	4	40.0	20	46.5
Equal to $12,025	15	88.2	21	80.8	55	75.3	25	62.5	132	92.3	248	82.9
Total Allowing Sliding Scale	**26**	**47.3**	**33**	**54.1**	**200**	**25.7**	**69**	**20.7**	**210**	**38.5**	**538**	**30.3**

Note: Does not include municipal corporations that reported invalid income limit information.

What conditions influence taxing jurisdictions in their decisions regarding the allowance of the aged exemption? Several factors suggest themselves as possibilities. One is the degree of urbanization of the locality, as determined by population density.* We might expect that in more urbanized areas there would be a greater awareness of the existence of the exemption in state law, perhaps through more extensive newspaper coverage of state actions on tax issues, and a greater likelihood of there being organizations devoted to assisting the elderly population (such as senior citizen service agencies) that would apply pressure on local governments to adopt the exemption. Another possible factor is the proportion of elderly persons in the population. It would not be unreasonable to expect that communities with higher proportions of elderly residents would be more likely to adopt the exemption for the aged, both because the aged would be more visible as a group and because as a group they could exert greater influence on local government decision-making. A third possible factor is the wealth of the local population, as measured by personal or household income. In this regard, either of two situations is possible. Where income is low, local governments might see a need to reduce the property tax burden on the elderly, whose incomes are generally even lower than those of the rest of the population. Or, where income is relatively high, the tax exemption may be allowed because residents feel that they can well afford to subsidize however many lower–income aged homeowners live in their community.

To investigate whether any of these factors might have been instrumental in local decisions regarding allowance of the aged exemption, municipalities were divided into two groups: (1) cities and towns that either do not allow the exemption at all or allow it only at the minimum income level ($3,000 – $4,999) and (2) cities and towns that allow the exemption at the maximum income level ($12,025 plus the sliding–scale income categories). The results are given in Tables 3, 4, and 5, which show the cities and towns in each group by degree of urbanization, percent of elderly population, mean household income of homeowners, and, where the exemption is allowed, percent of eligible population receiving exemptions.

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* A county, city, or town is considered to be urban if 50% or more of its 1980 population was located in an urban area as defined by the U.S. Bureau of the Census.

Table 3. Cities/Towns Not Allowing Aged Exemption, 1988 Assessment Rolls.

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Mean Household Income (Owner)
Cattaraugus	Humphrey	R	504	54	10.7	15,850
Chautauqua	Chautauqua	R	4,728	968	20.5	19,376
	Clymer	R	1,487	254	17.1	17,529
	Dunkirk	R	1,605	352	21.9	20,207
	French Creek	R	877	162	18.5	17,351
	Pomfret	U	14,971	2,271	15.2	21,592
	Sherman	R	1,488	196	13.2	16,900
Chenango	German	R	244	34	13.9	15,283
Delaware	Andes	R	1,312	310	23.6	15,397
	Bovina	R	602	107	17.8	15,594
	Colchester	R	1,848	394	21.3	14,674
	Franklin	R	2,490	451	18.1	17,854
	Hamden	R	1,276	253	19.8	15,704
	Walton	U	5,839	1,142	19.6	20,321
Erie	Brant	R	2,467	471	19.1	18,953
Franklin	Altamont	U	6,252	1,208	19.3	15,608
	Bangor	R	1,960	267	13.6	20,448
	Bellmont	R	1,045	200	19.1	13,805
	Bombay	R	1,327	182	13.7	19,185
	Brandon	R	530	76	14.3	13,265
	Brighton	R	1,676	147	8.8	23,782
	Burke	R	1,237	177	14.3	17,073
	Chateaugay	R	1,863	327	17.6	15,366
	Constable	R	1,218	165	13.5	17,454
	Duane	R	197	36	18.3	15,978
	Fort Covington	R	1,804	270	15.0	17,956
	Malone	U	11,276	2,160	19.2	18,978
	Moira	R	2,556	471	18.4	15,361
	Westville	R	1,491	200	13.4	16,332
Hamilton	Benson	R	150	46	30.7	15,071
	Hope	R	303	89	29.4	13,378
	Inlet	R	310	59	19.0	14,710
	Morehouse	R	97	28	28.9	14,165
	Wells	R	614	183	28.5	14,136
Herkimer	Russia	R	2,409	417	17.3	19,846
Jefferson	Lorraine	R	734	122	16.6	15,280
	Rodman	R	836	126	15.1	16,962

Table 3. Cities/Towns Not Allowing Aged Exemption, 1988 Assessment Rolls.

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Mean Household Income (Owner)
Lewis	Lyden	R	1,657	240	14.5	17,140
	West Turin	R	1,874	279	14.9	16,830
Oneida	Annsville	R	2,383	317	13.3	17,621
	Augusta	R	2,080	312	15.0	17,192
	Florence	R	694	114	16.4	17,508
	Marcy	R	6,456	1,328	20.6	20,856
	Western	R	1,946	274	14.1	20,971
Orange	Cornwall	U	10,806	1,878	17.4	24,880
	Monroe	R	14,960	1,840	12.3	25,902
St. Lawrence	DePeyster	R	910	116	12.7	15,777
	Morristown	R	1,921	359	18.7	14,641
	Oswegatchie	R	3,798	607	16.0	19,841
	Pitcairn	R	786	101	12.8	12,882
	Rossie	R	842	91	10.8	15,350
Steuben	C/Hornell	U	10,234	1,786	17.5	17,434
	Addison	R	2,690	488	18.1	17,765
	Dansville	R	1,455	219	15.1	18,197
	Greenwood	R	883	159	18.0	15,124
	Hartsville	R	532	36	6.8	15,972
	Howard	R	1,236	196	15.9	16,996
	Jasper	R	1,187	189	15.9	14,387
	Pulteney	R	1,274	274	21.5	16,599
	Thurston	R	986	126	12.8	18,640
	Wayland	R	3,883	691	17.8	17,748
	West Union	R	408	69	16.9	12,880
	Wheeler	R	1,012	154	15.2	15,468
	Woodhull	R	1,460	232	15.9	13,456
Washington	Cambridge	R	1,890	363	19.2	16,638
	Hampton	R	591	101	17.1	17,458
	Jackson	R	1,228	231	18.8	17,162

Table 4. Cities/Towns Allowing Aged Exemption at Minimum Level (Income Limit $3,000 – $4,999).

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Homeowners in 55 – 74 Age Group*	Mean Household Income (Owner)	Exemptions (1988)	Percent of Homeowners in 55 – 74 Age Group
Chautauqua	Cherry	R	1,226	190	15.5	59	17,297	4	6.8
	Creek	R	1,245	169	13.6	52	18,692	7	13.4
	Mina								
Franklin	Dickinson	R	788	116	14.7	36	16,638	0	0.0
	Waverly	R	1,108	246	22.2	76	15,168	3	3.9
Lewis	New Bremen	R	2,321	297	12.8	92	18,436	5	5.4
	Pinckney	R	315	54	17.1	17	14,836	1	6.0
Otsego	Burlington	R	1,045	185	17.7	57	15,199	2	3.5
	Middlefield	R	1,882	354	18.8	109	20,082	9	8.2
Schoharie	Blenheim	R	290	83	28.6	26	14,224	2	7.8
	Broome	R	785	188	23.9	58	13,313	4	6.9
	Fulton	R	1,437	212	14.8	66	14,804	9	13.7
	Richmondville	R	2,275	410	18.0	127	17,542	4	3.2
	Sharon	R	1,915	326	17.0	101	15,938	6	6.0
	Summit	R	905	162	17.9	50	13,300	6	12.0
Ulster	Denning	R	488	89	18.2	28	14,173	8	29.1

* Based on 1980 Census data for persons 65+ years of age, estimated to be 30.9% of the 55–74 age group.

Table 5. Cities/Towns Allowing Aged Exemption at Maximum Income Limit ($12,025 + Sliding Scale).

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Homeowners in 55 – 74 Age Group*	Mean Household Income (Owner)	Exemptions (1988)	Percent of Homeowners in 55 – 74 Age Group
Albany	Bethlehem	U	24,296	4,700	19.3	1,452	30,313	222	15.3
	Coeymans	R	7,896	1,148	14.5	355	22,108	81	22.8
	Colonie	U	74,593	13,342	17.9	4,123	26,305	881	21.4
	Guilderland	U	26,515	4,162	15.7	1,286	26,035	298	23.2
	New Scotland	R	8,976	1,315	14.7	406	27,006	158	38.9
	Westerlo	R	2,929	537	18.3	166	17,666	47	28.3
Broome	Chenango	R	12,223	1,985	16.2	613	22,338	236	38.5
Dutchess	C/Poughkeepsie	U	29,757	6,169	20.7	1,906	24,721	806	42.3
	Beekman	R	7,139	832	11.7	257	23,795	119	46.3
	Clinton	R	3,394	427	12.6	132	25,346	87	65.9
	East Fishkill	R	18,091	1,929	10.7	596	26,451	414	69.5
	LaGrange	R	12,375	1,543	12.5	477	28,937	197	41.3
	Milan	R	1,668	315	18.9	97	21,218	101	103.8
	Pine Plains	R	2,204	391	17.7	121	18,342	82	67.9
	Pleasant Valley	R	6,887	1,109	16.1	343	24,780	215	62.7
	Rhinebeck	R	7,062	1,350	19.1	417	23,337	212	50.8
	Union Vale	R	2,658	349	13.1	108	25,140	56	51.9
	Wappinger	U	26,765	2,944	11.0	910	28,416	318	35.0
	Washington	R	4,376	811	18.5	251	32,151	95	37.9
Erie	C/Buffalo	U	357,870	71,910	20.1	22,220	19,746	4,907	22.1
	C/Lackawanna	U	22,701	5,119	22.5	1,582	21,554	551	34.8
	Amherst	U	108,706	18,561	17.1	5,735	32,364	1,330	23.2
	Aurora	R	13,882	2,481	17.9	767	26,631	185	24.1
	Cheektowaga	U	109,442	22,702	20.7	7,015	22,127	2,167	30.9
	Clarence	U	18,146	3,323	18.3	1,027	28,129	162	15.8
	Elma	R	10,564	1,846	17.5	570	27,237	138	24.2
	Marilla	R	4,861	635	13.1	196	23,772	57	29.0
	West Seneca	U	51,210	9,117	17.8	2,817	24,321	811	28.8
Livingston	Lima	R	3,878	545	14.1	168	22,469	78	46.3
Monroe	C/Rochester	U	241,741	39,151	16.2	12,098	21,399	2,879	23.8
	Brighton	U	35,776	7,346	20.5	2,270	37,306	244	10.7
	Chili	U	23,676	2,786	11.8	861	28,500	163	18.9
	Clarkson	R	4,016	468	11.7	145	26,794	23	15.9
	Gates	U	29,756	5,400	18.1	1,669	26,404	467	28.0
	Greece	U	81,367	13,584	16.7	4,197	28,504	712	17.0
	Hamlin	R	7,675	655	8.5	202	25,336	46	22.7

Table 5. Cities/Towns Allowing Aged Exemption at Maximum Income Limit ($12,025 + Sliding Scale).

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Homeowners in 55 – 74 Age Group*	Mean Household Income (Owner)	Exemptions (1988)	Percent of Homeowners in 55 – 74 Age Group
Monroe (cont.)	Henrietta	U	36,134	3,059	8.5	945	27,545	157	16.6
	Irondequoit	U	57,648	14,882	25.8	4,599	27,066	1,025	22.3
	Mendon	R	5,434	820	15.1	253	31,678	56	22.1
	Ogden	U	14,693	1,753	11.9	542	28,725	92	17.0
	Parma	R	12,585	1,505	12.0	465	28,075	96	20.6
	Penfield	U	27,201	4,252	15.6	1,314	32,632	109	8.3
	Perinton	U	41,802	4,702	11.2	1,453	32,120	202	13.9
	Pittsford	U	26,743	4,194	15.7	1,296	42,485	58	4.5
	Riga	R	4,309	560	13.0	173	24,517	41	23.7
	Rush	R	3,001	395	13.2	122	29,921	30	24.6
	Webster	U	28,925	3,979	13.8	1,230	31,627	260	21.1
Nassau	C/Glen Cove	U	24,618	4,710	19.1	1,455	32,584	246	16.9
	Hempstead	U	738,497	141,333	19.1	43,672	31,606	7,247	16.6
	North Hempstead	U	218,598	48,141	22.0	14,876	43,097	1,768	11.9
	Oyster Bay	U	305,796	54,073	17.7	16,709	34,604	2,323	13.9
Oneida	C/Rome	U	43,826	7,712	17.6	2,383	20,879	607	25.5
Onondaga	Camillus	U	24,376	4,326	17.7	1,337	26,540	360	26.9
	Cicero	U	23,719	2,794	11.8	863	23,542	271	31.4
	Clay	U	52,792	4,922	9.3	1,521	25,869	369	24.3
	Fabius	R	1,811	257	14.2	79	21,053	29	36.5
	Geddes	U	18,485	4,386	23.7	1,355	24,191	561	41.3
	Lafayette	R	4,480	601	13.4	186	23,694	65	35.0
	Manlius	U	28,489	4,493	15.8	1,388	31,596	238	17.1
	Marcellus	R	6,180	843	13.6	260	23,361	80	30.7
	Onondaga	U	17,824	3,097	17.4	957	25,139	307	32.1
	Salina	U	37,416	7,217	19.3	2,230	22,206	776	34.8
	Skaneateles	R	7,795	1,355	17.4	419	28,137	171	40.8
	Van Buren	U	12,585	1,760	14.0	544	22,565	142	26.1
Ontario	C/Canandaigua	U	10,419	2,038	19.6	630	22,948	158	25.1
Orange	C/Newburgh	U	23,438	4,220	18.0	1,304	18,144	316	24.2
	Greenville	R	2,085	304	14.6	94	21,112	32	34.1
	Newburgh	U	22,810	3,974	17.0	1,197	25,035	339	28.3
	New Windsor	U	19,502	3,229	16.6	998	22,737	259	26.0
	Wallkill	U	20,481	2,855	13.9	882	23,038	234	26.5

Table 5. Cities/Towns Allowing Aged Exemption at Maximum Income Limit ($12,025 + Sliding Scale).

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Homeowners in 55 – 74 Age Group*	Mean Household Income (Owner)	Exemptions (1988)	Percent of Homeowners in 55 – 74 Age Group
Oswego	Scriba	R	5,455	628	11.5	194	20,769	46	23.7
Putnam	Carmel	U	27,948	3,204	11.5	990	30,308	207	20.9
	Kent	U	12,430	1,618	13.0	500	24,954	187	37.4
	Patterson	R	7,250	1,092	15.1	337	24,866	112	33.2
	Phillipstown	R	9,155	1,510	16.5	467	28,643	92	19.7
	Putnam Valley	R	8,994	1,236	13.7	382	28,437	89	23.3
	Southeast	R	11,416	1,792	15.7	554	28,779	114	20.6
Rensselaer	C/Troy	U	56,638	9,800	17.3	3,028	20,054	708	23.4
	Brunswick	R	10,974	2,304	21.0	712	24,437	256	36.0
	East Greenbush	U	12,913	2,168	16.8	670	23,778	228	34.0
	North Greenbush	U	10,396	2,093	20.1	647	23,805	249	38.5
	Poestenkill	R	3,664	521	14.2	161	20,315	73	45.3
	Sand Lake	R	7,022	1,047	14.9	324	21,820	135	41.7
Rockland	Clarkstown	U	77,193	8,859	11.5	2,737	35,039	361	13.2
	Haverstraw	U	31,944	4,181	13.1	1,292	26,990	197	15.2
	Orangetown	U	48,579	8,095	16.7	2,501	33,934	352	14.1
	Ramapo	U	88,976	10,563	11.9	3,264	34,098	419	12.8
	Stony Point	U	12,838	2,128	16.6	658	26,577	118	17.9
Saratoga	C/Saratoga Springs	U	23,906	3,618	15.1	1,118	21,721	264	23.6
	Ballston	R	7,699	1,044	13.6	323	25,503	85	26.3
	Clifton Park	U	23,989	2,212	9.2	684	31,421	91	13.3
	Moreau	U	11,194	1,920	17.2	593	20,342	147	24.8
	Waterford	U	7,194	1,531	21.3	473	21,715	98	20.7
	Wilton	R	7,182	885	12.3	273	20,212	69	25.2
Schenectady	C/Schenectady	U	67,972	14,121	20.8	4,363	19,760	950	21.8
	Niskayuna	U	17,471	3,375	19.3	1,043	34,087	164	15.7
	Princetown	R	1,804	281	15.6	87	22,321	23	26.5
	Rotterdam	U	29,451	6,602	22.4	2,040	21,462	653	32.0
Suffolk	Babylon	U	203,470	29,950	14.7	9,255	25,353	2,741	29.6
	Brookhaven	U	364,802	44,228	12.1	13,666	24,409	3,841	28.1
	Huntington	U	201,512	27,830	13.8	8,599	34,951	1,287	15.0
	Islip	U	298,887	36,488	12.2	11,275	26,167	2,771	24.6
	Southampton	U	42,883	10,345	24.1	3,197	24,780	951	29.8

Table 5. Cities/Towns Allowing Aged Exemption at Maximum Income Limit ($12,025 + Sliding Scale).

County	City/Town	Urban/ Rural (U/R)	Population	Age 55–74	(%) Age 55–74	Homeowners in 55 – 74 Age Group*	Mean Household Income (Owner)	Exemptions (1988)	Percent of Homeowners in 55 – 74 Age Group
Tompkins	C/Ithaca	U	28,732	2,662	9.3	823	22,122	208	25.3
	Enfield	R	2,375	297	12.5	92	18,593	42	45.8
	Ithaca	U	16,022	2,083	13.0	644	31,812	67	10.4
	Lansing	R	8,317	985	11.8	304	25,458	76	25.0
	Newfield	R	4,401	610	13.9	188	18,248	62	32.9
	Ulysses	R	4,666	809	17.3	250	20,240	53	21.2
Ulster	New Paltz	R	10,183	1,100	10.8	340	23,680	152	44.7
	Plattekill	R	7,417	1,158	15.6	358	19,307	102	28.5
Westchester	C/New Rochelle	U	70,794	14,276	20.2	4,411	41,905	221	5.0
	C/Peekskill	U	18,236	3,362	18.4	1,039	25,330	268	25.8
	C/Rye	U	15,083	2,620	17.4	810	52,054	74	9.1
	C/White Plains	U	46,999	9,821	20.9	3,035	39,955	184	6.1
	C/Yonkers	U	195,351	41,934	21.5	12,958	29,835	748	5.8
	Bedford	U	15,137	2,000	13.2	618	45,929	59	9.5
	Cortlandt	U	35,705	6,260	17.5	1,934	32,063	274	14.2
	Eastchester	U	32,648	7,116	21.8	2,199	42,209	102	4.6
	Greenburgh	U	82,881	15,943	19.2	4,926	41,664	367	7.4
	Harrison	U	23,046	4,160	18.1	1,285	51,126	87	6.8
	Lewisboro	U	8,871	1,045	11.8	323	43,472	58	18.0
	Mamaroneck	U	29,017	5,506	19.0	1,701	52,302	94	5.5
	Mount Pleasant	U	39,334	6,504	16.5	2,010	37,122	199	9.9
	New Castle	U	15,425	1,600	10.4	494	57,733	38	7.7
	North Castle	R	9,467	1,485	15.7	459	51,308	49	10.7
	North Salem	R	4,569	632	13.8	195	40,673	26	13.3
	Ossining	U	30,644	4,710	15.4	1,455	37,783	177	12.2
	Pelham	U	12,978	2,447	18.9	756	45,898	53	7.0
	Pound Ridge	R	4,009	685	17.1	212	56,329	9	4.3
	Rye	U	38,896	8,609	22.1	2,660	32,376	493	18.5
	Scarsdale	U	17,650	3,041	17.2	940	79,209	24	2.6
	Somers	R	13,133	1,962	14.9	606	35,063	104	17.2
	Yorktown	U	31,988	4,091	12.8	1,265	33,804	179	14.2
	Mount Kisco	U	8,025	1,465	18.3	453	31,537	52	11.5
New York City		U	7,071,639	1,316,553	18.6	406,815	27,287	19,544	4.8

*Based on 1980 Census data for persons 65+ years of age, estimated to be 30.9% of the 55–74 age group.

When we look at the two groups of municipalities in terms of degree of urbanization, we see a sharp difference between what we may call the anti–exemption group (cities and towns that do not allow the aged exemption or allow it only at the minimum income level) and the pro–exemption group (municipalities that allow the exemption to its maximum extent). The anti–exemption group is almost entirely made up of rural communities — 93% of the municipalities are of this type. The pro–exemption group, on the other hand, is dominated by urban municipalities; 63% of the cities and towns allowing the exemption at the highest level possible are urban. It is very likely that certain characteristics of urban areas help to account for this difference: a greater awareness of state–legislated programs benefiting the elderly and a stronger organization of interest in seeing that such benefits are offered to local residents who qualify.

By itself, the proportion of the elderly persons in the population seems much less likely to have been an influence on adoption of the aged exemption, as shown below.* However, when the proportion of elderly is looked at in the context of personal wealth, a stronger effect might become apparent. This relationship is investigated a little later on.

City/Town Type	Percentage of Elderly in Population	
	Range	Median
Anti–exemption	6.8 – 30.7	17.1
Total	15.2 – 19.6	18.4
Urban	6.8 – 30.7	17.1
Rural		
Pro–exemption		
Total	8.5 – 25.8	16.0
Urban	8.5 – 25.8	17.3
Rural	8.5 – 21.0	14.4

When the anti–exemption and pro–exemption groups are compared in terms of wealth, we see that there is a substantial difference between them as measured by household income. As shown below, income in the pro–exemption group is nearly $10,000 greater than in the anti–exemption cities and towns. As suggested earlier, officials of wealthier communities may well be

* For the purposes of this study, the elderly are defined as persons who might be eligible for the exemption in 1988, those in the 55–74 age group as reported by the 1980 Census.

more willing to allow liberal exemption benefits simply because they see their affluent residents as being able to afford taking on some of the tax burden imposed on those less fortunate.

City/Town Type	Mean Household Income	
	Range	Median
Anti–exemption		
Total	12,880 – 25,902	16,734
Urban	15,608 – 24,880	19,650
Rural	12,880 – 25,902	16,619
Pro–exemption		
Total	17,666 – 79,209	26,428
Urban	18,144 – 79,209	28,273
Rural	17,666 – 56,329	24,649

As pointed out earlier, the percentage of elderly persons in the population does not seem to make a difference in the adoption of the aged exemption. Neither does the proportion of elderly by income class, as shown below.

City/Town Type	Mean Household Income	Percent of Elderly in Population (Median)
Anti–exemption	10,000 – 14,999	18.5
	15,000 – 19,999	16.8
	20,000 – 24,999	17.4
	25,000 – 29,999	12.3
Pro–exemption	10,000 – 14,999	—
	15,000 – 19,999	17.9
	20,000 – 24,999	15.9
	25,000 – 29,999	14.7
	30,000 – 34,999	16.3
	35,000+	17.2

Participation in Program by Taxpayers

In 1988 there were 137,599 aged exemptions granted statewide. When we compare this figure with the number of elderly homeowners who might qualify for the exemption at least on the basis of age, we get an overall taxpayer participation rate of 14.3%. This is a surprisingly low rate, considering the low incomes of many of the state's elderly homeowners (according to the 1980 Census, 8.3% of homeowners age 65 years or older had annual incomes below the poverty level, defined as $4,389 for a two–person household in 1979).

Local rates of taxpayer participation in the aged exemption program are shown in Table 4 (for cities and towns allowing the exemption at the minimum income level) and Table 5 (for municipalities allowing it at the maximum level). They are summarized below.

Income Level at Which Exemption Allowed	Taxpayer Participation Rate (% of Homeowners in 55–74 Age Group)	
	Range	Median
Minimum ($3,000 – $4,999)	0.0 – 29.1	6.8
Maximum ($12,025 + Sliding Scale)		
Total	2.6 – 100.0	23.7
Urban	2.6 – 42.3	18.7
Rural	4.3 – 100.0	29.9

As might be expected, participation rates vary widely and they are considerably higher in the group of cities and towns allowing the exemption to its maximum extent. What comes as somewhat of a surprise is the finding that, in that category of municipalities, rural areas have on the average a higher rate of participation than urban areas (29.9% vs. 18.7%). At least a partial explanation of this phenomenon is the fact that the percentage of elderly homeowners is generally higher in rural areas than in urban areas, where rental housing is more widely available as an alternative to the responsibilities of home ownership. It is interesting to note that the seven towns having the highest participation rates, ranging from 50.8% to 100.0%, are all in one county (Dutchess). Perhaps here there is a greater awareness of the availability of the exemption as a result of some action taken at the county level (such as publicity by a county senior citizens service agency).

Why is taxpayer participation in the aged exemption program so low overall? One possible reason is that even at low income levels many elderly homeowners do not find themselves over–burdened by their property taxes. In fact many of them may be paying relatively little in taxes since they have owned their homes for many years without being reassessed. That the taxes paid by the aged are relatively small is apparent when we compare the elderly and other exempt homeowners in terms of the value of their property.

Type of Homeowner	Average Market Value As Determined by Assessment
Aged	$ 47,934
Veterans	70,592
Clergy	83,362
Owners of new or reconstructed residences (New York City)	81,008

Another possibility that should be considered is that many aged homeowners may not apply for exemption because they fear that their low–valued property will thereby be brought to the attention of the assessor and will be revalued at a higher level.

VETERANS EXEMPTIONS

Property tax exemptions for veterans are one of the oldest forms of tax relief in New York State. They have been in existence for at least a century and for most of that time have been mandated by state law, that is, required to be granted by all counties, cities, towns, and villages. In 1984, however, a new type of veterans exemption was enacted and localities were given the option of adopting the new exemption or retaining the old one.

The original veterans exemption (authorized by Real Property Tax Law §458) is actually three different exemptions. The first, and by far the most widespread, is an exemption based on "eligible funds" (funds received by the veteran such as disability payments or a subsistence allowance under the GI Bill of Rights). Exemption is to be granted to the extent that such funds were used to purchase the exempt property, up to a maximum of $5,000 of assessed value. The second exemption, also subject to a $5,000 maximum, is for permanently disabled veterans whose property was purchased with moneys collected by popular subscription. The third is an exemption for seriously disabled veterans whose property was purchased with financial assistance from the U.S. Government and is equipped with special facilities to accommodate the veteran's disability; there is no dollar limit on this exemption. In 1984, when an alternative to the "eligible funds" exemption was enacted, there were more than half a million "eligible funds" exemptions in the state, constituting about three–quarters of the value of all exempt residential property owned by individuals.

The major problem with the "eligible funds" exemption was its gross inequity. Since the exemption is a fixed dollar amount applied against assessed value, the benefit to veterans varies widely from place to place. Where assessed values are only a small percentage of market values the exemption could completely eliminate county, city/town, and village taxes on a property, but where assessments closely approximate market values, the exemption could be negligible. And where previously low assessments become full–value assessments through a municipal revaluation, a veteran's formerly generous tax benefit could be virtually wiped out. To prevent this last situation from occurring, a law was passed in 1979 allowing municipalities to increase or decrease existing exemptions in proportion to any change in assessed value resulting from a revaluation. This "pro rata" exemption, available to localities for only a limited period of time, merely perpetuated long–standing inequities by extending the benefits of those veterans already lucky enough to have had the exemption cover most of their taxes. Finally, in 1984 the "alternative veterans exemption"

was enacted, offering local governments a fairer, more rationally based tax benefit for the veteran population.

As authorized by Real Property Tax Law §458–a, three levels of benefits calculated as a percentage of market value are provided by the alternative veterans exemption, depending on the nature of the veteran's service. The value of each type of benefit is limited by state law and may be further limited by each taxing jurisdiction. The benefits are summarized below.

Percentage of Exemption	Maximum Exemption per State Law	Reduced Maximum Pursuant to Local Law	
Wartime veteran: 15%	$ 12,000	$ 9,000	$ 6,000
Combat zone veteran: 10%	8,000	6,000	4,000
Disabled veteran: 1/2 of disability rating	40,000	30,000	20,000

These exemption amounts are cumulative. Thus, if a veteran served during a period of war (as defined by state law), served in a combat zone (also defined by law), and sustained a 100% service–related disability (as evidenced by a government–certified disability rating), the veteran would be entitled to an exemption of 75% of the value of his property up to the limits specified above. In 1988, four years after the alternative veterans exemption became available, there were 274,169 such exemptions granted (wartime combat–zone and wartime non–combat zone). Of these, 14,671 veterans were also granted the exemption available to disabled servicemen. The total exempt value of these exemptions in 1988 amounted to about $3.3 billion, or 20% of the exempt value of individually owned residential property. By this time, the number of "eligible funds" exemptions (including those granted under the "pro rata" provision) had fallen by about 20%, from to 505,351 in 1984 to 402,086 in 1988, largely as a result of veterans' switching from this exemption to the alternative exemption. Overall, of course, enactment of the new veterans exemption substantially increased the number of exemptions held by such property owners, to 676,255 in 1988, accounting for 79% of the exempt value of individually owned residential property.

Participation by Local Taxing Jurisdictions

The alternative veterans exemption, like the "eligible funds" exemption, applies to taxes imposed by counties, cities, towns, and villages, and each of these taxing jurisdictions may decide which exemption to allow. Table 6 shows the number and percentage of jurisdictions that have opted to allow the alternative exemption, according to 1988 assessment rolls.

We find that there are only minor differences among types of taxing jurisdictions in the rate of adoption of the alternative veterans exemption. The overall rate is 62.5%, with the lead taken by cities at 74.2%, followed by counties at 73.7%, towns at 65.1%, and villages at 55.5%. Similarly, there is not much variation by type of jurisdiction in the level at which the exemption has been adopted. Overall, 71.2% of them have adopted the exemption at the highest dollar limit, 24.8% have chosen the lowest limit, and only 4.0% have opted for the medium limit.

Why did some municipalities decide to adopt the alternative veterans exemption while others chose not to? The socioeconomic characteristics considered as possible influences in the adoption of the aged exemption are relevant here. These are the degree of urbanization of the community involved, the prominence of the affected taxpayer group in the population, and the wealth of the locality. As pointed out in connection with the aged exemption, greater urbanization would probably be accompanied by an increased awareness of tax benefits allowed by state law, strong representation of the taxpayer group affected would lead to a higher level of effort by the group and its supporters to ensure that these benefits are made available locally, and greater wealth could very well encourage adoption of the exemption simply because it is felt that the taxpayers can afford it.

Table 6. Municipal Corporations Allowing Alternative Veterans Exemption, 1988 Assessment Rolls.

Dollar Amount of Exemption Limit			Counties		Cities		Towns		Villages		Total	
Wartime	Combat	Disabled	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
12,000	8,000	40,000	30	71.4	33	71.7	427	70.3	218	72.7	708	71.2
9,000	6,000	30,000	1	2.4	0	0.0	24	4.0	15	5.0	40	4.0
6,000	4,000	20,000	11	26.2	13	28.3	156	25.7	67	22.3	247	24.8
Total Allowing Exemption			**42**	**73.7**	**46**	**74.2**	**607**	**65.1**	**300**	**55.5**	**995**	**62.5**
Exemption Not Authorized			15	26.3	16	25.8	325	34.9	241	44.5	597	37.5
TOTAL			**57**	**100.0**	**62**	**100.0**	**932**	**100.0**	**541**	**100.0**	**1,592**	**100.0**

Note: Does not include municipal corporations that failed to report exemption data.

These last two factors, prominence of the affected taxpayer group and wealth of the community, may be especially relevant with regard to the option of allowing the alternative veterans exemption, since a potentially large number of additional property owners would qualify for exemption, i.e. those previously excluded from benefits because they could not meet the "eligible funds" requirements. Of particular importance would be Korean War and Vietnam veterans, who were effectively excluded from eligibility because the type of government funds paid to them did not coincide with statutory definitions. The proportion of such veterans in the population and the amount of pressure exerted by them could very well have been instrumental in local decisions regarding adoption of the exemption. The wealth of a community's taxpayers could have been an important factor because of the conditions under which the alternative veterans exemption would be implemented if adopted. Veterans already having "eligible funds" or "pro rata" exemptions would be allowed to keep them; switching to the alternative exemption would be entirely voluntary and would occur, presumably, only where veterans would gain larger benefits under the alternative exemption. This situation, coupled with the many new exemptions that would be claimed by veterans previously ineligible, could result in a considerable increase in the tax shift caused by exemptions. These hypotheses regarding the effect of socioeconomic characteristics on adoption of the veterans exemption will be examined below.

Adoption of the alternative veterans exemption parallels adoption of the "pro rata" amendment of the eligible funds exemption. As shown below, 88% of the cities and towns that conducted a property revaluation between 1979 and 1988 and opted to allow pro rata exemptions also chose to allow the alternative veterans exemption, with 82% of these allowing it at its highest dollar level.* Among those municipalities which revalued but chose not to allow pro rata, only 52% opted to allow the alternative exemption and of these only 56% chose to allow it at the highest level.

It seems reasonable to assume that the factors that led some taxing jurisdictions to adopt the alternative veterans exemption were the same as those which prompted the adoption of pro rata exemptions, since in both cases the locality had to decide whether to liberalize exemption benefits

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* Cities and towns that conducted revaluations prior to 1979 are not considered here, since their granting of pro rata exemptions was, in the case of court–ordered revaluations, mandated by state law rather than subject to local option.

at a cost to other taxpayers. Therefore, in the following analysis the two programs are looked at together.

	Number	Percent
Pro rata chosen		
Alternative allowed	115	88
Alternative not allowed	15	12
Alternative allowed at highest level	**94**	**82**

	Number	Percent
Pro rata not chosen		
Alternative allowed	93	70
Alternative not allowed	39	30
Alternative allowed at highest level	**52**	**56**

To test whether the socioeconomic characteristics described above might have been instrumental in decisions regarding the adoption of the alternative and "pro rata" veterans exemptions, cities and towns were divided into two groups: those allowing both the pro rata exemption and the alternative exemption at its highest value ($12,000 – $8,000 – $40,000) (called here the pro–exemption group) and those not allowing either the pro rata or the alternative exemption (the anti–exemption group). The characteristics of the two groups are shown in Tables 7 and 8.

Table 7. Veterans Exemption: Revaluation Done, Both Pro Rata and Highest–Value Alternative Exemption Allowed.

County	City/Town	Urban/ Rural (U/R)	Population	Number of Veterans	Percent of Population	Number of Korea/Vietnam Veterans	Percent of Veterans	Mean Household Income (Owner)	Alternative Veterans Exemptions (1988)	Percent of Veterans
Albany	Guilderland	U	26,515	3,706	14.0	1,586	42.8	26,035	820	22.1
Chemung	Van Etten	R	1,519	202	13.3	82	40.6	14,496	1	0.5
Erie	C/Buffalo	U	357,870	41,499	11.6	16,154	38.9	19,746	3,649	8.8
	C/Lackawanna	U	22,701	4,164	18.3	1,717	41.2	21,554	359	8.6
	C/Tonawanda	U	18,693	2,871	15.4	1,300	45.3	20,951	686	23.9
	Alden	R	10,067	1,363	13.5	632	46.4	22,559	373	27.4
	Amherst	U	108,706	13,854	12.7	5,147	37.2	32,364	3,498	25.2
	Aurora	R	13,882	1,875	13.5	834	44.5	26,631	530	28.3
	Boston	R	7,687	1,038	13.5	446	43.0	27,009	303	29.2
	Brant	R	2,467	285	11.6	135	47.4	18,953	59	20.7
	Cheektowaga	U	109,442	16,763	15.3	6,677	39.8	22,127	3,203	19.1
	Clarence	U	18,146	2,732	15.1	1,053	38.5	28,129	820	30.0
	Colden	R	3,128	341	10.9	145	42.5	22,623	81	23.8
	Collins	R	5,053	537	10.6	189	35.2	19,058	81	15.1
	Concord	U	8,171	1,010	12.4	392	38.8	21,304	197	19.5
	Eden	R	7,327	962	13.1	332	34.5	24,211	317	33.0
	Evans	U	17,944	2,415	13.5	1,163	48.2	20,794	522	21.6
	Grand Island	U	16,770	2,414	14.4	1,194	49.5	28,361	671	27.8
	Hamburg	U	53,270	7,784	14.6	3,516	45.2	24,678	2,190	28.1
	Holland	R	3,473	385	11.1	247	64.2	19,861	76	19.7
	Lancaster	U	30,170	4,164	13.8	1,717	41.2	22,331	1,361	32.7
	Marilla	R	4,861	622	12.8	311	50.0	23,772	272	43.7
	Newstead	R	7,243	970	13.4	432	44.5	20,879	257	26.5
	North Collins	R	3,778	365	9.7	132	36.2	21,484	112	30.7
	Orchard Park	U	24,359	3,523	14.5	1,428	40.5	30,636	1,124	31.9
	Sardinia	R	2,792	292	10.5	124	42.5	20,704	84	28.8
	Tonawanda	U	91,269	14,062	15.4	5,161	36.7	23,979	3,028	21.5
	West Seneca	U	51,210	7,173	14.0	3,042	42.4	24,321	1,690	23.6
Jefferson	Philadelphia	R	1,407	164	11.7	72	43.9	16,870	80	48.8
Livingston	Avon	R	6,186	782	12.6	377	48.2	22,116	193	24.7
	Caledonia	R	4,055	492	12.1	193	39.2	23,010	132	26.8
	Conesus	R	1,970	251	12.7	106	42.2	20,132	106	42.2

Table 7. Veterans Exemption: Revaluation Done, Both Pro Rata and Highest–Value Alternative Exemption Allowed.

County	City/Town	Urban/ Rural (U/R)	Population	Number of Veterans	Percent of Population	Number of Korea/Vietnam Veterans	Percent of Veterans	Mean Household Income (Owner)	Alternative Veterans Exemptions (1988)	Percent of Veterans
Livingston (cont.)	Geneseo	U	8,629	654	7.6	345	52.8	26,137	136	20.8
	Livonia	R	5,723	683	11.9	355	52.0	21,316	279	40.8
	North Dansville	U	5,962	787	13.2	378	48.0	20,454	114	14.5
	Nunda	R	2,676	335	12.5	140	41.8	18,277	85	25.4
	Ossian	R	699	90	12.9	37	41.1	19,714	27	30.0
	Portage	R	787	96	12.2	50	52.1	17,070	34	35.4
	West Sparta	R	1,100	104	9.5	41	39.4	18,461	16	15.4
	York	R	3,234	374	11.6	147	39.3	18,911	83	22.2
Madison	Fenner	R	1,508	166	10.5	114	68.7	18,230	19	11.4
Monroe	C/Rochester	U	241,741	24,503	10.1	10,319	42.1	21,399	2,748	11.2
	Hamlin	R	7,675	891	11.6	509	57.1	25,336	265	29.7
	Riga	R	4,309	506	11.7	288	56.9	24,517	234	46.2
Montgomery	Mohawk	R	3,810	477	12.5	225	47.2	17,728	152	31.9
Niagara	C/Niagara Falls	U	71,384	9,420	13.2	3,497	37.1	20,278	2,419	25.7
	Hartland	R	4,127	495	12.0	207	41.8	21,037	178	36.0
	Lewiston	U	16,218	2,262	13.9	913	40.4	29,131	896	39.6
	Lockport	R	12,942	1,633	12.6	840	51.4	25,099	393	24.1
	Newfane	R	9,268	1,179	12.7	384	32.6	22,064	479	40.6
	Niagara	U	9,648	1,346	14.0	504	37.4	21,936	320	23.8
	Pendleton	R	4,726	691	14.6	296	42.8	24,197	298	43.1
	Porter	R	7,233	1,129	15.6	495	43.8	26,116	364	32.2
	Royalton	R	7,764	1,024	13.2	457	44.6	23,534	360	35.2
	Somerset	R	2,680	382	14.3	175	45.8	21,245	122	31.9
	Wheatfield	R	9,609	1,458	15.2	653	44.8	23,138	548	37.6
	Wilson	R	5,810	823	14.2	383	46.5	20,788	274	33.3
Oneida	Annsville	R	2,383	264	11.1	116	43.9	17,621	69	26.1
	Trenton	R	4,448	645	14.5	313	48.5	20,039	110	17.1
Rensselaer	C/Rensselaer	U	9,047	1,311	14.5	519	39.6	18,983	344	26.2
	Brunswick	R	10,974	1,682	15.3	561	33.4	24,437	827	49.2
	East Greenbush	U	12,913	1,797	13.9	783	43.6	23,778	506	28.2
	North Greenbush	U	10,396	1,684	16.2	632	37.5	23,805	476	28.3

Table 7. Veterans Exemption: Revaluation Done, Both Pro Rata and Highest–Value Alternative Exemption Allowed.

County	City/Town	Urban/ Rural (U/R)	Population	Number of Veterans	Percent of Population	Number of Korea/Vietnam Veterans	Percent of Veterans	Mean Household Income (Owner)	Alternative Veterans Exemptions (1988)	Percent of Veterans
Rensselaer (cont.)	Petersburg	R	1,369	169	12.3	71	42.0	16,986	56	33.1
	Poestenkill	R	3,664	605	16.5	254	42.0	20,315	211	34.9
	Schaghticoke	R	7,101	1,112	15.7	464	41.7	22,136	392	35.3
	Schodack	R	11,381	1,591	14.0	635	39.9	22,062	321	20.2
Rockland	Orangetown	U	48,579	7,019	14.4	2,605	37.1	33,934	1,645	23.4
St. Lawrence	Brasher	R	2,357	272	11.5	149	54.8	17,904	43	15.8
	DePeyster	R	910	48	5.3	25	52.1	15,777	8	16.7
	Edwards	R	1,214	124	10.2	58	46.8	14,222	16	12.9
	Hammond	R	1,138	137	12.0	57	41.6	15,637	42	30.7
	Lawrence	R	1,755	202	11.5	81	40.1	20,166	18	8.9
	Louisville	R	2,927	413	14.1	176	42.6	21,789	77	18.6
	Macomb	R	823	80	9.7	31	38.8	13,619	13	16.3
	Morristown	R	1,921	217	11.3	88	40.6	14,641	77	35.5
	Pitcairn	R	786	90	11.5	30	33.3	12,882	9	10.0
	Rossie	R	842	68	8.1	26	38.2	15,350	4	5.9
	Russell	R	1,637	175	10.7	84	48.0	13,777	11	6.3
	Waddington	R	2,116	220	10.4	123	55.9	18,695	56	25.5
Saratoga	C/Mechanicville	U	5,500	679	12.3	211	31.1	20,079	90	13.3
	Ballston	R	7,699	1,022	13.3	431	42.2	25,503	139	13.6
	Clifton Park	U	23,989	3,130	13.0	1,519	48.5	31,421	583	18.6
	Corinth	U	5,210	729	14.0	282	38.7	18,769	212	29.1
	Hadley	R	1,365	188	13.8	72	38.3	17,576	58	30.9
	Halfmoon	R	11,860	1,683	14.2	747	44.4	20,513	212	12.6
	Malta	R	6,968	979	14.0	481	49.1	23,962	127	13.0
	Milton	R	12,871	1,678	13.0	896	53.4	19,823	173	10.3
	Stillwater	R	6,316	920	14.6	377	41.0	20,215	137	14.9
	Wilton	R	7,182	969	13.5	493	50.9	20,212	121	12.5
Schenectady	Princetown	R	1,804	298	16.5	141	47.3	22,321	62	20.8
Suffolk	Riverhead	U	20,243	2,748	13.6	1,020	37.1	19,959	971	35.3
Ulster	C/Kingston	U	24,481	3,375	13.8	991	29.4	20,158	1,080	32.0
	Woodstock	R	6,626	959	14.0	398	41.5	26,441	351	36.6

Table 8. Veterans Exemption: Revaluation Done, Neither Pro Rata nor Alternative Exemption Allowed.

County	City/Town	Urban/ Rural (U/R)	Population	Number of Veterans	Percent of Population	Number of Korea/Vietnam Veterans	Percent of Veterans	Mean Household Income (Owner)
Cattaraugus	Otto	R	828	125	15.1	55	44.0	15,480
Cayuga	Sempronius	R	724	84	11.6	37	44.0	16,995
Chautauqua	Ellington	R	1,690	191	11.3	86	45.0	16,811
	Poland	R	2,639	308	11.7	136	44.2	18,499
Chemung	Catlin	R	2,719	316	11.6	117	37.0	19,102
Dutchess	C/Beacon	U	12,937	1,950	15.1	884	45.3	22,717
Jefferson	Lorraine	R	734	80	10.9	53	66.3	15,280
Lewis	Lewis	R	724	81	11.2	40	49.4	18,429
Madison	C/Oneida	U	10,810	1,291	11.9	550	42.6	19,308
	Cazenovia	R	5,880	672	11.4	243	36.2	31,239
	Eaton	U	5,127	466	9.1	207	44.4	18,496
	Georgetown	R	778	67	8.6	29	43.3	16,195
	Hamilton	U	5,973	480	8.0	228	47.5	20,297
	Lebanon	R	1,117	114	10.2	49	43.0	16,893
	Lincoln	R	1,722	204	11.8	100	49.0	21,152
	Madison	R	2,368	293	12.4	140	47.8	19,480
	Nelson	R	1,550	184	11.9	105	57.1	19,339
	Smithfield	R	1,001	82	8.2	49	59.8	16,813
	Stockbridge	R	1,947	177	9.1	88	49.7	17,970
Ontario	East Bloomfield	R	3,245	327	10.1	157	48.0	24,526
Orleans	Albion	U	6,385	795	12.5	375	47.2	21,201
Oswego	Constantia	R	4,240	607	14.3	293	48.3	19,401

Table 8. Veterans Exemption: Revaluation Done, Neither Pro Rata nor Alternative Exemption Allowed.

County	City/Town	Urban/ Rural (U/R)	Population	Number of Veterans	Percent of Population	Number of Korea/Vietnam Veterans	Percent of Veterans	Mean Household Income (Owner)
Otsego	Cherry Valley	R	1,226	113	9.2	39	34.5	16,265
	Pittsfield	R	1,067	101	9.5	42	41.6	13,518
Steuben	C/Corning	U	12,953	1,816	14.0	676	37.2	21,870
	C/Hornell	U	10,234	1,376	13.4	622	45.2	17,434
	Addison	R	2,690	336	12.5	154	45.8	17,765
	Canisteo	U	3,932	482	12.3	204	42.3	16,150
	Caton	R	1,915	253	13.2	118	46.6	19,611
	Cohocton	R	2,430	250	10.3	90	36.0	17,696
	Corning	R	6,846	1,090	15.9	389	35.7	24,700
	Dansville	R	1,455	157	10.8	81	51.6	18,197
	Fremont	R	892	95	10.7	54	56.8	16,846
	Hartsville	R	532	71	13.3	43	60.6	15,972
	Hornby	R	1,786	233	13.0	102	43.8	19,879
	Hornellsville	R	4,039	624	15.4	261	41.8	18,990
	Prattsburg	R	1,708	171	10.0	75	43.9	15,669
Wyoming	Bennington	R	2,889	428	14.8	230	53.7	21,603

When the two groups are divided by degree of urbanization, we see a difference between the pro–exemption group and the anti–exemption group. The proportion of urban municipalities in the pro–exemption group is somewhat higher than in the anti–exemption group — 32% vs. 21%. Although this difference is far less pronounced than it is in the case of the aged exemption (where urban municipalities accounted for 63% of the pro–exemption group and only 7% of the anti–exemption group), degree of urbanization should not be discounted as having had no effect on taxing jurisdictions' adoption of the pro rata and alternative veterans exemptions. Awareness of state–legislated programs benefiting certain taxpayers and organization of interest in obtaining benefits is always important. The smaller difference in degree of urbanization found in the case of the veterans exemptions may merely indicate that there was widespread awareness of and interest in potentially larger veterans benefits all across the state, in both urban and rural communities. This situation seems very likely in view of the visibility of several national veterans organizations and the considerable political influence wielded by them.

The proportion of veterans in the population and specifically the proportion of Korean War and Vietnam veterans appear to have had little to do with acceptance of increased veterans benefits, as shown below. As in the case of urbanization, the effect of strong local representation by veterans in urban as opposed to rural areas may have been masked by the overall influence exerted by large veterans organizations statewide.

	Percentage of Veterans in Population	
City/Town Type	Range	Median
Pro–exemption		
Total	5.3 – 18.3	13.2
Urban	7.6 – 18.3	14.0
Rural	5.3 – 16.5	12.6
Anti–exemption		
Total	8.0 – 15.9	11.7
Urban	8.0 – 15.1	12.4
Rural	8.2 – 15.9	11.5

City/Town Type	Korea/Vietnam Veterans as % of Veterans	
	Range	Median
Pro–exemption	29.4 – 68.7	42.3
Total	29.4 – 52.8	40.1
Urban	32.6 – 68.7	43.4
Rural		
Anti–exemption		
Total	34.5 – 66.3	45.3
Urban	37.2 – 47.5	44.8
Rural	34.5 – 66.3	45.4

The pro–exemption and anti–exemption groups were also compared in terms of community wealth, as measured by the household incomes of homeowners. The results are shown below.

City/Town Type	Mean Household Income	
	Range	Median
Pro–exemption		
Total	12,882 – 33,934	21,141
Urban	18,769 – 33,934	22,229
Rural	12,882 – 27,009	20,265
Anti–exemption		
Total	13,518 – 31,239	18,463
Urban	16,150 – 22,717	19,803
Rural	13,518 – 31,239	18,084

We find that household income is on the average higher in the pro–exemption group than it is in the anti–exemption group. However, the difference is small, with the pro–exemption municipalities having an average income only about 15% higher than those in the anti–exemption group ($21,141 vs. $18,463).

Since among cities and towns that conducted revaluations the rate of adoption of the alternative veterans exemption was a good deal higher than the rate of adoption of the pro rata exemption (79% vs. 50%), it would be useful to examine socioeconomic differences between municipalities that opted for the alternative exemption and those which did not, regardless of whether they had also adopted or rejected the pro rata exemption. Therefore, adoption of the alternative exemption was also looked at separately in relation to household income. Table 9 shows, by county, the rate of adoption of the alternative veterans exemption by all cities and towns. Also shown, as a percentage of all municipalities adopting the exemption, are the rates of adoption at the exemption's full value and at the two locally reduced values.

Table 9. Adoption of Alternative Veterans Exemption by Cities and Towns, by County, 1988 Assessment Rolls.

County	Urban/ Rural (U/R)	Mean Household Income (Owner)	Allow Alternative Exemption Total Number	Allow Alternative Exemption Total Percent	Allow Alternative Full (12–8–40) (Percent)	Allow Alternative Reduced (9–6–30) (Percent)	Allow Alternative Reduced (6–4–20) (Percent)
New York State	U	26,294	652	65.6	70.4	3.7	25.9
Albany	U	24,898	11	84.6	81.8	0.0	18.2
Allegany	R	17,652	1	3.4	0.0	0.0	100.0
Broome	U	22,216	12	70.6	75.0	0.0	25.0
Cattaraugus	R	17,970	10	29.4	100.0	0.0	0.0
Cayuga	R	19,719	17	70.8	23.5	5.9	70.6
Chautauqua	U	19,572	3	10.3	100.0	0.0	0.0
Chemung	U	20,454	3	25.0	100.0	0.0	0.0
Chenango	R	18,353	22	100.0	18.2	0.0	81.8
Clinton	R	19,003	0	0.0	0.0	0.0	0.0
Columbia	R	19,881	19	100.0	84.2	5.3	10.5
Cortland	R	19,802	11	68.8	72.7	0.0	27.3
Delaware	R	17,764	11	57.9	18.2	0.0	81.8
Dutchess	U	26,078	12	54.5	83.3	8.3	8.3
Erie	U	23,672	28	100.0	96.4	0.0	3.6
Essex	R	17,742	5	27.8	100.0	0.0	0.0
Franklin	R	17,493	3	15.8	100.0	0.0	0.0
Fulton	R	18,458	11	91.7	100.0	0.0	0.0
Genesee	R	21,652	14	100.0	21.4	14.3	64.3
Greene	R	17,978	12	85.7	91.7	8.3	0.0
Hamilton	R	15,004	9	100.0	100.0	0.0	0.0
Herkimer	R	18,041	3	16.7	100.0	0.0	0.0
Jefferson	U	18,782	14	60.9	28.6	0.0	71.4
Lewis	R	17,708	4	23.5	100.0	0.0	0.0
Livingston	R	21,023	17	100.0	94.1	0.0	5.9
Madison	R	20,383	3	18.8	100.0	0.0	0.0
Monroe	U	27,832	21	100.0	90.5	4.8	4.8
Montgomery	R	18,703	11	100.0	72.7	9.1	18.2
Nassau	U	34,219	5	100.0	100.0	0.0	0.0
Niagara	U	22,665	15	100.0	80.0	6.7	13.3
Oneida	U	20,437	28	96.6	96.4	0.0	3.6

Table 9. Adoption of Alternative Veterans Exemption by Cities and Towns, by County, 1988 Assessment Rolls.

County	Urban/ Rural (U/R)	Mean Household Income (Owner)	Allow Alternative Exemption Total Number	Allow Alternative Exemption Total Percent	Allow Alternative Full (12–8–40) (Percent)	Allow Alternative Reduced (9–6–30) (Percent)	Allow Alternative Reduced (6–4–20) (Percent)
Onondaga	U	24,490	20	100.0	95.0	0.0	5.0
Ontario	R	22,260	15	83.3	20.0	0.0	80.0
Orange	U	23,369	20	87.0	70.0	0.0	30.0
Orleans	R	21,113	9	90.0	11.1	0.0	88.9
Oswego	R	19,640	23	95.8	87.0	0.0	13.0
Otsego	R	17,703	4	16.0	75.0	0.0	25.0
Putnam	R	28,277	6	100.0	83.3	16.7	0.0
Rensselaer	U	21,396	16	100.0	81.3	12.5	6.3
Rockland	U	33,184	4	100.0	100.0	0.0	0.0
St. Lawrence	R	18,681	30	90.9	80.0	6.7	13.3
Saratoga	R	22,422	21	100.0	85.7	0.0	14.3
Schenectady	U	23,475	6	100.0	66.7	0.0	33.3
Schoharie	R	17,578	14	87.5	0.0	21.4	78.6
Schuyler	R	17,427	1	11.1	0.0	0.0	100.0
Seneca	R	20,001	0	0.0	0.0	0.0	0.0
Steuben	R	19,368	7	20.6	71.4	0.0	28.6
Suffolk	U	27,189	10	100.0	100.0	0.0	0.0
Sullivan	R	17,991	15	100.0	86.7	6.7	6.7
Tioga	R	21,754	6	66.7	83.3	0.0	16.7
Tompkins	R	22,746	3	30.0	66.7	0.0	33.3
Ulster	R	21,252	18	85.7	77.8	11.1	11.1
Warren	R	19,991	12	100.0	91.7	8.3	0.0
Washington	R	17,998	17	100.0	52.9	0.0	47.1
Wayne	R	21,643	15	100.0	33.3	0.0	66.7
Westchester	U	39,717	10	40.0	60.0	20.0	20.0
Wyoming	R	19,437	14	87.5	7.1	7.1	85.7
Yates	R	18,225	0	0.0	0.0	0.0	0.0

We find that as mean household income increases so do adoption of the alternative exemption and adoption of it at its maximum value, as shown below.

Mean Household Income	% Cities/Towns Adopting Alternative Exemption (Median)	
	Total	Maximum
15,000 – 19,999	68.8	75.0
20,000 – 24,999	90.0	80.0
25,000 – 29,999	100.0	86.9
30,000 – 34,999	100.0	100.0

Thus it appears that in the case of local options increasing veterans property tax benefits the relative wealth of a community does play a significant role.

Participation in Alternative Veterans Program by Taxpayers

As discussed earlier, participation by the elderly in the aged exemption program is surprisingly low, only 14.3% statewide in 1988. The rate of participation by veterans in the alternative veterans exemption program is considerably higher (see Table 7 for rates by municipality). In the pro–exemption cities and towns, those which have adopted both the pro rata exemption and the highest–value alternative exemption, 25.6% of the veterans had exemptions in 1988. In urban cities and towns the rate was a bit lower (23.9%), and in rural communities it was somewhat higher (26.7%).*

Undoubtedly, part of the reason for this large difference between the aged and veterans is the higher rate of home ownership among veterans. Another significant factor is veterans' greater awareness of exemptions available to them, largely as a result of the efforts made on their behalf by various politically active veterans organizations. A third possibility is that, unlike the elderly, many veterans have owned their homes for relatively short periods of time; consequently, their assessments are fairly up to date, their taxes are relatively high, and thus they have a strong incentive to seek an exemption.

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* Rates of participation in the alternative veterans exemption program are actually higher than the figures given here indicate. Because of limitations on the data, the percentages shown are in terms of all veterans, not just those who are homeowners. In contrast, participation in the aged exemption program is indicated as a percentage of elderly homeowners.

BUSINESS EXEMPTIONS

New York State has several property tax exemptions intended to promote economic development. First, unlike a number of other states, New York exempts from taxation all personal property, such as business equipment and inventories. That in itself is a significant advantage for businesses operating in the state. Second, and probably more important, New York has enacted a number of statutes authorizing exemption of business real property. These exemptions are shown in Table 10, by year of enactment. Their relative importance in the local tax base, in terms of the number of exempt properties and the amount of market value exempt, is also shown where possible.

Table 10. Exemptions for Business Property.

Year Enacted	Description and Law Reference	Number of Exemptions (1988)	Market Value Exempt (1988)
1961	NYS Job Development Authority (RPTL §412 & Public Authorities Law §1806)	Unknown (Data not separately reported by assessors)	Unknown
1967	Troy Industrial Development Authority (RPTL §412 & Public Authorities Law §1963)	0	0
1968	Business facilities in Job Incentive Program (RPTL §485)	308	$206,300,000
1968	Nonprofit corporations providing industrial facilities and related research or guaranteeing loans to finance small business facilities and activities (Consolidated Laws Service Unconsolidated Laws Ch. 270)	0	0
1968	NYS Urban Development Corporation – industrial projects (McKinney's Unconsolidated Laws §6272)	140	$1,930,634,000
1969	Auburn Industrial Development Authority (RPTL §412 & Public Authorities Law §2326)	0	0
1969 & later	Municipal industrial development agencies (RPTL §412–a & General Municipal Law §874)	3,030	$ 4,193,430,000
1972	Steel manufacturing property in cities with population of less than 50,000 (RPTL §485–a)	0	0

Table 10. Exemptions for Business Property.

Year Enacted	Description and Law Reference	Number of Exemptions (1988)	Market Value Exempt (1988)
1976	Business investment property outside New York City (RPTL §485–b)	15,548	$ 3,913,868,000
1978	Port Authority of New York & New Jersey industrial projects (McKinney's Unconsolidated Laws §7181)	0	0
1979	Long Island Job Development Authority (RPTL §412 & Public Authorities Law §1840–I)	Unknown (Data not separately reported by assessors)	Unknown
1979	Industrial and commercial properties in New York City – project certified by Industrial and Commercial Incentive Board (RPTL §489–ddd)	506	$ 1,732,389,000
1980	Steel manufacturing property in cities with population of 50,000 or more (RPTL §485–c)	1	$2,000
1984	Industrial and commercial properties in New York York City – project certified by NYC Department of Finance (RPTL §489–bbbb)	325	$519,872,000
1986	Property improvements in economic development zones (RPTL §485–e)	26	$22,434,000
	Total	**19,884**	**$12,518,929,000**

Of the 15 types of exemptions listed in Table 10, five are subject to local option. One other exemption, the one for industrial development agencies (IDA's), is in a limited sense a local option exemption in that each municipality may choose whether or not to create an IDA. Once an IDA is created, however, its property is for all purposes wholly exempt from taxation; an individual locality no longer has any discretionary taxing power with regard to the property. Although the exemption for IDA property is a very important one among business tax incentives (there are currently more than 150 active IDA's), since it does not fit strictly within the definition of local option exemptions as used in this study, it will not be discussed further.

Two of the five local option exemptions are allowed only in New York City: the exemption for industrial and commercial projects certified by the city Industrial and Commercial Incentive Board (ICIB) and the exemption for industrial and commercial projects certified by the city Department of

Finance (DOF), which was enacted to replace the ICIB exemption. In both cases, the city has the option of granting or not granting exemption on a project–by–project basis and the amount and duration of exemption varies by project type and/or location. The ICIB and DOF exemptions cannot be discussed here due to lack of data on the project–specific rationale for granting exempt status.

Two exemptions that are by state law allowed in virtually all parts of the state are the Job Incentive Program (JIP) exemption (now repealed), and the business investment (§485–b) exemption. The economic development zone (EDZ) exemption is available only in those parts of the state that have been designated as economic development zones. Thus far, 19 such zones have been established (see Table 17).

Provisions of Local Option Exemptions for Business

Job Incentive Program (JIP) Exemption

Although the Job Incentive Program was repealed in 1983, it continues to provide two types of benefits to businesses that, prior to the program's repeal, had submitted plans to build or expand business facilities: a property tax exemption and a credit against the corporate franchise tax, the unincorporated business tax, or the banking tax, depending on the type of business organization involved. The property tax exemption is equal to a locally chosen percentage (up to 100%) of the increase in assessed value attributable to new construction or other property improvements; the duration of the exemption is also locally determined and, as originally provided by state law, could be granted for up to 10 years. The credit against corporate franchise taxes is computed by multiplying the tax that would otherwise be due by a percentage derived by taking the average of (1) the percentage that "eligible property values" attributable to improvements to the facility bears to the total value of all of the firm's property in the state and (2) the percentage that wages paid to employees serving in jobs created or retained by the property improvement project bears to the total wages paid by the firm to all of its employees in the state.

When the program was first enacted in 1968 it applied to very few areas of the state. To qualify for program benefits a business facility had to be located in an "eligible area," initially defined as a census tract within a city having a population of at least 125,000 in which the median family income was in the lowest quartile of all the census tracts in the city. In 1968 six cities met the population requirement: New York City, Buffalo, Rochester, Syracuse, Yonkers, and Albany. Two

years later the definition of eligible area was changed to include both (1) low–income areas of cities with a population of 50,000 or more and (2) rural counties in which per capita personal income was at least 25% below per capita income statewide. This change added another 9 cities and 22 counties to the program. In 1972 Indian reservations were added to the definition of eligible areas. In 1975 the definition was changed again, this time to add 8 counties in the Appalachian Region. In 1976 the law was amended to make the program applicable to all localities statewide.

Other substantive changes expanding the program were made over time. Initially, to be eligible for exemption, a business facility had to serve an area larger than the eligible area in which it was located. For that reason, only manufacturing and wholesaling facilities were to be considered as eligible; retail establishments and facilities providing housing, such as hotels and apartment houses, were specifically excluded. Also excluded, by virtue of being subject to business income taxes other than those covered by the program, were transportation companies and public utilities. In 1977 the benefits of the program were extended to insurance companies, and in 1978 they were extended to various non–retail sectors of the service industry, such as administrative and professional services and research and development. In 1979 the definition of eligible business facilities was changed to include hotels, motels, and other resort facilities offering overnight accommodations that contributed to the tourism industry in the region. Allowing a property tax exemption for this last category of business facilities required the adoption of a resolution by the local taxing jurisdiction in addition to the local law or resolution originally adopted allowing exemptions under the program.

As the scope and cost of the program grew, criticism of the program increased. An especially vocal critic was State Senator Franz Leichter, who in a 1983 report stated that business tax incentive programs had become an expensive "unwarranted subsidy for prosperous firms without any significant positive effect on the job base."* As a result of such criticism, the law governing the eligibility requirements for the Job Incentive Program (Article 4–A of the Commerce Law) was repealed effective April 1, 1983. Businesses initially certified as eligible for program benefits prior to that date would continue to be eligible for both property tax exemptions and income tax credits provided that they continued to receive annual certification. In 1989 the Real Property Tax Law was

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* Franz S. Leichter, "Subsidies for Profits: Business Tax Incentives in New York State," January 1983.

amended to prohibit the granting of any property tax exemptions under the program after January 1, 2000.*

Business Investment (§485–b) Exemption

In 1976, the same year that the Job Incentive Program was made statewide, the business investment exemption was enacted. This was also the year in which the mid–1970's economic recession in the state was at its peak, as evidenced by a statewide unemployment rate of 10.3%. In some areas the unemployment rate was dramatically high; in Franklin County, for example, the rate was 16.7%.

The §485–b exemption has changed little since its enactment. It began as and continues to be an extremely liberal program, allowing exemption for all types of business facilities except non–hotel and non–motel dwelling accommodations. Unless reduced by local option, the exemption period is 10 years and the amount of exemption in the first year is 50% of the increase in assessed value attributable to construction or other improvement of the property; in each succeeding year the amount of exemption decreases by 5%. To be eligible for exemption the improvement project must have cost more than $10,000.

Despite the liberal nature of its provisions, the §485–b exemption, unlike the Job Incentive Program, has not received much criticism. Perhaps one of the reasons for this is that the program is strictly a local one, with no state income tax credits involved, and is therefore less visible.**

Economic Development Zone (EDZ) Exemption

The EDZ exemption is relatively new, having been enacted in 1986. It is restricted to property improvements in designated economic development zones, which are defined as areas characterized by pervasive poverty, high unemployment, and general economic distress. Within each zone, at least 25% of the total land must be vacant, abandoned, or otherwise available for industrial or commercial development or redevelopment.

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* For a detailed discussion of the Job Incentive Program, see Joseph K. Gerberg, "Unplanned Obsolescence: The Rise and Fall of the Job Incentive Program" (Albany: NYS Board of Equalization and Assessment, April 1988).

** For a critique of the §485–b exemption, see Thomas J. McCord et al., "Business Property Taxes and Exemptions in New York State: A Survey of Business Leaders and Local Government Officials" (Albany: NYS Division of Equalization and Assessment, January 1980).

Specifically, an area designated as an economic development zone must be either of the following:

1. An area which includes a U.S. census tract or tracts or block numbering area or areas, or portions of such, each full census tract or block numbering area of which has, according to the most recent census data available: (a) a poverty rate of at least 20%, (b) an unemployment rate of at least 1.25 times the state-wide unemployment rate, and (c) a population of at least 2,000. Lands contiguous to such census tracts or block numbering areas may be included in the economic development zone if they are found to have significant potential for business development and job creation.
2. An area which does not meet the requirements described in #1 above but which is located in a county where (a) the average unemployment rate for the past two years was at least 1.25 times the state average and (b) the poverty rate is at least 13%.

Each zone must not exceed the following limits:

1. One square mile for any zone located within a town having a population of more than 25,000, or located wholly within a village, or located wholly or partially within a city.
2. Two square miles for any zone located within a town having a population of less than 25,000, provided that the zone is not located wholly within a village.
3. In New York City a zone must be wholly contained within a single community planning district.

As far as practicable, economic development zones must be equally distributed among urban, suburban, and rural areas. No more than one zone may be designated in any single county in the first three years of the program. The total number of zones is currently limited to 40. After these zones are designated, no more may be added until the program has been reviewed and determined to be worthy of continuation. So far, 19 zones have been designated. These are located in the following areas:

1. Cattaraugus County – Parts of City of Olean, Town of Olean, Town of Allegany, and the county
2. Cayuga County – City of Auburn
3. Chemung County – City of Elmira
4. Clinton County – City of Plattsburgh
5. Erie County – City of Lackawanna
6. Essex County – Town of Moriah/Village of Port Henry and the county
7. Fulton County – City of Gloversville

8. Niagara County – City of Niagara Falls
9. Oneida County – City of Utica
10. Onondaga County – City of Syracuse
11. Oswego County – City of Oswego
12. Rensselaer County – City of Troy
13. St. Lawrence County – City of Ogdensburg
14. Suffolk County – Town of Islip
15. Westchester County – City of Yonkers
16. New York City – South Bronx
17. New York City – East New York (Brooklyn)
18. New York City – East Harlem (Manhattan)
19. New York City – South Jamaica (Queens)

Once it is designated, an economic development zone continues to be so designated for a period of 10 years, unless the designation is terminated by the NYS Commissioner of Economic Development. Designation may be terminated if it is found that (1) the local area has failed substantially to implement the economic development zone plan within the time required or (2) there has been no substantial business development or job creation in the zone within five years after the designation.

The EDZ program contains no restrictions on the type of property owner eligible for property tax benefits. Nor is there any restriction on the type of project that is eligible; although the language of the statute governing the eligibility requirements of the program (Article 18–B of the General Municipal Law) emphasizes business development and job creation, non–rental residential projects as well as industrial and commercial projects qualify for benefits. This seems odd, since owner–occupied housing cannot be considered a business enterprise and, after its construction or rehabilitation, creates no jobs to speak of.

Like the Job Incentive Program, the EDZ program offers more than property tax exemptions. Two types of credits against the state business corporation franchise tax, banking corporation franchise tax, insurance corporation franchise tax, and personal income tax are also available to "certified" businesses. The first type of credit is based on the cost (or other computation basis for federal income tax purposes) of tangible personal property and other tangible property, including certain buildings and structural components of buildings, and is granted at the following rates:

1. Business corporation franchise tax – 10% of cost for up to four years, provided that in each year the average number of employees employed by the taxpayer in

the economic development zone is at least 101% of the average number of employees employed by the taxpayer during the immediately preceding year.

2. Personal income tax – 8% of cost for one year. An increase in employment is not required.

The second type of credit is based on "eligible wages" paid during the taxable year by the taxpayer to full–time employees, other than general executive officers, who occupy jobs created in the area during the period of its designation as an EDZ. "Eligible wages" is defined as the product of (1) the aggregate of all EDZ wages paid by the taxpayer (but not including more than $10,000 for any single job) and (2) a fraction the numerator of which is the difference between the net employment gain in EDZ's and the net employment loss in the state but outside any EDZ and the denominator of which is the net employment gain in EDZ's. "Net employment gain in EDZ's" means the difference between the average number of individuals, excluding general executive officers, employed full–time by the taxpayer in EDZ's during the taxable year and the average number of such individuals employed full–time by the taxpayer in EDZ's during the four years immediately preceding the first taxable year in which the credit is claimed. "Net employment loss in the state but outside any EDZ" means the difference between the average number of individuals, excluding general executive officers, employed full–time by the taxpayer in the state but outside any EDZ during the taxable year and the average number of such individuals employed full–time by the taxpayer in such during the four years immediately preceding the first taxable year in which the credit is claimed.

This credit is allowed only where (1) at least 20% of the taxpayer's full–time employees, excluding general executive officers, in the EDZ during the taxable year are residents of the EDZ or residents of census tracts contiguous to the zone and (2) the average number of individuals, excluding general executive officers, employed full–time by the taxpayer in (a) the state and (b) the EDZ during the taxable year exceeds the average number of such individuals employed full–time by the taxpayer in (a) the state and (b) the EDZ or area subsequently constituting the zone, respectively, during the four years immediately preceding the first taxable year in which the credit is claimed.

The credit is available for five years and varies in amount by year and by type of employee involved. Two types of employees are identified: targeted employees and others. A "targeted employee" is defined as a New York resident who receives EDZ wages and is (1) an eligible

individual under the provisions of the targeted jobs tax credit act, (2) eligible for benefits under the provisions of the job partnership training act, (3) a recipient of public assistance benefits, or (4) an individual whose income is below the most recently established poverty rate promulgated the the U.S. Department of Commerce or a member of a family whose family income is below the most recently established poverty rate promulgated by the appropriate federal agency. The amount of credit is computed as follows:

Taxable Year	Percent of Eligible Wages	
	Targeted Employees	Other Employees
1	25	12.5
2	20	10.0
3	15	7.5
4	10	5.0
5	5	2.5

The credit applies to the state business corporation franchise tax, banking corporation franchise tax, insurance corporation franchise tax, and personal income tax.

As authorized by RPTL 485–e, the real property tax exemption available for property in economic development zones that is constructed or improved after the zone is designated is allowed for the duration of the life of the zone (up to 10 years). The amount of exemption, which is also tied to the life of the zone, is limited to a percentage of the increase in assessed value attributable to the construction or improvement as determined in the first year of exemption. The increase in assessed value ("base amount") used to calculate the amount of exemption remains constant throughout the term of the exemption, except (1) where there is subsequent construction or improvement during the term of exemption or (2) where there occurs in the assessing unit an overall change in the level of assessment of 15% or more; in either case the base amount must be adjusted. The percentage of the base amount that is exempt varies as follows:

Year of Existence of EDZ	Percentage of Exemption
1–7	100
8	75
9	50
10	25

Thus the maximum exemption would be for 10 years at the above percentages and the minimum would be for 1 year at 25%.

If the designation of an EDZ is terminated, an exemption in effect prior to the termination continues for its original term; however, any further increase in assessed value attributable to new construction or improvements after the date of termination is not eligible for exemption.

Local Adoption of Business Exemptions

Job Incentive Program (JIP) Exemption

When the Job Incentive Program was enacted in 1968, the property tax exemption allowed by state law (RPTL 485) was available only in six cities and in these cities applied only to certain low–income census tracts. In order to grant the exemption, each city, the city school district, and the county in which the city was located were required to adopt a local law or resolution, as appropriate, specifically allowing the exemption. Slightly less than half of the taxing jurisdictions involved acted to do so, as shown in Table 11. Evidently some localities, although identified by the state as being in need of a business incentive program, did not feel that they would gain anything by granting property tax exemptions to business property.

Table 11. Adoption of JIP Exemption by Local Taxing Jurisdictions Allowed in 1968.

City	School District	County
Albany – No	Albany – No	Albany – No
Buffalo – Yes	Buffalo – Yes	Erie – Yes
Rochester – Yes	Rochester – Yes	Monroe – No
Syracuse – Yes	Syracuse – Yes	Onondaga – Yes
Yonkers – No	Yonkers – No	Westchester – No
New York City – No	New York City – No	Not applicable

In 1970 the program was expanded to include low–income areas in 9 more cities and 22 rural counties in which per capita income was at least 25% below the statewide average. Again, local response to the JIP exemption was lukewarm, as can be seen in Table 12. Only 42% of the taxing jurisdictions in the new cities involved chose to allow the exemption. In the rural counties that were added, the exemption was adopted by 68%, but only 38% of the cities in these counties adopted the exemption. And in only six rural counties did more than 30% of the other types of taxing jurisdictions choose in favor of the exemption.

Table 12. Adoption of JIP Exemption by Local Taxing Jurisdictions Allowed in 1970.

Additional Cities

City	School District	County
Binghamton – Yes	Binghamton – No	Broome – Yes
Mount Vernon – Yes	Mount Vernon – No	Westchester – No
New Rochelle – No	New Rochelle – No	Westchester – No
Niagara Falls – No	Niagara Falls – No	Niagara – Yes
Rome – Yes	Rome – No	Oneida – Yes
Schenectady – No	Schenectady – No	Schenectady – No
Troy – Yes	Troy – No	Rensselaer – Yes
Utica – Yes	Utica – No	Oneida – Yes
White Plains – No	White Plains – No	Westchester – No

Rural Counties

County	Percentage of Jurisdictions Allowing Exemption			
	Cities	Towns	Villages	School Districts
Allegany – No	NA	0	0	7
Cattaraugus – Yes	100	6	8	7
Chenango – Yes	100	33	50	70
Clinton – No	0	0	0	0
Columbia – Yes	0	0	0	0
Delaware – Yes	NA	16	40	33
Essex – Yes	NA	11	0	9
Franklin – No	NA	11	0	14
Greene – Yes	NA	0	20	0
Jefferson – Yes	0	9	10	9
Lewis – No	NA	0	0	0
Oswego – No	0	0	0	0
Otsego – Yes	0	4	10	25
St. Lawrence – Yes	100	22	38	35
Schoharie – No	NA	0	0	0
Schuyler – No	NA	0	0	0
Steuben – Yes	0	0	0	0
Tioga – Yes	NA	0	0	0
Ulster – Yes	100	20	33	10
Washington – Yes	NA	12	0	8
Wyoming – Yes	NA	31	50	40
Yates – Yes	NA	11	33	0

NA = Not applicable.

The program was again expanded in 1975, adding eight counties in the Appalachian Region; these were to be included regardless of the income of the residents within the counties. Once again, local taxing jurisdictions showed little enthusiasm for the JIP exemption, as shown in Table 13. (The table excludes Otsego, Steuben, and Tioga Counties, which had previously been added to the program in 1970 and are shown in Table 12.)

Table 13. Adoption of JIP Exemption by Local Taxing Jurisdictions Allowed in 1975.

	Percentage of Jurisdictions Allowing Exemption			
County	Cities	Towns	Villages	School Districts
Broome – Yes	100	6	14	8
Chautauqua – Yes	50	4	0	5
Chemung – Yes	100	27	20	100
Cortland – Yes	0	0	0	20
Tompkins – No	0	0	0	0

In 1976 the program was expanded to include all localities in the state. Another 140 taxing jurisdictions were added between 1976 and 1983, when the program was repealed (see Table 14). By the time the program ended, 275 (12%) of the state's 2,330 local taxing jurisdictions had acted to allow the JIP exemption. About half of those allowing the exemption were allowing it at the maximum rate, 100% of the increase in assessed value for a period of 10 years.

Table 14. Growth of Adoption of JIP Exemption, 1968–1983.

Year	Number of Counties	Number of Cities	Number of Towns	Number of Villages	Number of School Districts
1968–1970	2	3	0	0	3
1970–1975	19	5	38	24	22
1975–1976	3	3	5	2	6
1976–1983	11	17	53	21	38
Total	35	28	96	47	69
%	61	45	10	8	10

Business Investment (§485–b) Exemption

Since enactment of the §485–b exemption in 1976, no significant statutory change has been made regarding the types and location of taxing jurisdictions that may grant the exemption, and little change has taken place in the number of jurisdictions allowing it. What change there has been has varied by type of taxing jurisdiction. Between 1985 and 1988, for example, the number of counties, cities, towns, and villages allowing the exemption increased, while the number of school districts allowing it decreased, as shown in Table 15.

Table 15. Local Taxing Jurisdictions Allowing §485–b Exemptions, 1985 and 1988.

	1985		1988		
Jurisdiction	Number	Percent	Number	Percent	Change
Counties	49	86	50	88	+2%
Cities	51	84	52	85	+1%
Towns	688	74	713	77	+3%
Villages	206	37	251	45	+8%
Schools	394	55	380	53	–2%
Total	1,388	60	1,446	63	+2%

Nearly all of the taxing jurisdictions that allowed the exemption in 1988 allowed it to the fullest extent possible. The only jurisdictions that reduced the percentage of exemption allowed in the first and subsequent years of its 10–year duration were four towns, eight villages, and three school districts.

There is a striking difference between the JIP exemption and the §485–b exemption in the percentage of taxing jurisdictions allowing each exemption. Only 12% of them allow the JIP exemption, whereas the §485–b exemption is allowed by 62%. There is no obvious explanation for this great difference. One possible factor is the difference in the condition of the state's economy between 1968, when the JIP exemption was enacted, and 1976, when the §485–b exemption was made available. In 1968 the state unemployment rate was 3.5%; in 1976 it was almost three times that, 10.3%. By that time there could very well have been a greatly increased perception among local governments that some sort of stimulus to economic development, such as business tax incentives, was needed.

Another possible factor may be that the JIP exemption is an "opt–in" exemption; that is, the locality has to take positive action to allow it. The §485–b exemption, on the other hand, is an "opt–out" exemption; if the locality does not want to grant such exemptions, it must adopt a local law or resolution prohibiting them. If the locality takes no legislative action, the §485–b exemption is allowed automatically. It is possible that localities have taken no such action simply because they have not experienced or do not anticipate business expansion that would be eligible for the exemption. This is more likely to have been the case in rural areas, where there are relatively few existing business establishments and the demand for new businesses is small. It is also possible that some localities have been taken by surprise; that is, while they never really intended to grant business property tax exemptions, they were forced to do so because a business began construction of an improvement project before the taxing jurisdiction decided to take the necessary legal action to disallow such exemptions.

To test this hypothesis — that a passive attitude toward the §485–b program on the part of many taxing jurisdictions, as evidenced by a delay in action needed to disallow exemption under the program, may account for the high percentage of localities allowing exemption — the behavior of taxing jurisdictions in rural counties was examined. The counties chosen for analysis were those in which both the county and most of the municipalities within it (1) had not opted to allow the JIP exemption and (2) had not opted to disallow the §485–b exemption. In this analysis, it is presumed that, if a taxing jurisdiction has granted §485–b exemptions, especially if it has done so after 1985, and it has continued to allow them, it has taken positive action endorsing such exemptions. If it has never granted them, a taxing jurisdiction is presumed to show passive acceptance of the exemption; it has not acted positively or negatively toward it because the exemption has not yet become an issue, i.e. no businesses have initiated eligible projects in the area.

Eleven rural counties were examined: Allegany, Livingston, Madison, Montgomery, Orleans, Oswego, Putnam, Schoharie, Schuyler, Sullivan, and Tompkins. As shown in Table 16, 89% of the cities and towns in the 11 rural counties allow the §485–b exemption. Of these municipalities, 93% have granted the exemption and continue to grant exemptions under the program; 61% of those granting the exemption have granted such exemptions both before and after 1985. Thus, it cannot be said that passive behavior on the part of local taxing jurisdictions accounts for the

wide acceptance of the §485–b program. Almost all of the localities examined have had occasion to consider the desirability of §485–b exemptions, and they have chosen to continue to allow them.

Table 16. Granting of §485–b Exemptions by Taxing Jurisdictions Not Allowing JIP Exemptions and Not Disallowing §485–b Exemptions.

County	Cities/Towns Allowing §485–b Exemptions		Cities/Towns Allowing and Granting New §485–b Exemptions			
			Total		After 1985	
	Number	Percent	Number	Percent	Number	Percent
Allegany	29	100	20	69	12	60
Livingston	15	88	15	100	12	80
Madison	15	94	9	60	6	67
Montgomery	10	91	10	100	5	50
Orleans	9	90	9	100	4	44
Oswego	19	79	15	79	10	67
Putnam	5	83	5	100	5	100
Schoharie	16	100	7	44	1	14
Schuyler	8	100	8	100	3	38
Sullivan	11	73	10	91	6	60
Tompkins	10	100	10	100	8	80
Total	127	89	118	93	72	61

A third possibility as an explanation of the popularity of the §485–b program among local taxing jurisdictions is the broad range of businesses it covers. Unlike the Job Incentive Program, the §485–b program allows exemption for public utility property and for property used in retail trade and the sale of locally used services. If the availability of the exemption for these types of property was a motivation for municipalities to allow it, the reasoning behind their choice is unclear. While it is true that new public utility installations may create jobs and that new retail and service establishments certainly do (provided that they do not displace similar existing facilities in the area), it can also be argued that such businesses are dependent almost exclusively on local markets for their products and, therefore, their location decisions are determined primarily by the availability of such markets and not by benefits such as tax exemptions. What may be operating here is inter–municipal competition for retail and service establishments to gain sales tax receipts, which are a very important part of local government revenues.

Economic Development Zone (EDZ) Exemption

As described above, the current law governing the EDZ program allows the creation of 40 zones, and thus far 19 have been designated. The taxing jurisdictions in these zones that have chosen to allow the EDZ property tax exemption are shown in Table 17. Thus far, 50% of the affected taxing jurisdictions have chosen to allow the EDZ exemption. One of the reasons given for disallowing EDZ exemptions is their availability to residential property, which some taxing jurisdictions believe should not be eligible for exemption; these jurisdictions have decided that the §485–b exemption already available to business property in the area is sufficient.

Table 17. Local Taxing Jurisdictions Allowing the EDZ Property Tax Exemption, 1989.

	Exemption Allowed by			
EDZ	County	City/Town	Village	School District
City of Auburn	No	No	NA	No
City of Elmira	No	No	NA	No
City of Gloversville	Yes	Yes	NA	Yes
City of Lackawanna	Yes	Yes	NA	Yes
City of Niagara Falls	Yes	Yes	NA	Yes
City of Ogdensburg	Yes	Yes	NA	Yes
City of Oswego	No	No	NA	No
City of Plattsburgh	No	No	NA	No
City of Syracuse	Yes	Yes	NA	Yes
City of Troy	No	No	NA	No (2)
City of Utica	No	No	NA	No
City of Yonkers	No	Yes	NA	No
Parts of City of Olean, Town of Olean, Town of Allegany Cattaraugus County	Yes	Yes (3)	NA	Yes (2)
Town of Islip	Yes	Yes	NA	Yes
Town of Moriah, Village of Port Henry, Essex County	Yes	Yes	Yes	Yes
New York City				
South Bronx	NA	No	NA	No
East New York	NA	No	NA	No
East Harlem	NA	No	NA	No
South Jamaica	NA	No	NA	No
Total (%)	47	56	0	44

NA = Not applicable.

Factors Influencing Local Adoption of Business Exemptions

What factors might influence a locality's decision to grant property tax exemptions as incentives to business development? Two reasons for offering such incentives were explicitly stated in the statute creating the Job Incentive Program: the existence of low–income areas in the state and the need to create jobs in these areas. Thus, low personal (or household) income and a high unemployment rate in an area might prompt a municipality to try property tax exemptions as a method for improving local economic conditions. As suggested by the original emphasis of the Job Incentive Program, which was originally called the Urban Job Incentive Program, another factor that should be looked at is the degree of urbanization of the area in question. One would expect interest in business incentive programs to be greater in urban areas than in rural areas, where agriculture is still a significant industry, and suburban areas that serve primarily as bedroom communities.

The first step taken in the present analysis of factors affecting the allowance of business property tax exemptions was to segregate those localities which appear to be generally in favor of such exemptions from those which seem not to be. The first group is made up taxing jurisdictions that allow both the JIP exemption and the §485–b exemption; the second group consists of jurisdictions which allow neither. (Because the EDZ exemption program is still in its formative stages, participation in that program was not considered in the analysis described here.)

Degree of urbanization, household income, and unemployment rates within the two groups, the pro–exemption group and the anti–exemption group, were looked at, first for counties and then for cities and towns. Intermediate groups were also examined: counties allowing only the JIP exemption, those allowing only the §485–b exemption, and those allowing one or the other of these but not both. The results of the county analysis are shown in Table 18; detailed figures are given in Appendix Table A–3.

As can be seen in Table 18, the degree of urbanization by itself does not seem to affect a county's willingness to participate in business property tax exemption programs. Somewhat more than half of both urban and rural counties have opted to allow both the JIP and the §485–b exemption; 56% of the urban counties and 54% of the rural counties allow both. The next largest group is

made up of counties that allow only the §485–b exemption, 33% of the urban counties and 36% of the rural ones. Only two counties, one urban and one rural, do not allow either exemption.

Table 18. Business Exemptions: County Options Exercised by Degree of Urbanization, Household Income, and Unemployment Rate.

County Characteristics	Both JIP and §485–b Exemption Allowed	Only JIP Exemption Allowed	Only §485–b Exemption Allowed	Either Exemption Allowed	Neither Exemption Allowed	Total
Urbanization, 1980						
% of Urban Counties	56	6	33	39	6	100
% of Rural Counties	54	8	36	44	3	100
Median Household Income, 1980						
Urban Counties	22,031	22,216	26,955	26,078	39,717	23,574
Rural Counties	19,368	19,991	18,347	18,703	19,003	19,003
All Counties	19,802	20,873	20,703	20,703	29,360	19,991
Median Unemployment Rate, 1970						
Urban Counties	4.8	3.6	2.9	3.0	2.6	3.6
Rural Counties	5.2	4.1	5.2	5.1	6.9	5.2
All Counties	4.9	4.1	4.7	4.1	4.8	4.8
Median Unemployment Rate, 1977						
Urban Counties	9.0	7.6	3.1	6.9	7.1	8.3
Rural Counties	9.6	10.2	9.7	10.1	12.5	9.6
All Counties	9.5	8.9	8.6	8.6	9.8	9.1
Change in Unemployment Rate, 1970–1977						
Urban Counties	4.2	4.0	0.2	3.9	4.5	4.7
Rural Counties	4.4	6.1	4.5	5.0	5.6	4.4
All Counties	4.6	4.8	3.9	4.5	5.0	4.3

As one might expect, there does seem to be a relationship between household income and a county's interest in granting business exemptions, the expectation being that counties with low household incomes would be willing to try to improve economic conditions through incentives such as business property tax exemptions. In terms of household income, urban counties and rural counties behaved differently with respect to tax exemptions. As shown in Table 18, urban counties with relatively low household incomes (median = $22,031) have chosen to allow both the JIP and the §485–b exemption; those with relatively high household incomes (median = $26,955) have opted to allow only the §485–b exemption. There is only one urban county that allows neither exemption: Westchester County, which in 1980 had the highest household income in the urban

group, $39,717. Rural counties have behaved in an opposite manner. Among rural counties, those with relatively low household incomes (median = $18,347) have chosen to allow only the §485–b exemption; those with relatively high household incomes (median = $19,368) have opted to allow both exemptions. The only rural county to reject both exemptions is Clinton County, which had a household income in the middle of the range for rural counties, $19,003. There is no apparent explanation for this difference between urban and rural counties.

If we look at counties' preference for one type of exemption over another, in Table 18 we see a difference between urban and rural counties. Urban counties with relatively low household incomes seem to prefer the JIP exemption, low–income rural counties the §485–b exemption. This difference is, however, not as great as it first appears. The four counties that have chosen to allow only the JIP exemption (Broome, Tioga, Warren, and Yates) have all opted to allow a reduced exemption, thus making the JIP exemption, at least in terms of the amount of benefits offered, similar to the §485–b exemption. The reduced provisions are as follows:

Broome (urban)	–	5 years (100% first three years, 66.7% fourth year, 33.3% fifth year)
Tioga (rural)	–	10 years (100% first year, declining by 10% per year for next nine years)
Warren (rural)	–	10 years (100% first five years, 50% next five years)
Yates (rural)	–	5 years (50% first year, declining by 10% per year for next four years)

As in the case of household income, one might expect that localities with high unemployment rates would look favorably upon business incentives such as property tax exemptions. This expectation is supported by the county data given in Table 18, with urban counties showing a more pronounced behavior pattern. Urban counties with relatively high unemployment rates (1970 median = 4.8, 1977 median = 9.0) have chosen to allow both the JIP and the §485–b exemption. Rural counties show the same reaction but at levels of unemployment that are lower relative to the median for similar counties statewide. The median unemployment rate for those rural counties which have opted to allow both exemptions was at the statewide rural county median for both years (1970 median = 5.2, 1977 median = 9.6), whereas the urban counties that chose to do so had median unemployment rates well above the statewide urban median.

Increases in county unemployment rates between 1970 and 1977 seem to have had a mixed effect on county behavior toward tax exemptions. While urban counties with relatively large unemployment rate increases (median = 4.2) chose to allow both the JIP and the §485–b exemption, rural counties with large increases (median = 6.1) tended to allow only the JIP exemption.

Table 19 shows the results of the city/town analysis; details are given in Appendix Table A–4. The degree of urbanization of cities and towns appears to have had a somewhat stronger influence on their participation in business exemption programs than was the case with counties. Of the urban cities and towns, 25% have chosen to allow both the JIP and the §485–b exemption, whereas only 6% of the rural municipalities have opted to do so. On the other hand, a nearly equal proportion of both types of cities and towns have decided to allow neither exemption (19% of urban municipalities, and 20% of rural ones). The largest proportion of both urban and rural cities and towns have chosen to allow only the §485–b exemption, 52% of the urban municipalities and 74% of the rural municipalities.

Table 19. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Household Income, and County Unemployment Rate.

City/Town Characteristics	Both JIP and 485–b Exemption Allowed	Neither Exemption Allowed
Urbanization, 1980		
% of Urban Cities/Towns	25	19
% of Rural Cities/Towns	6	20
Median Household Income, 1980		
Urban Cities/Towns	21,184	26,035
Rural Cities/Towns	19,905	18,137
Median County Unemployment Rate, 1970		
Urban Cities/Towns	4.7	3.0
Rural Cities/Towns	5.2	5.3
Median County Unemployment Rate, 1977		
Urban Cities/Towns	9.5	7.1
Rural Cities/Towns	9.6	9.5
Change in County Unemployment Rate, 1970–1977		
Urban Cities/Towns	4.8	4.1
Rural Cities/Towns	4.4	4.2

The behavior of cities and towns in terms of household income shows the same pattern as it does for counties. Urban cities and towns with relatively low household incomes (median = $21,184) have chosen to allow both the JIP and the §485–b exemption; those with relatively high incomes (median = $26,035) have decided to allow neither. The opposite is the case with rural cities and towns. Rural municipalities with relatively high incomes (median = $19,905) have chosen to allow both exemptions; those with lower incomes (median = $18,137) have opted to allow neither.

As in the case of counties, unemployment rates seem to have had an effect on city and town behavior toward business tax exemptions, but only in urban cities and towns. Urban municipalities in counties with relatively high unemployment rates (1970 median = 4.7, 1977 median = 9.5) have chosen to allow both the JIP and the §485–b exemption); those in counties with relatively low unemployment rates (1970 median = 3.0, 1977 median = 7.1) have decided against both exemptions. County unemployment rates do not seem to be related to the behavior of rural cities and towns toward business exemptions. Changes in county unemployment rates between 1970 and 1977 do not appear to have influenced either the urban or the rural group.

Of course, county unemployment rates are only a very rough indicator of the jobless rate in municipalities within a county. They are used in the present analysis only because unemployment rates for towns and the smaller cities are not available. An analysis similar to the one described above was done for the 22 cities for which unemployment rates were available. The results are shown in Table 20, with details given in Appendix Table A–5.

In 18 of the 22 cities the 1970 unemployment rate was higher than the county rate, on the average about 24% higher. The behavior of the 22 cities paralleled that of all urban cities and towns. The cities with higher unemployment rates (1970 median = 5.3, 1980 median = 9.4) chose to allow both JIP and §485–b exemptions; those with lower rates opted to allow neither exemption. In the case of these larger cities, changes in the unemployment rate also seemed to have an influence on their behavior toward business exemptions. The cities with the largest increases in unemployment chose to allow both exemptions.

Table 20. Business Exemptions: Options Exercised by Larger Cities.

City Characteristics	Both JIP and §485–b Exemption Allowed	Neither Exemption Allowed
Median Unemployment Rate in City, 1970	5.3	3.5
Median Unemployment Rate in City, 1980	9.4	4.8
Change in Unemployment Rate, 1970–1980	4.1	1.3

In summary, the analysis of county, city, and town actions with regard to tax exemptions for business property shows that urban areas are somewhat more likely than rural areas to favor such exemptions. In urban areas, but not in rural areas, the circumstances that motivate taxing jurisdictions to allow the exemptions are fairly clear: low household incomes and high unemployment rates. Both urban and rural municipalities show a preference for the §485–b exemption over the JIP exemption.

Location and Types of Businesses Granted Exemptions

According to 1988 assessment rolls, municipalities in all counties were at that time participating in one or more types of business exemption programs. Table 21 shows the degree of participation by indicating the number of exemptions in each county and the tax shift resulting from them. In terms of tax shift, the high–participation counties (those with tax shifts of $1 million or more) were: Nassau ($22.8 million), Suffolk ($12.6 million), Oswego ($10.7 million), Onondaga ($4.7 million), Erie ($4.6 million), Orange ($4.1 million), Monroe ($3.8 million), Rockland ($3.8 million), Westchester ($2.3 million), Niagara ($1.7 million), Saratoga ($1.6 million), and Dutchess ($1.6 million). As would be expected, high–participation counties are generally urban counties; only two are rural, Oswego and Saratoga. In all of these counties, most of the tax shift was attributable to §485–b exemptions. This fact parallels the situation statewide, where the §485–b program is responsible for 95% of the tax shift due to business exemptions.

Table 21. Business Exemptions by County, 1988.

County	Number of Exemptions	Tax Shift ($)	County	Number of Exemptions	Tax Shift ($)
Albany	107	878,121	Onondaga	776	4,728,945
Allegany	151	295,581	Ontario	299	316,893
Broome	75	202,609	Orange	722	4,094,730
Cattaraugus	144	121,458	Orleans	135	67,328
Cayuga	175	290,522	Oswego	280	10,676,142
Chautauqua	401	631,304	Otsego	124	137,685
Chemung	152	686,891	Putnam	130	979,528
Chenango	181	205,343	Rensselaer	284	807,982
Clinton	37	14,554	Rockland	426	3,784,489
Columbia	55	84,146	St. Lawrence	265	656,091
Cortland	65	175,571	Saratoga	125	1,636,999
Delaware	40	99,888	Schenectady	92	782,739
Dutchess	234	1,588,461	Schoharie	31	16,486
Erie	1,672	4,577,482	Schuyler	56	26,538
Essex	26	260,285	Seneca	35	15,630
Franklin	38	48,809	Steuben	152	304,659
Fulton	33	78,451	Suffolk	2,693	12,611,726
Genesee	363	237,987	Sullivan	83	388,066
Greene	82	105,756	Tioga	18	22,223
Hamilton	9	7,050	Tompkins	280	563,687
Herkimer	68	217,983	Ulster	271	479,986
Jefferson	290	354,807	Warren	163	366,246
Lewis	41	57,671	Washington	109	179,386
Livingston	197	223,866	Wayne	262	250,936
Madison	108	134,121	Westchester	385	2,266,100
Monroe	1,178	3,809,999	Wyoming	78	45,445
Montgomery	36	37,007	Yates	50	21,785
Nassau	1,378	22,769,286			
Niagara	372	1,709,483	Statewide	15,144	86,047,792
Oneida	197	953,582			

To show the types of business establishments granted exemptions, the businesses were divided into six categories: manufacturing, wholesale trade, retail, services (such as medical services, hotels, and recreation facilities), other businesses (such as finance, mining, public utilities, and agriculture), and type of business unknown (i.e. not specifically identified on the assessment roll). The breakdown statewide is shown below in Table 22. Types of exempt businesses by county and type of program are given in Appendix Table A–6.

Table 22. Business Exemptions Granted in New York State by Type of Business, 1988.

Type of Business	Number of Exemptions	Tax Shift ($)
Manufacturing	1,679	9,858,897
Wholesale trade	1,771	7,665,251
Retail	2,801	9,696,765
Services	806	4,788,660
Other businesses	3,732	24,687,687
Type unknown	4,355	29,350,532
Total	15,144	86,047,792

Unfortunately, analysis here is severely limited by the high percentage of exemptions for which the business type is unknown (29% statewide). Virtually all counties showed such exemptions, the only exception being Essex County. Fourteen counties had percentages of unidentifiable exemptions above the statewide average: Clinton (57%), Nassau (52%), Rockland (52%), Putnam (48%), Westchester (44%), Onondaga (41%), Schoharie (39%), Schenectady (35%), Orange (34%), Otsego (34%), Monroe (33%), Tompkins (32%), Suffolk, (31%), and Chemung (30%). These high percentages should not be taken to mean that assessors are neglecting to assign property–type codes to exempt business properties. For only a very small number of properties is this the case (83 out of 4,355 exemptions). Rather, they are frequently assigning codes that, although allowed by the State Board of Equalization and Assessment, are too vague to be of any analytical value. Examples of such obscure codes are "commercial" (which, as defined by other codes, includes residential, wholesale, retail, service, and other business property), "office building," and "industrial" (which includes both manufacturing and mining property). Consideration should be given to restructuring the property–type coding system to reflect more closely the nationally used standard industrial classifications.

Despite shortcomings in the data on type of business, there are several characteristics of businesses with exemptions that are worth noting. First is the large proportion of businesses that tend to make location decisions based on access to local markets rather than on the availability of amenities such as tax incentives. These are the retail and service sectors, which, in terms of number of exemptions, make up 33% of the exempt businesses whose type of activity is known. As for specific type of retail business conducted, the exempt properties are almost evenly divided

among three groups: dining establishments – 35%, motor vehicle services (auto dealerships and service stations) – 33%, and shopping centers and individual stores – 32%. Services are represented by the following types: amusement and recreation services – 31%, hotels and motels – 28%, motor vehicle services (e.g. car washes, parking lots and garages, and junkyards) – 18%, miscellaneous services (e.g. funeral homes, veterinary clinics, billboards, and art galleries) – 16%, health services (e.g. hospitals and physicians' offices) – 5%, and educational services (e.g. schools and libraries) – 2%.

The second interesting finding related to exempt business type is the make–up of the category "other businesses," which as a group cause the largest tax shift — 44% of the shift caused by the exemption of businesses whose activities can be identified. The following types of businesses make up this group: transportation and other public utilities – 71%, residential (e.g. individual homes, apartment houses, and mobile home parks) – 15%, finance (e.g. banks) – 5%, vacant land – 4%, agriculture – 3%, and mining and oil or gas extraction – 1%. By far the largest category here is made up of transportation and other public utility projects (71% in terms of the number of exemptions). Many have argued that, as in the case of retail and service establishments, location decisions regarding such projects have little or nothing to do with the availability of property tax exemptions. These critics of liberal exemption programs point out that the location of transportation and other public utility projects is determined entirely by regional or state regulatory agencies, which base their decisions largely on the varying needs of local communities for utility services.*

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* The factors determining the location of public utility property are changing. New power generation facilities are increasingly being constructed not by the utility companies themselves but by private companies that are not regulated by the Public Service Commission and therefore have more freedom in deciding facility location. Since many of the new projects are co–generation facilities, constructed primarily to provide power for specific industrial operations, property tax exemptions for such facilities are likely to become more justifiable.

A comment should be made here regarding the residential and vacant land categories. Neither seems to be a legitimate business type for the purposes of exemption. Residential projects of the type described here are allowed exemption only under the Economic Development Zone program, and 1988 assessment rolls showed only 11 exemptions under that program. The other 552 residential exemptions either have been improperly granted or, which is more likely, are miscoded as such on assessment rolls. The vacant land category may also be made up of miscoded properties, since none of the business exemption programs allows exemption of the value of land alone.

The third finding of interest related to type of exempt business is the mix of types in different areas. Of course, the type of businesses granted exemption depends on the type of program in effect in the area; for example, one would not expect to find exemptions for retail property in an area allowing JIP exemptions only, since the Job Incentive Program does not allow exemption for property used for walk–in retail trade. However, because of the widespread adoption of the §485–b program, which allows exemption for virtually all types of businesses, most areas are not affected by such a restriction. Table A–6 in the Appendix shows the distribution by county of the types of businesses receiving exemptions, both in terms of the number of exemptions and the tax shift resulting from them. In Table 23 we see which type of exempt business predominates in each county. Here the percentages shown apply to the tax shift caused by each type; terms in parentheses describe the predominant type of business within the category "other businesses."

We find that the leading exempt business type in 1988 was "other businesses," which was the predominant type in 30 of the state's 57 upstate counties, and that within that category almost all of the tax shift was due to the exemption of public utilities. Next in importance was manufacturing, the predominant exempt business type in 13 counties. The lead was taken by retail establishments in 8 counties, by services in 4 counties, and by wholesale trade in 2 counties.

Table 23. Predominant Type of Exempt Business by County, 1988.

County	Type of Business	Percent of Tax Shift
Albany	Retail	56
Allegany	Other businesses (public utilities)	87
Broome	Services	54
Cattaraugus	Services	34
Cayuga	Other businesses (public utilities)	53
Chautauqua	Wholesale trade	31
Chemung	Manufacturing	48
Chenango	Manufacturing	47
Clinton	Other businesses (public utilities)	85
Columbia	Manufacturing	48
Cortland	Other businesses (public utilities)	54
Delaware	Other businesses (finance)	51
Dutchess	Manufacturing	49
Erie	Other businesses (public utilities)	33
Essex	Other businesses (public utilities)	76

Table 23. Predominant Type of Exempt Business by County, 1988.

County	Type of Business	Percent of Tax Shift
Franklin	Other businesses (public utilities)	63
Fulton	Manufacturing	54
Genesee	Other businesses (public utilities)	41
Greene	Services	30
Hamilton	Other businesses (public utilities)	59
Herkimer	Other businesses (public utilities)	44
Jefferson	Other businesses (public utilities)	58
Lewis	Other businesses (public utilities)	80
Livingston	Other businesses (public utilities)	44
Madison	Other businesses (public utilities)	34
Monroe	Manufacturing	34
Montgomery	Retail	29
Nassau	Wholesale trade	28
Niagara	Other businesses (public utilities)	80
Oneida	Other businesses (public utilities)	73
Onondaga	Manufacturing	28
Ontario	Manufacturing	39
Orange	Other businesses (public utilities)	48
Orleans	Other businesses (public utilities)	56
Oswego	Other businesses (public utilities)	97
Otsego	Manufacturing	45
Putnam	Other businesses (public utilities)	50
Rensselaer	Manufacturing	37
Rockland	Other businesses (public utilities)	34
St. Lawrence	Other businesses (public utilities)	71
Saratoga	Other businesses (public utilities)	84
Schenectady	Manufacturing	35
Schoharie	Retail	68
Schuyler	Other businesses (public utilities, agriculture)	76
Seneca	Other businesses (public utilities)	57
Steuben	Other businesses (public utilities)	45
Suffolk	Manufacturing	34
Sullivan	Other businesses (public utilities)	63
Tioga	Manufacturing	83
Tompkins	Retail	46
Ulster	Retail	39
Warren	Services	47
Washington	Retail	33
Wayne	Other businesses (public utilities)	32
Westchester	Retail	40
Wyoming	Retail	42
Yates	Other businesses (residential)	43
Statewide	Other businesses (public utilities)	44

Effect of Business Exemptions on the Local Economy

While it is impossible to attribute changes in economic conditions to specific, relatively small–scale programs such as the property tax exemptions described here, it is useful to look at certain trends in business activity that might suggest where business incentive programs may have had some influence. Of particular relevance would be three factors: reductions in unemployment rates, increases in the number of employed persons, and increases in the number of business establishments. In the present analysis, these indicators of business expansion were examined for the period 1970–1986, when both the JIP exemption and the §485–b exemption were available in many parts of the state. Increases in employment and number of business establishments were looked at for four major industry groups: manufacturing and wholesale trade, which would be eligible for both exemptions, and retail trade and services, which would qualify for the §485–b exemption. By 1986 these industry groups were, together with the finance, insurance, and real estate sector, the largest employers in the state, as shown in Table 24. Because of the lack of historical data, the finance, insurance, and real estate group was not included in the present study.

Table 24. Employment in New York State by Industry Group, 1986.

	Employees, 1986	
Industry Group	Number	Percent
Agricultural services forestry, and fisheries	18,374	0.3
Mining	7,835	0.1
Contract construction	271,558	4.1
Manufacturing	1,328,282	19.9
Transportation and other public utilities	412,231	6.2
Wholesale trade	496,123	7.4
Retail trade	1,140,020	17.1
Finance, insurance, and real estate	792,740	11.9
Services	2,130,155	31.0
Unclassified establishments	64,142	1.0
Total	6,661,460	100.0

For the purposes of analysis, the counties were divided into three groups according to the prevalence of business property tax exemptions within them. The groups are shown in Table 25, where the number of exemptions granted within each county is compared to the county's total

number of business establishments. Exemption rates among the counties in 1982, i.e. the percentage of business establishments granted exemptions, varied between a high of 15.7% in Genesee County to a low of 0.9% in Broome and Tioga Counties. In 1986, Genesee again led in the percentage of businesses granted exemption, at 27.3%; the lowest rate was in Albany County, at 1.1%. To see if the granting of business exemptions might have some effect on economic development, exemption rates were compared to changes in unemployment rates.

As shown in Table 25, between 1970 and 1977 unemployment rates rose dramatically, typifying the onset of the economic recession of the mid–1970's. By 1982 the unemployment rate in 29 counties had decreased, in 3 it remained at the 1977 level, and in 25 it had risen. By 1986 the unemployment rate had dropped below the 1977 level in all but 6 counties (Fulton, Niagara, Orleans, Oswego, Seneca, and Tioga); in only 3 counties had the unemployment rate fallen below the 1970 level.

Table 25. Business Exemptions Granted and County Unemployment Rates.

County	Number of Exemptions Granted	Business Establishments		Unemployment Rate			
		Total Number	(%) Granted Exemption	1970	1977	1982	1986
New York State				4.5	9.1	8.6	6.3
1982	7,647	368,648	2.1				
1986	14,309	451,159	3.2				
High Exemption Rates (1982 % Granted = 10+)							
Allegany				4.3	10.2	9.0	8.1
1982	83	701	11.8				
1986	132	843	15.7				
Genesee				5.3	11.1	12.3	8.6
1982	162	1,029	15.7				
1986	337	1,233	27.3				
Orleans				6.7	8.1	10.7	8.5
1982	71	486	14.6				
1986	139	604	23.0				
Wayne				5.2	9.6	9.6	8.1
1982	177	1,152	15.4				
1986	229	1,439	15.9				

Table 25. Business Exemptions Granted and County Unemployment Rates.

County	Number of Exemptions Granted	Business Establishments		Unemployment Rate			
		Total Number	(%) Granted Exemption	1970	1977	1982	1986
Medium Exemption Rates (1982 % Granted = 5.0 – 9.9)							
Cattaraugus				6.0	9.5	11.6	8.8
1982	94	1,433	6.6				
1986	253	1,675	15.1				
Cayuga				6.0	10.8	11.4	7.7
1982	110	1,194	9.2				
1986	173	1,480	11.7				
Chautauqua				4.9	8.5	10.7	8.0
1982	243	2,676	9.1				
1986	385	3,217	12.0				
Chemung				4.8	10.4	11.5	6.8
1982	106	1,691	6.3				
1986	149	1,942	7.7				
Chenango				5.3	8.9	10.8	6.8
1982	64	782	8.2				
1986	170	1,003	16.9				
Erie				4.7	9.5	12.3	7.2
1982	951	18,442	5.2				
1986	1,600	21,501	7.4				
Jefferson				5.4	11.9	11.6	11.4
1982	124	1,607	7.7				
1986	207	2,088	9.9				
Lewis				5.1	10.3	10.7	9.5
1982	21	352	6.0				
1986	41	460	8.9				
Livingston				3.9	7.3	8.4	7.1
1982	59	823	7.2				
1986	180	1,006	17.9				
Madison				5.4	8.2	8.7	7.8
1982	49	970	5.1				
1986	99	1,242	8.0				
Monroe				3.1	6.5	6.4	5.0
1982	700	12,323	5.7				
1986	1,117	15,508	7.2				
Niagara				5.4	8.8	14.2	8.9
1982	241	3,572	6.7				
1986	327	4,231	7.7				
Ontario				4.4	8.8	9.2	6.7
1982	156	1,665	9.4				
1986	306	2,127	14.4				

Table 25. Business Exemptions Granted and County Unemployment Rates.

County	Number of Exemptions Granted	Business Establishments		Unemployment Rate			
		Total Number	(%) Granted Exemption	1970	1977	1982	1986
Orange				3.7	9.7	8.4	5.1
1982	325	4,758	6.8				
1986	605	6,485	9.3				
Oswego				7.2	9.2	9.0	11.5
1982	114	1,326	8.6				
1986	246	1,769	13.9				
Otsego				5.6	8.1	7.2	5.5
1982	61	1,021	6.0				
1986	109	1,263	8.6				
Rensselaer				3.5	8.1	7.3	5.1
1982	113	2,090	5.4				
1986	250	2,640	9.5				
Schoharie				3.6	9.3	9.7	7.9
1982	23	417	5.5				
1986	31	540	5.7				
Schuyler				5.1	10.4	12.4	7.3
1982	15	228	6.6				
1986	52	294	17.7				
Steuben				4.7	8.8	10.9	7.8
1982	93	1,485	6.3				
1986	145	1,888	7.7				
Tompkins				3.1	7.3	5.9	3.5
1982	92	1,571	5.9				
1986	251	1,953	12.9				
Ulster				4.4	10.3	7.8	4.3
1982	168	2,865	5.9				
1986	293	3,811	7.7				
Washington				4.1	8.7	8.6	5.7
1982	52	733	7.1				
1986	99	974	10.2				
Wyoming				5.0	9.6	10.2	8.0
1982	37	567	6.5				
1986	71	731	9.7				
Yates				4.1	10.2	10.3	8.2
1982	17	329	5.2				
1986	45	429	10.5				
Low Exemption Rates (1982 % Granted = 0.1 – 4.9)							
Albany				3.0	6.9	6.3	4.2
1982	63	6,486	1.0				
1986	94	8,235	1.1				

Table 25. Business Exemptions Granted and County Unemployment Rates.

County	Number of Exemptions Granted	Business Establishments		Unemployment Rate			
		Total Number	(%) Granted Exemption	1970	1977	1982	1986
Broome				3.6	7.6	7.1	5.9
1982	35	3,824	0.9				
1986	73	4,550	1.6				
Clinton				6.9	12.5	11.1	8.4
1982	19	1,314	1.4				
1986	26	1,623	1.6				
Columbia				2.8	8.7	8.0	4.3
1982	28	1,014	2.8				
1986	52	1,349	3.9				
Cortland				4.5	10.5	11.6	6.9
1982	34	789	4.3				
1986	57	944	6.0				
Delaware				6.0	8.6	8.6	5.6
1982	13	888	1.5				
1986	31	1,169	2.7				
Dutchess				2.7	6.0	5.9	3.8
1982	125	4,162	3.0				
1986	219	5,714	3.8				
Essex				6.3	13.6	12.9	9.9
1982	14	843	1.7				
1986	22	1,213	1.8				
Franklin				7.9	14.1	12.6	10.7
1982	16	743	2.2				
1986	27	913	3.0				
Fulton				7.0	10.8	12.0	11.4
1982	22	908	2.4				
1986	24	1,094	2.2				
Greene				4.9	11.4	12.1	7.3
1982	33	794	4.2				
1986	85	1,080	7.9				
Hamilton				11.9	13.2	12.9	12.4
1982	5	158	3.2				
1986	11	192	5.7				
Herkimer				5.3	11.6	10.1	9.9
1982	36	927	3.9				
1986	46	1,123	4.1				
Montgomery				5.3	10.1	10.0	9.6
1982	20	914	2.2				
1986	37	1,083	3.4				
Nassau				2.8	8.9	6.0	4.0
1982	471	36,958	1.3				
1986	1,083	46,774	2.3				

Table 25. Business Exemptions Granted and County Unemployment Rates.

County	Number of Exemptions Granted	Business Establishments		Unemployment Rate			
		Total Number	(%) Granted Exemption	1970	1977	1982	1986
Oneida				5.8	9.1	8.7	6.3
1982	121	4,392	2.8				
1986	189	5,231	3.6				
Onondaga				3.9	7.6	7.6	6.4
1982	271	9,257	2.9				
1986	545	11,495	4.7				
Putnam				2.6	8.3	5.9	3.2
1982	56	1,276	4.4				
1986	106	1,892	5.6				
Rockland				2.4	8.0	5.8	4.1
1982	164	5,247	3.1				
1986	306	7,077	4.3				
St. Lawrence				5.8	11.5	10.3	8.5
1982	79	1,604	4.9				
1983	180	1,979	9.1				
Saratoga				3.8	7.0	7.2	5.4
1982	77	2,086	3.7				
1983	134	3,034	4.4				
Schenectady				3.3	5.7	6.6	4.8
1982	53	2,640	2.0				
1986	93	3,139	3.0				
Seneca				4.5	7.7	9.0	8.3
1982	16	425	3.8				
1986	30	536	5.6				
Suffolk				3.5	8.7	6.7	4.8
1982	1,050	25,768	4.1				
1986	2,135	35,374	6.0				
Sullivan				5.3	10.8	7.6	5.8
1982	44	1,411	3.1				
1986	84	1,965	4.3				
Tioga				4.0	7.0	9.2	7.1
1982	5	542	0.9				
1986	18	714	2.5				
Warren				6.2	12.1	10.6	8.1
1982	29	1,519	1.9				
1986	160	2,022	7.9				
Westchester				2.6	7.1	5.4	3.8
1982	227	22,180	1.0				
1986	401	27,491	1.5				

Source: NYS Division of Equalization and Assessment, Exemptions from Real Property Taxation: 1982 & 1986 Assessment Rolls.

U.S. Bureau of the Census, County and City Data Book, 1977, 1982, 1988.

Nelson A. Rockefeller Institute of Government, State University of New York, 1983–84 New York State Statistical Yearbook.

When exemption rates were compared to changes in unemployment rates, little evidence was found to suggest that property tax exemptions had any influence on employment levels. In 1982, when both the JIP and §485–b exemption programs were in full operation, 29 counties had unemployment rates lower than those they had in 1977. However, only 1 was in the group of counties with high 1982 exemption rates (Allegany County) and only 9 were among those counties with medium exemption rates (Jefferson, Monroe, Orange, Oswego, Otsego, Rensselaer, Tompkins, Ulster, and Washington). The majority of the counties experiencing unemployment decreases between 1977 and 1982 (19 counties) were those with low exemption rates (Albany, Broome, Clinton, Columbia, Dutchess, Essex, Franklin, Hamilton, Herkimer, Montgomery, Nassau, Oneida, Putnam, Rockland, St. Lawrence, Suffolk, Sullivan, Warren, and Westchester).

The findings for 1986 are similar. Exemption rates in 1986 were compared with changes in unemployment rates between 1977 and 1986; these are shown in Table 26. The group with the largest median decrease in unemployment rates (29.0%) was that made up of counties with low exemption rates in 1986. The next largest unemployment rate decrease (median = 25.2%) occurred in the group with medium exemption rates, and the smallest decrease (median = 20.6%) was in the high exemption rate group.

Table 26. Business Exemptions Granted, and Change in Unemployment Rates, 1977–1986.

County	Exemptions Rate (%), 1986	Unemployment Rate (%), 1977	Unemployment Rate (%), 1986	Percent Change in Unemployment Rate, 1977–1986
New York State	3.2	9.1	6.3	–30.8
High Exemption Rates (1986 % Granted = 10+)				
Tompkins	12.9	7.3	3.5	–52.1
Washington	10.2	8.7	5.7	–34.5
Schuyler	17.7	10.4	7.3	–29.8
Cayuga	11.7	10.8	7.7	–28.7
Ontario	14.4	8.8	6.7	–23.9
Chenango	16.9	8.9	6.8	–23.6
Genesee	27.3	11.1	8.6	–22.5
Allegany	15.7	10.2	8.1	–20.6
Yates	10.5	10.2	8.2	–19.6
Wayne	15.9	9.6	8.1	–15.6
Cattaraugus	15.1	9.5	8.8	–7.4
Chautauqua	12.0	8.5	8.0	–5.9
Livingston	17.9	7.3	7.1	–2.7
Orleans	23.0	8.1	8.5	4.9
Oswego	13.9	9.2	11.5	25.0

Table 26. Business Exemptions Granted, and Change in Unemployment Rates, 1977–1986.

County	Exemptions Rate (%), 1986	Unemployment Rate (%), 1977	Unemployment Rate (%), 1986	Percent Change in Unemployment Rate, 1977–1986
Medium Exemption Rates (1986 % Granted = 5.0 – 9.9)				
Putnam	5.6	8.3	3.2	–61.4
Ulster	7.7	10.3	4.3	–58.3
Orange	9.3	9.7	5.1	–47.4
Suffolk	6.0	8.7	4.8	–44.8
Rensselaer	9.5	8.1	5.1	–37.0
Greene	7.9	11.4	7.3	–36.0
Chemung	7.7	10.4	6.8	–34.6
Cortland	6.0	10.5	6.9	–34.3
Warren	7.9	12.1	8.1	–33.1
Otsego	8.6	8.1	5.5	–32.1
St. Lawrence	9.1	11.5	8.5	–26.1
Erie	7.4	9.5	7.2	–24.2
Monroe	7.2	6.5	5.0	–23.1
Wyoming	9.7	9.6	8.0	–16.7
Schoharie	5.7	9.3	7.9	–15.1
Steuben	7.7	8.8	7.8	–11.4
Lewis	8.9	10.3	9.5	–7.8
Hamilton	5.7	13.2	12.4	–6.1
Madison	8.0	8.2	7.8	–4.9
Jefferson	9.9	11.9	11.4	–4.2
Niagara	7.7	8.8	8.9	1.1
Seneca	5.6	7.7	8.3	7.8
Low Exemption Rates (1986 % Granted = 0.1 – 4.9)				
Nassau	2.3	8.9	4.0	–55.1
Columbia	3.9	8.7	4.3	–50.6
Rockland	4.3	8.0	4.1	–48.8
Westchester	1.5	7.1	3.8	–46.5
Sullivan	4.3	10.8	5.8	–46.3
albany	1.1	6.9	4.2	–39.1
Dutchess	3.8	6.0	3.8	–36.7
Delaware	2.7	8.6	5.6	–34.9
Clinton	1.6	12.5	8.4	–32.8
Oneida	3.6	9.1	6.3	–30.8
Essex	1.8	13.6	9.9	–27.2
Franklin	3.0	14.1	10.7	–24.1
Saratoga	4.4	7.0	5.4	–22.9
Broome	1.6	7.6	5.9	–22.4
Onondaga	4.7	7.6	6.4	–15.8
Schenectady	3.0	5.7	4.8	–15.8
Herkimer	4.3	11.6	9.9	–14.7
Montgomery	3.4	10.1	9.6	–5.0
Tioga	2.5	7.0	7.1	1.4
Fulton	2.2	10.8	11.4	5.6

Since the number of property tax exemptions granted as a percentage of total business establishments in an area may not be an entirely fair representation of the importance of such exemptions, their value was also examined. The presumption here is that the value of capital improvements is related to levels of employment, i.e., that such improvements are undertaken to expand business operations and thus increase the number of jobs.

Exemption values in 1982 are compared with unemployment rates in Table 27. Of the 29 counties experiencing a decrease in the unemployment rate between 1977 and 1982, 8 were in the group of counties with high 1982 exemption values, 9 were in the group having medium exemption values, and 12 were counties with low exemption values. The comparison between 1986 exemption values and unemployment rate changes is shown in Table 28. Here we find a substantial difference between the low exemption value group and the high and medium value groups. In the low exemption value group, the median 1977–1982 change in unemployment rate was –21.6%; the high and medium value groups, it was –30.8% and –30.9%. This difference suggests that there may be some connection between the value of business property improvements and job creation. However, one should be cautious about concluding that tax exemptions for such improvements are necessary to their being undertaken. Also, one should keep in mind that it is not necessarily the more costly improvements (for which the availability of tax exemptions is probably more important) that create the larger number of jobs. An interesting example of business expansion that was not accompanied by significant increases in employment, at least as indicated by county unemployment rates, is the case of Oswego County. As shown in Table 28, in both 1982 and 1986 the county had by far the highest value per exemption, yet unemployment in the county rose by 25%, from a rate of 9.2 in 1977 to 11.5 in 1986.

Changes in employment and number of establishments in key industries are shown in Appendix Table A–7. Employment and establishment changes are given for five time periods: 1972–1977, 1977–1982, 1982–1986, 1977–1986, and 1972–1986. The focus here will be on the 1977–1986 period, when both the JIP and the business investment property tax exemption were widely available.

Table 27. Value of Business Exemptions Granted in 1982 and Unemployment Rates in 1977 and 1982.

County	Number of Exemptions	Value of JIP Exemptions ($000)	Value of §485–b Exemptions ($000)	Value of Both Exemptions ($000)	Value per Exemption ($000)	Unemployment Rate, 1977	Unemployment Rate, 1982
New York State	7,647	237,279	699,531	936,810	122.5	9.1	8.6
High Exemption Values (Value = $200,000+)							
Chemung	106	8,743	13,827	22,570	212.9	10.4	11.5
Dutchess	125	52	53,747	53,799	430.4	6.0	5.9
Nassau	471	528	187,804	188,332	399.9	8.9	6.0
Niagara	241	2,315	50,794	53,109	220.4	8.8	14.2
Oneida	121	2,369	27,194	29,563	244.3	9.1	8.7
Onondaga	271	4,728	50,689	55,417	204.5	7.6	7.6
Oswego	114	0	299,084	299,084	2,623.5	9.2	9.0
Rockland	164	0	36,718	36,718	223.9	8.0	5.8
St. Lawrence	79	45,580	5,950	51,530	652.3	11.5	10.3
Tioga	5	0	1,962	1,962	392.4	7.0	9.2
Warren	29	10,751	835	11,586	399.5	12.1	10.6
Westchester	227	0	133,281	133,281	587.1	7.1	5.4
Medium Exemption Values (Value = $100,.000 – $199,000)							
Allegany	83	0	9,468	9,468	114.1	10.2	9.0
Broome	35	0	3,740	3,740	106.9	7.6	7.1
Cattaraugus	94	2,378	7,647	10,025	106.6	9.5	11.6
Cayuga	110	814	18,872	19,686	179.0	10.8	11.4
Cortland	34	320	3,760	4,080	120.0	10.5	11.6
Erie	951	72,994	90,695	163,689	172.1	9.5	12.3
Essex	14	571	994	1,565	111.8	13.6	12.9
Herkimer	36	0	6,378	6,378	177.2	11.6	10.1
Monroe	700	19,351	117,811	137,162	195.9	6.5	6.4
Orange	325	16,466	22,752	39,218	120.7	9.7	8.4
Putnam	56	0	6,222	6,222	111.1	8.3	5.9
Rensselaer	113	2,621	11,332	13,953	123.5	8.1	7.3

Table 27. Value of Business Exemptions Granted in 1982 and Unemployment Rates in 1977 and 1982.

County	Number of Exemptions	Value of JIP Exemptions ($000)	Value of §485–b Exemptions ($000)	Value of Both Exemptions ($000)	Value per Exemption ($000)	Unemployment Rate, 1977	Unemployment Rate, 1982
Saratoga	77	6,806	4,049	10,855	141.0	7.0	7.2
Schenectady	53	0	5,515	5,515	104.1	5.7	6.6
Steuben	93	0	15,693	15,693	168.7	8.8	10.9
Suffolk	1,050	16,407	146,163	162,570	154.8	8.7	6.7
Wyoming	37	1,075	2,633	3,708	100.2	9.6	10.2
Low Exemption Values (Value = $1,.000 – $99,000)							
Albany	63	0	5,882	5,882	93.4	6.9	6.3
Chautauqua	243	622	12,770	13,392	55.1	8.5	10.7
Chenango	64	2,735	2,370	5,105	79.8	8.9	10.8
Clinton	19	0	271	271	14.3	12.5	11.1
Columbia	28	0	1,353	1,353	48.3	8.7	8.0
Delaware	13	739	15	754	58.0	8.6	8.6
Franklin	16	0	1,257	1,257	78.6	14.1	12.6
Fulton	22	0	1,423	1,423	64.7	10.8	12.0
Genesee	162	27	5,383	5,410	33.4	11.1	12.3
Greene	33	213	1,779	1,992	60.4	11.4	12.1
Hamilton	5	0	280	280	56.0	13.2	12.9
Jefferson	124	434	6,619	7,053	56.9	11.9	11.6
Lewis	21	0	529	529	25.2	10.3	10.7
Livingston	59	0	1,928	1,928	32.7	7.3	8.4
Madison	49	323	2,890	3,213	65.6	8.2	8.7
Montgomery	20	0	1,392	1,392	69.6	10.1	10.0
Ontario	156	834	6,550	7,384	47.3	8.8	9.2
Orleans	71	0	1,554	1,554	21.9	8.1	10.7
Otsego	61	58	1,499	1,557	25.5	8.1	7.2
Schoharie	23	0	669	669	29.1	9.3	9.7
Schuyler	15	0	400	400	26.7	10.4	12.4
Seneca	16	433	819	1,252	78.3	7.7	9.0
Sullivan	44	0	2,914	2,914	66.2	10.8	7.6
Tompkins	92	0	6,769	6,769	73.6	7.3	5.9
Ulster	168	5,169	9,406	14,575	86.8	10.3	7.8
Washington	52	1,690	3,378	5,068	97.5	8.7	8.6
Wayne	177	9,302	7,588	16,890	95.4	9.6	9.6
Yates	17	9	315	324	19.1	10.2	10.3

Table 28. Value of Business Exemptions Granted in 1986 and Unemployment Rates in 1977 and 1986.

County	Number of Exemptions	Value of JIP Exemptions ($000)	Value of §485–b Exemptions ($000)	Value of Both Exemptions ($000)	Value per Exemption ($000)	Unemployment Rate, 1977	Unemployment Rate, 1986	% Change in Unemployment Rate, 1977–1986
New York State	14,309	197,584	3,302,523	3.500,107	244.6	9.1	6.3	–30.8
High Exemption Values (Value = $200,000+)								
Nassau	1,083	493	500,471	500,964	462.6	8.9	4.0	–55.1
Westchester	401	0	218,817	218,817	545.7	7.1	3.8	–46.5
Albany	94	0	26,056	26,056	277.2	6.9	4.2	–39.1
Dutchess	219	0	127,847	127,847	583.8	6.0	3.8	–36.7
Oneida	189	1,429	36,868	38,297	202.6	9.1	6.3	–30.8
Saratoga	134	6,243	40,927	47,170	352.0	7.0	5.4	–22.9
Schenectady	93	0	27,570	27,570	296.5	5.7	4.8	–15.8
Niagara	327	614	222,674	223,288	682.8	8.8	8.9	1.1
Oswego	246	0	1,014,571	1,014,571	4,124.3	9.2	11.5	25.0
Medium Exemption Values (Value = $100,.000 – $199,000)								
Putnam	106	0	11,071	11,071	104.4	8.3	3.2	–61.4
Rockland	306	0	54,264	54,264	177.3	8.0	4.1	–48.8
Suffolk	2,135	50,025	288,382	338,407	158.5	8.7	4.8	–44.8
Rensselaer	250	5,113	20,642	25,755	103.0	8.1	5.1	–37.0
Chemung	149	10,558	13,468	24,026	161.2	10.4	6.8	–34.6
Cortland	57	0	6,292	6,292	110.4	10.5	6.9	–34.3
Warren	160	6,535	10,903	17,438	109.0	12.1	8.1	–33.1
Cayuga	173	207	19,170	19,377	112.0	10.8	7.7	–28.7
Erie	1,600	61,273	165,716	226,989	141.9	9.5	7.2	–24.2
Monroe	1,117	16,548	95,902	112,450	100.7	6.5	5.0	–23.1
Broome	73	985	7,404	8,389	114.9	7.6	5.9	–22.4
Onondaga	545	16,324	89,970	106,294	195.0	7.6	6.4	–15.8
Herkimer	46	0	5,795	5,795	126.0	11.6	9.9	–14.7
Tioga	18	1,296	1,242	2,538	141.0	7.0	7.1	1.4

Table 28. Value of Business Exemptions Granted in 1986 and Unemployment Rates in 1977 and 1986.

County	Number of Exemptions	Value of JIP Exemptions ($000)	Value of §485–b Exemptions ($000)	Value of Both Exemptions ($000)	Value per Exemption ($000)	Unemployment Rate, 1977	Unemployment Rate, 1986	% Change in Unemployment Rate, 1977–1986
Low Exemption Values (Value = $1,000 – $99,000)								
Ulster	293	7,289	15,548	22,837	77.9	10.3	4.3	–58.3
Tompkins	251	0	13,120	13,120	52.3	7.3	3.5	–52.1
Columbia	52	0	3,038	3,038	58.4	8.7	4.3	–50.6
Orange	605	0	51,793	51,793	85.6	9.7	5.1	–47.4
Sullivan	84	0	4,116	4,116	49.0	10.8	5.8	–46.3
Greene	85	161	3,857	4,018	47.3	11.4	7.3	–36.0
Delaware	31	0	1,344	1,344	43.4	8.6	5.6	–34.9
Washington	99	1,653	4,145	5,798	58.6	8.7	5.7	–34.5
Clinton	26	0	738	738	28.4	12.5	8.4	–32.8
Otsego	109	1,014	2,340	3,354	30.8	8.1	5.5	–32.1
Schuyler	52	0	843	843	16.2	10.4	7.3	–29.8
Essex	22	650	1,286	1,936	88.0	13.6	9.9	–27.2
St. Lawrence	180	2,025	10,125	12,150	67.5	11.5	8.5	–26.1
Franklin	27	0	1,391	1,391	51.5	14.1	10.7	–24.1
Ontario	306	1,093	12,117	13,210	43.2	8.8	6.7	–23.9
Chenango	170	2,408	6,416	8,824	51.9	8.9	6.8	–23.6
Genesee	337	45	12,289	12,334	36.6	11.1	8.6	–22.5
Allegany	132	0	9,044	9,044	68.5	10.2	8.1	–20.6
Yates	45	0	1,103	1,103	24.5	10.2	8.2	–19.6
Wyoming	71	0	1,758	1,758	24.8	9.6	8.0	–16.7
Wayne	229	1,315	9,660	10,975	47.9	9.6	8.1	–15.6
Schoharie	31	0	481	481	15.5	9.3	7.9	–15.1
Steuben	145	2	10,125	10,127	69.8	8.8	7.8	–11.4
Lewis	41	0	1,515	1,515	37.0	10.3	9.5	–7.8
Cattaraugus	253	1,003	9,976	10,979	43.4	9.5	8.8	–7.4
Hamilton	11	0	332	332	30.2	13.2	12.4	–6.1
Chautauqua	385	543	17,039	17,582	45.7	8.5	8.0	–5.9
Montgomery	37	0	1,670	1,670	45.1	10.1	9.6	–5.0
Madison	99	64	3,683	3,747	37.8	8.2	7.8	–4.9
Jefferson	207	437	8,461	8,898	43.0	11.9	11.4	–4.2
Livingston	180	0	5,881	5,881	32.7	7.3	7.1	–2.7
Orleans	139	0	2,760	2,760	19.9	8.1	8.5	4.9
Fulton	24	0	2,246	2,246	93.6	10.8	11.4	5.6
Seneca	30	238	908	1,146	38.2	7.7	8.3	7.8

In the manufacturing industry, there was a substantial decrease in both the number of employees and the number of establishments, 12.0% and 18.0% respectively. Among individual counties there was a wide spread in the amount of change. The change in number of employees ranged from an increase of 75.0% in Essex County (a low–value exemption county) to a decrease of 43.8% in Chemung County (a medium–value exemption county). Establishment changes varied from an increase of 28.6% in Yates County (a low–value exemption county) to a decrease of 28.9% in Herkimer County (a medium–value exemption county). The changes are summarized below.

Percent Change in Number of Manufacturing Employees, 1977–1986

	Number of Counties			
Exemption Value	Total	0–9.9%	10–19.9%	20+%
High				
Increase	4	2	0	2
Decrease	5	2	1	2
Medium				
Increase	6	2	2	2
Decrease	8	3	2	3
Low				
Increase	12	5	0	7
Decrease	18	4	7	7

Percent Change in Number of Manufacturing Establishments, 1977–1986

	Number of Counties			
Exemption Value	Total	0–9.9%	10–19.9%	20+%
High				
Increase	2	2	0	0
Decrease	7	6	1	0
Medium				
Increase	5	1	3	1
Decrease	8	6	0	2
Low				
Increase	12	6	3	3
Decrease	20	12	6	2

As one can see, there is not much difference between the exemption–value groups in terms of the type of employment change: the number of employees increased in 44% of the high–value counties, 43% of the medium–value counties, and 40% of the low–value counties. However, the low–value group does show a difference in the severity of employment decreases. Whereas in the high– and medium–value groups less than two–thirds of the decreases were 10% or more, in the low–value group more than three–fourths of them were.

As shown above, the highest proportion of increases in the number of manufacturing establishments was in the counties with medium– and low–value exemptions (about 38% of each group); in only 22% (2 out of 9) of the high–value counties did establishment increases occur, and in neither county was the increase as high as 10%.

In the wholesale industry, there was a substantial increase in the number of employees and a relatively small increase in the number of establishments, 20.9% and 6.0% respectively. As in the case of manufacturing, there was a wide spread among counties in the amount of change. The change in number of employees ranged from an increase of 123.0% in Monroe County (a medium–value exemption county) to a decrease of 45.0% in Cortland County (another medium–value exemption county). Establishment changes varied from an increase of 60.5% in Suffolk County (a medium–value exemption county) to a decrease of 35.7% in Schuyler County (a low–value exemption county). The changes are summarized below.

Percent Change in Number of Wholesale Employees, 1977–1986

	Number of Counties			
Exemption Value	Total	0–9.9%	10–19.9%	20+%
High				
Increase	7	0	2	5
Decrease	2	1	1	0
Medium				
Increase	12	1	3	8
Decrease	2	1	0	1
Low				
Increase	20	3	7	10
Decrease	10	6	2	2

Percent Change in Number of Wholesale Establishments, 1977–1986

Exemption Value	Number of Counties			
	Total	0–9.9%	10–19.9%	20+%
High				
Increase	7	2	2	3
Decrease	2	0	2	0
Medium				
Increase	7	3	1	3
Decrease	7	6	0	1
Low				
Increase	11	5	2	4
Decrease	21	12	5	4

The highest proportion of increases in employment occurred in medium–value exemption counties, with 86% of these having such increases. The next highest incidence of increases was in the high–value counties, 78%. The lowest proportion of employment increases occurred in the low–value exemption counties, 67%. However, it should be noted that the size of employment increases in the low–value counties was almost on a par with increases in the medium–value counties. In the medium–value counties, two–thirds of the employment increases were at a rate of 20% or more: 20.6% in Tioga, 24.1% in Broome, 35.9% in Warren, 48.8% in Rensselaer, 59.9% in Rockland, 84.2% in Putnam, 98.6% in Suffolk, and 123.0% in Monroe. In the low–value counties, where one–half of the increases were at a rate of 20% or more, the magnitude of the increases was similar: 23.5% in Madison, 26.0% in Greene, 28.9% in Ulster, 29.6% in Chautauqua, 32.4% in Sullivan, 34.4% in St. Lawrence, 46.3% in Columbia, 52.7% in Franklin, 95.0% in Montgomery, and 98.4% in Orange. It should also be noted that in the low–value exemption counties most (60%) of the employment decreases were at a rate of less than 10%; where they were higher than that they were still relatively small: 17.0% in Yates, 18.9% in Steuben, 20.8% in Chenango, and 25.4% in Lewis. The highest proportion of increases in the number of wholesale establishments was in the counties with high–value exemptions, 78%. The next highest was in the middle–value counties, 50%. The lowest was in the low–value group, 34%; this group also had the lowest incidence of increases in employment.

In the retail industry, as was the case with the wholesale industry, there was a substantial increase in the number of employees, 22.4%, and a relatively small increase in the number of establishments, 4.4%. Again we see a wide spread among counties in the amount of change in employment. The change in number of employees ranged from an increase of 65.1% in Essex County (a low–value exemption county) to a decrease of 67.5% in Wayne County (also a low–value exemption county). Establishment changes varied less so, from an increase of 19.2% in Albany County (a high–value exemption county) to a decrease of 21.0% in Hamilton County (a low–value exemption county). These changes are summarized below.

Percent Change in Number of Retail Employees, 1977–1986

	Number of Counties			
Exemption Value	Total	0–9.9%	10–19.9%	20+%
High				
Increase	9	0	0	9
Decrease	0	0	0	0
Medium				
Increase	14	0	3	11
Decrease	0	0	0	0
Low				
Increase	31	3	9	19
Decrease	3	1	1	1

Percent Change in Number of Retail Establishments, 1977–1986

	Number of Counties			
Exemption Value	Total	0–9.9%	10–19.9%	20+%
High				
Increase	7	3	4	0
Decrease	1	1	0	0
Medium				
Increase	9	4	5	0
Decrease	5	5	0	0
Low				
Increase	10	9	1	0
Decrease	23	18	4	1

All but three counties experienced increases in retail employment during the period. Those with decreases were all in the low–value exemption group: Hamilton – 12.2%, Seneca – 5.6%, and Wayne – 67.5%. Furthermore, in the great majority of cases the increases were large, 20% or more. The highest proportion of increases in retail establishments was in the high–value exemption counties (88%), followed by the medium–value group (64%) and the low–value group (30%). The majority of both increases and decreases were relatively small, under 10%.

Because of a lack of comparable data, analysis of 1977–1986 changes in service industry employment and establishments is not possible. However, 1982–1986 changes (shown in Appendix Table A–7) suggest a pattern similar to that found in the retail industry, that is, widespread and often large increases in employment over time in all exemption–value categories. In the case of the service industry, substantial growth in the number of establishments is also indicated.

At this point something should be said about the relationship between changes in the number of business establishments and changes in the number of employees. If one assumes that the number of employees represents the volume of sales or some other measure of business profitability, one may draw some conclusions regarding the economic viability of certain industries and the need for business tax incentives. When in the same area there are increases in both the number of business establishments and the number of employees, what is suggested is a stable or expanding market for a business's goods or services; that is, it is likely that there is room for more business activity and more employees to carry out that activity. When there are decreases in the number of establishments but increases in employment, a similar situation is suggested, but perhaps with less competition among individual businesses. When there is an increase in establishments but a decrease in employment or there are decreases in both establishments and employment, what is suggested is either a reduced market for a business's goods or services or an inability on the part of the business to meet market demands because of operating constraints such as a deteriorated plant or obsolete equipment. It would seem that it is only in the last situation that outside assistance such as low–interest loans or tax incentives could have any positive effect on a declining industry, either by enabling failing businesses to improve their facilities or by assisting new businesses to take over and expand the market share formerly held by old, dying ones.

The following table shows combined establishment/employment changes between 1977 and 1986 by exemption–value group and industry. Four types of changes are shown: increase in establishments and increase in employment (Est+/Emp+), decrease in establishments and increase in employment (Est–/Emp+), increase in establishments and decrease in employment (Est+/Emp–), and decrease in establishments and decrease in employment (Est–/Emp–).

Changes in Number of Establishments and Employees, 1977–1986

	Number of Counties			
Exemption Value	Est+/ Emp+	Est–/ Emp+	Est+/ Emp–	Est–/ Emp–
High				
Manufacturing	1	3	1	4
Wholesale	7	0	0	2
Retail	8	1	0	0
Medium				
Manufacturing	3	1	1	7
Wholesale	7	5	0	2
Retail	9	5	0	0
Low				
Manufacturing	7	5	5	11
Wholesale	10	9	1	9
Retail	10	20	0	3
All Counties				
Manufacturing	11	9	7	22
Wholesale	24	14	1	13
Retail	27	26	0	3

In all exemption–value groups, manufacturing showed signs of decline in the majority of counties, with 29 out of 49 (59%) having decreases in employment. The rate of decline, as measured by the percentage of counties having employment decreases, was greatest, by a slight margin, in the high–value exemption counties. Because of the lack of industry–specific historical data, it is not possible to say that the availability of substantial property tax exemptions in the high–value counties prevented decreases or helped produce increases in employment levels in some manufacturing businesses, examination of the exemption and employment situation in 1982 and 1986 suggests that the relationship between exemptions and employment increases is at best weak. In the high–value counties with employment increases, increases in total exemption value between 1982 and 1986 ranged from 64% to 334%; in those counties with employment decreases,

increases in exemption value were somewhat higher, ranging from 30% to 400%.* Furthermore, both employment increases and employment decreases occurred in those counties with JIP exemptions in either 1982 or 1986. Since such exemptions were to be granted only if jobs in a business facility were created or retained, we must conclude that, while they may have stimulated employment in individual facilities, they were often not enough to prevent employment decreases countywide. The distribution of JIP exemptions in the high–value exemption counties is shown below.

Number and Value of JIP Exemptions in High–Value Exemption Counties, 1982 and 1982

	1982			1986		
County	Number	Value ($000)	Average Value ($000)	Number	Value ($000)	Average Value ($000)
Employment Increase						
Dutchess	1	52	52	0	0	0
Nassau	3	528	176	4	493	123
Saratoga	7	6,806	972	6	6,243	1,041
Westchester	0	0	0	0	0	0
Employment Decrease						
Albany	0	0	0	0	0	0
Niagara	10	2,315	232	3	614	205
Oneida	8	2,369	296	2	1,429	715
Oswego	0	0	0	0	0	0
Schenectady	0	0	0	0	0	0

As for the wholesale and retail industries, both showed signs of growth in all exemption–value groups, with 38 out of 52 (73%) of the counties having increases in wholesale employment and 53 out 56 (95%) of them having increases in retail employment. For the wholesale industry, in terms of the percentage of counties having employment increases, the rate of growth was

* The increases in exemption value in counties with employment increases were: Westchester – 64%, Dutchess – 138%, Nassau – 166%, and Saratoga – 334%. The increases in exemption value in counties with employment decreases were: Oneida – 30%, Oswego – 229%, Niagara – 320%, Albany – 343%, and Schenectady – 400%. (See Tables 26 and 27 for details.)

somewhat lower in the low–value exemption counties — only 66%, as opposed to 78% in the high–value group and 86% in the medium–value group. For retail, the rate of growth was only slightly lower in the low–value group than it was in the high and medium–value groups. These findings suggest that business property tax exemptions play a minor role in maintaining or increasing employment levels.

CONCLUSION

When governments are deciding whether to adopt a particular state–authorized benefit program on behalf of their constituents, the most likely questions they are liable to ask are: are there people in the community who need the program, do these people and the community at large want the program, and can the taxpayers afford the cost of the benefits involved? To answer these questions, government officials might well consider various characteristics of the population, such as the number of potential beneficiaries of the program, the degree of interest in the program expressed by these beneficiaries and their supporters, and the wealth of the community.

The study reported on here was concerned with three property tax exemption programs subject to local adoption decisions: an exemption for lower–income aged persons, two exemptions for veterans, and three exemptions for business property intended to promote economic development. In all three cases, relevant socioeconomic factors were assessed in terms of their likelihood as influences on government decisions regarding program adoption.

One of the factors analyzed was the degree of urbanization of the locality, as determined by population density. This factor was considered to be potentially significant since one would expect that in urbanized areas more people who might benefit from the program would be aware of its availability, perhaps through more thorough newspaper coverage of state tax legislation. Also, in urbanized areas but probably not in rural areas, one would be likely to find organizations whose sole purpose is to promote the interests of the population that would be affected by the program. As a result, in urban areas one would expect greater pressure for adoption of the exemption program.

Degree of urbanization seems to have had a strong influence in adoption of the exemption for the aged. Here the majority of municipalities choosing to allow the exemption to its maximum

extent were urban — 63% of the cities and towns. Disallowing it entirely or allowing it only at minimum income levels was clearly a rural choice; 93% of such cities and towns were rural. With the veterans exemptions, the influence of urbanization was found to be less strong but still a possible factor. Here the effect of urbanization may have been masked by a widespread interest in potentially greater veterans benefits all across the state, in both urban and rural areas, perhaps as a result of the efforts of several veterans organizations that have highly visibility and considerable political influence. In the case of business exemptions, the degree of urbanization, at least at the county level, does not by itself seem to have affected the willingness to offer business exemption programs.

The second socioeconomic factor examined was the prominence of the affected taxpayer group in the population. This factor was regarded as a potential influence on local decision making since it is an indicator of the degree of pressure that might be exerted in favor of adopting an exemption program. It seems reasonable to expect that the larger the proportion of interested taxpayers in the population the greater their ability to ensure that their needs are served.

With respect to adoption of the exemption for the aged, the extent of local representation of affected taxpayers proved not to be significant, either by itself or when combined with household income. Communities with relatively large proportions of elderly persons, whether of low income or not, did not show a greater propensity toward adopting liberal exemption provisions. The same result was found in the case of the veterans exemptions. When localities were compared in terms of the prominence of veterans in the population, particularly Korean War and Vietnam veterans, no real differences were found between them with respect to their decisions regarding adoption of the exemptions. Affected taxpayer representation was not examined in the case of the business exemptions, primarily because it was impossible to identify who the affected taxpayers would be. The exemptions would be available both to existing businesses that undertook improvement projects and to new businesses, neither of which can be isolated for study. That is not to say that the business community was not instrumental in local governments' decisions to adopt the exemptions. Undoubtedly they exerted a strong influence, since all except those in such poor financial condition that future property improvements were out of the question would probably someday have occasion to take advantage of one or more of the exemption programs. In fact, it is known that

in several instances local governments acted to adopt an exemption program only after a business offered to locate in the community if the program was made available.

The third socioeconomic characteristic that was analyzed was the wealth of the community, as measured by household income. With this factor either of two situations may result. Where income is low, the local government may see an urgent need to provide tax relief for those at the bottom end of the income scale (for example, the elderly, whose incomes are usually lower than those of the rest of the population). Or, if household income is high, the government may choose to allow the exemption because it feels that local residents can well afford to subsidize certain property owners who "deserve" exemptions, such as the low–income aged, veterans (who should be rewarded for public service), and businesses (which need to make property improvements in order to stay competitive, maintain or increase employment levels, and improve the economic climate of the community).

With all three types of exemptions, choosing to allow the exemption was associated with household income. In the case of the exemption for the aged, income in the pro–exemption group (those cities and towns allowing the exemption to its fullest extent) was nearly $10,000 greater than in the anti–exemption group (municipalities not allowing the exemption or allowing it only at minimum income levels). With the veterans exemptions, we find that as mean household income increases so does adoption of the exemption programs. When the pro rata and alternative veterans exemptions are considered together, the relationship between adoption and high income is not as strong as that found with the aged exemption. On the other hand, when the alternative exemption is considered alone, there is a clear correlation not only between high income and adoption of the exemption but also between high income and adoption of the exemption at its maximum value. In the case of business exemptions, program adoption appears to be associated with low household income. As would be expected, municipalities in low–income counties are under constant pressure to find ways to improve economic conditions. As a result, they would probably be more receptive than more affluent communities to establishing development incentives such as property tax exemptions.

A fourth factor that might affect the adoption of benefit programs was looked at in relation to business exemptions — the state of the local economy, as indicated by unemployment rates. As in

the case of household income, one would expect that localities with high unemployment rates would be more willing than less depressed communities to try to stimulate economic development through incentive programs such as tax exemptions. The analysis in this study showed that to be so, at least with respect to urban areas. Municipalities in urban counties with relatively high unemployment rates have tended to favor business exemptions, as evidenced by their adoption of both programs available to them, the job incentive exemption and the business investment exemption. The same behavior is shown by the cities for which unemployment data is available (the state's larger cities). The cities with higher unemployment rates chose to allow both the job incentive and the business investment exemption; those with lower rates opted to allow neither.

In summary, it has been shown that certain characteristics of the population are likely to have had some influence on local decisions regarding adoption of property tax exemption programs. Not only do these factors seem to matter. They also seem quite appropriate, since they serve fairly well as indicators of the suitability of an exemption program for a particular community. By taking such factors into consideration, local governments will be in a better position to make informed choices with regard to the proliferation of social programs and will be more likely to achieve a balance between the needs of those residents who receive program benefits and the needs of those who must pay for them.

When faced with decisions regarding newly legislated exemption programs, local taxing jurisdictions may also find it helpful to look at the cost–effectiveness of similar programs adopted in the past. For example, there is in New York State a history of economic development programs that offers some guidelines for local action on future business exemptions. The findings reported in this paper with respect to the Job Incentive Program and the business investment (§485–b) program suggest that localities would do well to be cautious about adopting such incentives, since they appear to have little effect on business expansion.

The programs were assessed in terms of three economic indicators: unemployment rates, changes in the number of employed persons, and changes in the number of business establishments. Areas in which the value per exemption was high were more likely to have decreases in the unemployment rate and increases in the number of business establishments. However, the study reported on here also found that the types of businesses most often granted exemption and thus

most often contributing to such improvements in the economic climate were those which depend least on incentives such as property tax exemptions. These businesses are the retail sector and public utilities, whose location decisions are based most exclusively on other considerations. Of prime importance to the retail industry is the profit–making potential in access to local markets. For public utilities, at least in the timeframe covered in this report, decisions leading to new or expanded facilities are usually made by public regulatory agencies on the basis of local needs for utility services. In both cases, it is very likely that much of the business expansion that took place would have occurred even if the property tax incentives had not been available.

APPENDIX

Table A-1. Local Option Exemptions by Year of Enactment.

Year Enacted	Description	Statute	Type of Option
1799	Nonprofit organizations - library	RPTL §420-b	Opt out
Before 1896	Municipal corporations - property outside corporate limits: parks and highways	RPTL §406(2)	Agreement
	Property held by trustees of a playground or library for the benefit of a city	RPTL §438	Opt out
1896	Nonprofit organizations - bible, tract, benevolent, missionary, infirmary, scientific, literary, patriotic, historical, enforcement of laws relating to children or animals	RPTL §420-b	Opt out
1905	Pharmaceutical societies in cities with population of 175,000 or more	RPTL §472	Opt out
1907	Academies of music in cities with population of 175,000 or more	RPTL §434	Opt in
1926	Municipal corporations - property outside corporate limits: public aviation fields	RPTL §406(2)	Agreement
1927	Nonprofit organizations - bar association	RPTL §420-b	Opt out
1929	Nonprofit organizations - public playground	RPTL §420-b	Opt out*
1939	Limited-dividend housing companies - project completed prior to January 1, 1939	PHFL §§93(3), 93(5)	Agreement
	Limited-dividend housing companies - project completed between January 1, 1939 and December 31, 1972 or after January 1, 1979	PHFL §93(4)	Agreement
	Limited-dividend housing companies organized pursuant to State Housing Law of 1926 - building erected prior to January 2, 1937	PHFL §97	Agreement
1941	Urban renewal property owned by urban development corporation	PHFL §211	Opt in
1942	Redevelopment company housing projects - first exemption	PHFL §§125, 127	Agreement

Table A-1. Local Option Exemptions by Year of Enactment.

Year Enacted	Description	Statute	Type of Option
1946	Quarantined lands	RPTL §482	Agreement
1955	Dental societies in cities with population of 175,000 or more	RPTL §474	Opt out
	Limited-profit housing companies - property used partly for purposes exempt under RPTL §422 and partly for housing other low- or middle-income tenants	PHFL §33(1)(a)	Agreement
	Limited-profit housing companies - property used for middle-income housing other than that eligible for any other exemption	PHFL §33(1)(a)	Agreement
1956	Municipal corporations - property outside corporate limits: sewer or water facilities	RPTL §406(3)	Agreement
	Off-street parking facilities providing underground shelters (in cities and villages only)	RPTL §478	Opt in
1957	Not-for-profit housing companies - housing for aged or handicapped owned by housing development fund company	RPTL §422	Agreement
1960	Multiple dwellings - various improvements	RPTL §489	Opt in
	Municipal housing authorities - project sold or leased to limited-profit mutual (co-op) housing company	Pub Hsng L §58(3)	Agreement
	Rent-controlled multiple dwellings erected prior to April 18, 1929 and improved through loan made pursuant to Pub Hsng L Article 10	Pub Hsng L §214-a(2)	Opt in
1961	Rent-controlled multiple dwellings improved through loan made pursuant to PHFL Article 8	PHFL §405	Opt in

Table A-1. Local Option Exemptions by Year of Enactment.

Year Enacted	Description	Statute	Type of Option
1961	Limited-dividend housing companies or limited-profit housing companies - property purchased or leased from municipality or municipal housing authority	PHFL §556	Agreement
1965	Nonprofit organizations - medical society	RPTL §420-b	Opt out
	Industrial waste treatment controlled process facilities	RPTL §477	Opt out
1966	Aged - basic exemption	RPTL §467	Opt in
	Air pollution controlled process facilities	RPTL §477-a	Opt out
	Housing development fund companies - property not described by other sections of law	PHFL §577)	Agreement
1968	Municipal corporations - property outside corporate limits: flood control and soil conservation	RPTL §406(2)	Agreement
1968	Business facilities in Job Incentive Program	RPTL §485	Opt in
	Municipally owned housing projects sold or leased to housing development fund company or limited-profit housing company	PHFL §36-a(4)	Agreement
1971	Limited-profit housing companies - mutual company (co-op) organized for acquisition of building by its residents	PHFL §33(4)	Agreement
1973	Special districts - property outside district boundaries: sewage disposal or water facilities	RPTL §410-a	Agreement
1974	New York City Housing Development Corporation subsidiaries - housing development fund company or limited-profit housing company	PHFL §§654-a, 654-b, 654-c	Agreement
1976	Business investment property outside New York City	RPTL §485-b	Opt out

Table A-1. Local Option Exemptions by Year of Enactment.

Year Enacted	Description	Statute	Type of Option
1979	Veterans - property purchased with eligible funds, exemption increase or decrease due to full-value reassessment	RPTL §458(5)	Opt in
	Urban development action area projects	Gen Muny L §696	Agree-ment
1980	New multiple dwellings outside New York City	RPTL §421-c	Opt in
	Multiple dwellings - rehabilitation of Class B dwellings and rehabilitation of Class A dwellings used for single-room occupancy (in cities where Multiple Dwelling Law applies)	RPTL §488-a	Opt in
1981	Nonprofit organizations - development of good sportsmanship for persons under age 18	RPTL §420-b	Opt out
1983	Physically disabled	RPTL §459	Opt in
	Aged - sliding-scale exemption	RPTL §467	Opt in
	Multiple dwellings outside New York City financed by NYS Housing Finance Agency	RPTL §421-d	Opt in
1984	Veterans - alternative exemption for wartime veterans	RPTL §458-a	Opt in**
1985	Low- or moderate-income housing developed through Housing Trust Fund or Affordable Housing Development Program	RPTL §421-e	Opt in
1986	Residential improvements in cities with population of less than 200,000 and more than 150,000	L.1986, Ch.889	Opt in
	Property improvements in economic development zones	RPTL §485-e	Opt in
1987	Municipal corporations - property outside corporate limits: fire protection	RPTL §406(2)	Agree-ment

Table A-1. Local Option Exemptions by Year of Enactment.

Year Enacted	Description	Statute	Type of Option
1988	Low-income turnkey/enhanced housing rust fund program	PHFL §1106-h	Opt in
1990	Solar or wind energy systems	RPTL §487	Opt out

* When originally enacted, the exemption was mandatory. In 1958, when the exemption was included in the Real Property Tax Law section governing nonprofit organizations, it was made subject to local option.

** When originally enacted, the exemption was of the "opt out" type. Those municipalities which opted out in a timely manner may now opt in.

Law Abbreviations: Gen Muny L - General Municipal Law
PHFL - Private Housing Finance Law
Pub Hsng L - Public Housing Law
RPTL - Real Property Tax Law

Table A-2. Number and Value of Local Option Exemptions, 1988 Assessment Rolls.

Exemption	Statute	Number	Value ($000)
Residential property owned by certain individuals.....			
Aged	RPTL §467	137,597	2,843,425
Veterans - increase/ decrease due to full-value assessment	RPTL §458(5)	69,953	1,553,891
Physically disabled	RPTL §459	221	3,041
Veterans - alternative exemption	RPTL §458-a	274,169	3,306,307
Residential improvements in certain cities	L.1986, Ch.889	40	1,780
Solar or wind energy systems	RPTL §487	0	0
Property of municipal governments.....			
Municipal corporations - property outside corporate limits	RPTL §§406(2), 406(3)	905	234,288
Special districts - property outside district boundaries	RPTL §410-a	73	25,822
Property of private community service organizations.....			
Nonprofit organizations	RPTL §420-b	4,414	1,866,083
Property held by trustees of playground or library for the benefit of a city	RPTL §438	43	8,580
Pharmaceutical societies	RPTL §472	0	0

Table A-2. Number and Value of Local Option Exemptions, 1988 Assessment Rolls.

Exemption	Statute	Number	Value ($000)
Academies of music	RPTL §434	10	89,547
Dental societies	RPTL §474	0	0
Industrial, commercial, and public service property.....			
Off-street parking facilities providing underground shelters	RPTL §478	0	0
Industrial waste treatment controlled process facilities	RPTL §477	0	0
Air pollution controlled process facilities	RPTL §477-a	0	0
Business facilities in Job Incentive Program	RPTL §485	308	206,302
Business investment property	RPTL §485-b	15,548	3,913,868
Property improvements in economic development zones	RPTL §485-e	26	22,434
Urban renewal property and multiple dwellings.....			
Limited-dividend housing companies	PHFL §§93(3), 93(4), 93(5), 97, 556	19	175,059
Urban renewal property owned by urban development corporation	PHFL §211	3	3,879
Redevelopment company housing projects	PHFL §§125, 127	299	1,256,369
Limited-profit housing companies	PHFL §§33(1)(a), 33(4), 556	389	6,645,411

Table A-2. Number and Value of Local Option Exemptions, 1988 Assessment Rolls.

Exemption	Statute	Number	Value ($000)
Not-for-profit housing companies	RPTL §422	110	296,014
Multiple dwellings - various improvements	RPTL §489	6,362	3,171,106
Municipal housing authorities	Pub Hsng L §58(3)	1	99
Rent-controlled multiple dwellings	Pub Hsng L §214-a(2), PHFL §405	1	280
Housing development fund companies	PHFL §§577(1), 654-a, 654-b, 654-c	77	388,336
Municipally owned housing projects	PHFL §36-a(4)	3	4,424
Urban development action area projects	Gen Muny L §696	1,905	112,740
New multiple dwellings outside New York City	RPTL §421-c	0	0
Multiple dwellings - rehabilitation	RPTL §488-a	1	624
Multiple dwellings financed by NYS Housing Finance Agency	RPTL §421-d	81	5,309
Low- or moderate-income housing	RPTL §421-e	94	2,162
Low-income turnkey/ enhanced housing	PHFL §1106-h	0	0
Agricultural and forest property.....			
Quarantined lands	RPTL §482	0	0
Total		512,652	26,137,180

Table A-3. Business Exemptions: County Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	Unemploy-ment Rate 1970	Unemploy-ment Rate 1977
New York State		U	26,294	4.5	9.1
Albany	Only 485-b	U	24,898	3.0	6.9
Allegany	Only 485-b	R	17,652	4.3	10.2
Broome	Only JIP	U	22,216	3.6	7.6
Cattaraugus	Both	R	17,970	6.0	9.5
Cayuga	Both	R	19,719	6.0	10.8
Chautauqua	Both	U	19,572	4.9	8.5
Chemung	Both	U	20,454	4.8	10.4
Chenango	Both	R	18,353	5.3	8.9
Clinton	Neither	R	19,003	6.9	12.5
Columbia	Both	R	19,881	2.8	8.7
Cortland	Both	R	19,802	4.5	10.5
Delaware	Both	R	17,764	6.0	8.6
Dutchess	Only 485-b	U	26,078	2.7	6.0
Erie	Both	U	23,672	4.7	9.5
Essex	Both	R	17,742	6.3	13.6
Franklin	Only 485-b	R	17,493	7.9	14.1
Fulton	Both	R	18,458	7.0	10.8
Genesee	Both	R	21,652	5.3	11.1
Greene	Both	R	17,978	4.9	11.4
Hamilton	Only 485-b	R	15,004	11.9	13.2
Herkimer	Both	R	18,041	5.3	11.6
Jefferson	Both	U	18,782	5.4	11.9
Lewis	Only 485-b	R	17,708	5.1	10.3
Livingston	Only 485-b	R	21,023	3.9	7.3
Madison	Only 485-b	R	20,383	5.4	8.2
Monroe	Only 485-b	U	27,832	3.1	6.5
Montgomery	Only 485-b	R	18,703	5.3	10.1
Nassau	Only 485-b	U	34,219	2.8	8.9
Niagara	Both	U	22,665	5.4	8.8
Oneida	Both	U	20,437	5.8	9.1
Onondaga	Both	U	24,490	3.9	7.6
Ontario	Both	R	22,260	4.4	8.8
Orange	Both	U	23,369	3.7	9.7
Orleans	Only 485-b	R	21,113	6.7	8.1
Oswego	Only 485-b	R	19,640	7.2	9.2

Table A-3. Business Exemptions: County Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	Unemployment Rate 1970	Unemployment Rate 1977
Otsego	Both	R	17,703	5.6	8.1
Putnam	Only 485-b	R	28,277	2.6	8.3
Rensselaer	Both	U	21,396	3.5	8.1
Rockland	Only 485-b	U	33,184	2.4	8.0
St. Lawrence	Both	R	18,681	5.8	11.5
Saratoga	Both	R	22,422	3.8	7.0
Schenectady	Only 485-b	U	23,475	3.3	5.7
Schoharie	Only 485-b	R	17,578	3.6	9.3
Schuyler	Only 485-b	R	17,427	5.1	10.4
Seneca	Both	R	20,001	4.5	7.7
Steuben	Both	R	19,368	4.7	8.8
Suffolk	Both	U	27,189	3.5	8.7
Sullivan	Only 485-b	R	17,991	5.3	10.8
Tioga	Only JIP	R	21,754	4.0	7.0
Tompkins	Only 485-b	R	22,746	3.1	7.3
Ulster	Both	R	21,252	4.4	10.3
Warren	Only JIP	R	19,991	6.2	12.1
Washington	Both	R	17,998	4.1	8.7
Wayne	Both	R	21,643	5.2	9.6
Westchester	Neither	U	39,717	2.6	7.1
Wyoming	Both	R	19,437	5.0	9.6
Yates	Only JIP	R	18,225	4.1	10.2

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
New York State			U	26,294	4.5	9.1	4.6
Albany	C/Watervliet	Neither	U	19,645	3.0	6.9	3.9
	Berne	Neither	R	19,723	3.0	6.9	3.9
	Coeymans	Neither	R	22,108	3.0	6.9	3.9
	Colonie	Neither	U	26,305	3.0	6.9	3.9
	Guilderland	Neither	U	26,035	3.0	6.9	3.9
	Knox	Neither	R	19,940	3.0	6.9	3.9
	Rensselaerville	Neither	R	16,723	3.0	6.9	3.9
Broome	C/Binghamton	Both	U	20,982	3.6	7.6	4.0
	Barker	Neither	R	18,137	3.6	7.6	4.0
	Binghamton	Neither	R	28,491	3.6	7.6	4.0
	Chenango	Neither	R	22,338	3.6	7.6	4.0
	Colesville	Neither	R	19,001	3.6	7.6	4.0
	Conklin	Neither	R	19,785	3.6	7.6	4.0
	Dickinson	Neither	U	20,007	3.6	7.6	4.0
	Fenton	Neither	R	18,453	3.6	7.6	4.0
	Lisle	Neither	R	16,766	3.6	7.6	4.0
	Maine	Neither	R	20,820	3.6	7.6	4.0
	Nanticoke	Neither	R	20,700	3.6	7.6	4.0
	Sanford	Neither	R	17,874	3.6	7.6	4.0
	Triangle	Neither	R	19,432	3.6	7.6	4.0
	Union	Neither	U	22,877	3.6	7.6	4.0
	Vestal	Both	U	28,192	3.6	7.6	4.0
	Windsor	Neither	R	18,128	3.6	7.6	4.0
Cattaraugus	C/Olean	Both	U	19,191	6.0	9.5	3.5
	C/Salamanca	Both	U	16,157	6.0	9.5	3.5
	Perrysburg	Both	R	19,227	6.0	9.5	3.5
	Persia	Both	U	18,927	6.0	9.5	3.5
	Portville	Neither	R	19,382	6.0	9.5	3.5
Cayuga	C/Auburn	Both	U	19,556	6.0	10.8	4.8
	Sennett	Both	R	23,228	6.0	10.8	4.8
Chautauqua	C/Jamestown	Both	U	18,425	4.9	8.5	3.6
	Busti	Both	R	22,764	4.9	8.5	3.6
Chemung	C/Elmira	Both	U	18,276	4.8	10.4	5.6
	Big Flats	Both	R	25,611	4.8	10.4	5.6
	Horseheads	Both	U	21,011	4.8	10.4	5.6
	Southport	Both	U	20,385	4.8	10.4	5.6

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Chenango	C/Norwich	Both	U	23,118	5.3	8.9	3.6
	Bainbridge	Both	R	18,823	5.3	8.9	3.6
	Coventry	Both	R	16,229	5.3	8.9	3.6
	Greene	Both	R	19,126	5.3	8.9	3.6
	McDonough	Both	R	13,360	5.3	8.9	3.6
	North Norwich	Both	R	17,862	5.3	8.9	3.6
	Norwich	Both	R	20,961	5.3	8.9	3.6
	Sherburne	Both	R	17,850	5.3	8.9	3.6
Clinton	Altona	Neither	R	16,144	6.9	12.5	5.6
	Ausable	Neither	R	17,873	6.9	12.5	5.6
	Champlain	Neither	R	19,931	6.9	12.5	5.6
	Chazy	Neither	R	17,188	6.9	12.5	5.6
	Clinton	Neither	R	15,172	6.9	12.5	5.6
	Dannemora	Neither	U	15,400	6.9	12.5	5.6
	Ellenburg	Neither	R	15,189	6.9	12.5	5.6
	Mooers	Neither	R	16,909	6.9	12.5	5.6
	Peru	Neither	R	19,327	6.9	12.5	5.6
	Plattsburgh	Neither	R	20,242	6.9	12.5	5.6
	Saranac	Neither	R	17,810	6.9	12.5	5.6
	Schuyler Falls	Neither	R	17,121	6.9	12.5	5.6
Columbia	Kinderhook	Neither	R	22,547	2.8	8.7	5.9
Delaware	Bovina	Neither	R	15,594	6.0	8.6	2.6
	Colchester	Neither	R	14,674	6.0	8.6	2.6
	Delhi	Neither	U	18,556	6.0	8.6	2.6
	Deposit	Neither	R	16,878	6.0	8.6	2.6
	Franklin	Neither	R	17,854	6.0	8.6	2.6
	Roxbury	Neither	R	16,715	6.0	8.6	2.6
	Sidney	Both	U	19,493	6.0	8.6	2.6
	Stamford	Both	R	17,426	6.0	8.6	2.6
	Tompkins	Neither	R	16,521	6.0	8.6	2.6
Dutchess	Beekman	Neither	R	23,795	2.7	6.0	3.3
	Clinton	Neither	R	25,346	2.7	6.0	3.3
	Dover	Neither	R	20,501	2.7	6.0	3.3
	Fishkill	Neither	U	25,643	2.7	6.0	3.3
	Pawling	Neither	R	27,731	2.7	6.0	3.3
	Poughkeepsie	Neither	U	28,941	2.7	6.0	3.3
	Red Hook	Neither	R	22,925	2.7	6.0	3.3
	Union Vale	Neither	R	25,140	2.7	6.0	3.3
	Wappinger	Neither	U	28,416	2.7	6.0	3.3
	Washington	Neither	R	32,151	2.7	6.0	3.3

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Erie	C/Buffalo	Both	U	19,746	4.7	9.5	4.8
	C/Tonawanda	Both	U	21,554	4.7	9.5	4.8
	Aurora	Both	R	26,631	4.7	9.5	4.8
	Cheektowaga	Neither	U	22,127	4.7	9.5	4.8
	Concord	Both	U	21,304	4.7	9.5	4.8
	Elma	Neither	R	27,237	4.7	9.5	4.8
	Evans	Both	U	20,794	4.7	9.5	4.8
	Hamburg	Both	U	24,678	4.7	9.5	4.8
	Lancaster	Both	U	22,331	4.7	9.5	4.8
	Marilla	Neither	R	23,772	4.7	9.5	4.8
	Orchard Park	Both	U	30,636	4.7	9.5	4.8
	Tonawanda	Both	U	23,979	4.7	9.5	4.8
	Wales	Neither	R	23,309	4.7	9.5	4.8
	West Seneca	Neither	U	24,321	4.7	9.5	4.8
Essex	Westport	Both	R	17,055	6.3	13.6	7.3
	Willsboro	Both	R	18,291	6.3	13.6	7.3
Franklin	Bangor	Neither	R	20,448	7.9	14.1	6.2
	Brighton	Neither	R	23,782	7.9	14.1	6.2
	Burke	Neither	R	17,073	7.9	14.1	6.2
	Constable	Neither	R	17,454	7.9	14.1	6.2
	Dickinson	Neither	R	16,638	7.9	14.1	6.2
	Duane	Neither	R	15,978	7.9	14.1	6.2
	Fort Covington	Neither	R	17,956	7.9	14.1	6.2
	Franklin	Neither	R	13,746	7.9	14.1	6.2
	Malone	Both	U	18,978	7.9	14.1	6.2
	Moira	Neither	R	15,361	7.9	14.1	6.2
	Waverly	Neither	R	15,168	7.9	14.1	6.2
	Westville	Neither	R	16,332	7.9	14.1	6.2
Fulton	Caroga	Neither	R	15,926	7.0	10.8	3.8
	Stratford	Neither	R	13,359	7.0	10.8	3.8
Genesee	C/Batavia	Both	U	21,675	5.3	11.1	5.8
	Alabama	Neither	R	19,534	5.3	11.1	5.8
	Batavia	Both	R	19,879	5.3	11.1	5.8
	Byron	Neither	R	24,987	5.3	11.1	5.8
	Darien	Neither	R	21,730	5.3	11.1	5.8
	Elba	Neither	R	22,080	5.3	11.1	5.8
	Oakfield	Neither	R	20,109	5.3	11.1	5.8
	Pembroke	Neither	R	21,051	5.3	11.1	5.8
	Stafford	Neither	R	23,636	5.3	11.1	5.8

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Greene	Hunter	Neither	R	15;757	4.9	11.4	6.5
	Lexington	Neither	R	16,758	4.9	11.4	6.5
	Prattsville	Neither	R	15,562	4.9	11.4	6.5
	Windham	Neither	R	18,274	4.9	11.4	6.5
Herkimer	Columbia	Neither	R	18,483	5.3	11.6	6.3
	Danube	Neither	R	18,137	5.3	11.6	6.3
	Fairfield	Neither	R	18,138	5.3	11.6	6.3
	Herkimer	Neither	U	19,287	5.3	11.6	6.3
	Litchfield	Neither	R	17,565	5.3	11.6	6.3
	Little Falls	Neither	R	17,430	5.3	11.6	6.3
	Newport	Neither	R	17,064	5.3	11.6	6.3
	Ohio	Neither	R	14,334	5.3	11.6	6.3
	Russia	Neither	R	19,846	5.3	11.6	6.3
	Salisbury	Neither	R	14,810	5.3	11.6	6.3
	Schuyler	Neither	R	18,454	5.3	11.6	6.3
	Stark	Neither	R	16,852	5.3	11.6	6.3
	Winfield	Neither	R	17,260	5.3	11.6	6.3
Jefferson	Brownville	Neither	R	17,749	5.4	11.9	6.5
	Clayton	Both	R	16,537	5.4	11.9	6.5
	Henderson	Neither	R	17,315	5.4	11.9	6.5
	LeRay	Neither	R	19,852	5.4	11.9	6.5
	Lorraine	Neither	R	15,280	5.4	11.9	6.5
	Lyme	Neither	R	16,776	5.4	11.9	6.5
	Orleans	Neither	R	17,060	5.4	11.9	6.5
	Rodman	Neither	R	16,962	5.4	11.9	6.5
	Theresa	Neither	R	17,730	5.4	11.9	6.5
	Watertown	Neither	R	20,919	5.4	11.9	6.5
	Wilna	Both	U	17,722	5.4	11.9	6.5
Livingston	Mount Morris	Both	U	18,090	3.9	7.3	3.4
	Sparta	Neither	R	20,003	3.9	7.3	3.4
Madison	C/Oneida	Both	U	19,308	5.4	8.2	2.8
Monroe	C/Rochester	Both	U	21,399	3.1	6.5	3.4
	Chili	Both	U	28,500	3.1	6.5	3.4
	Irondequoit	Neither	U	27,066	3.1	6.5	3.4
	Parma	Neither	R	28,075	3.1	6.5	3.4
Montgomery	Florida	Neither	R	20,445	5.3	10.1	4.8

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Nassau	C/Glen Cove	Both	U	32,584	2.8	8.9	6.1
	C/Long Beach	Neither	U	27,753	2.8	8.9	6.1
	Oyster Bay	Neither	U	34,604	2.8	8.9	6.1
Niagara	C/Lockport	Both	U	23,517	5.4	8.8	3.4
	C/North Tonawanda	Both	U	22,180	5.4	8.8	3.4
	Cambria	Neither	R	23,555	5.4	8.8	3.4
	Lockport	Both	R	25,099	5.4	8.8	3.4
	Newfane	Both	R	22,064	5.4	8.8	3.4
	Niagara	Neither	U	21,936	5.4	8.8	3.4
	Pendleton	Neither	R	24,197	5.4	8.8	3.4
	Royalton	Neither	R	23,534	5.4	8.8	3.4
	Somerset	Neither	R	21,245	5.4	8.8	3.4
	Wilson	Both	R	20,788	5.4	8.8	3.4
Oneida	C/Rome	Both	U	20,879	5.8	9.1	3.3
	C/Sherrill	Neither	U	21,412	5.8	9.1	3.3
	C/Utica	Both	U	18,441	5.8	9.1	3.3
	Augusta	Neither	R	17,192	5.8	9.1	3.3
	Florence	Neither	R	17,508	5.8	9.1	3.3
	Marcy	Neither	R	20,856	5.8	9.1	3.3
	Remsen	Neither	R	17,559	5.8	9.1	3.3
	Western	Neither	R	20,971	5.8	9.1	3.3
	Whitestown	Both	U	22,093	5.8	9.1	3.3
Onondaga	C/Syracuse	Both	U	21,064	3.9	7.6	3.7
	Cicero	Both	U	23,542	3.9	7.6	3.7
	Elbridge	Both	R	20,598	3.9	7.6	3.7
	Fabius	Neither	R	21,053	3.9	7.6	3.7
	Geddes	Neither	U	24,191	3.9	7.6	3.7
	Lafayette	Neither	R	23,694	3.9	7.6	3.7
	Otisco	Neither	R	21,019	3.9	7.6	3.7
	Salina	Both	U	22,206	3.9	7.6	3.7
	Skaneateles	Both	R	28,137	3.9	7.6	3.7
Ontario	C/Canandaigua	Both	U	22,948	4.4	8.8	4.4
	C/Geneva	Both	U	20,538	4.4	8.8	4.4
	Canandaigua	Both	R	25,220	4.4	8.8	4.4
	East Bloomfield	Both	R	24,526	4.4	8.8	4.4
	Farmington	Both	R	23,144	4.4	8.8	4.4
	Hopewell	Both	R	21,224	4.4	8.8	4.4
	Manchester	Both	R	19,930	4.4	8.8	4.4
	Phelps	Neither	R	21,271	4.4	8.8	4.4
	South Bristol	Neither	R	26,315	4.4	8.8	4.4

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Orange	Minisink	Neither	R	22,431	3.7	9.7	6.0
	Montgomery	Both	R	21,122	3.7	9.7	6.0
	Mount Hope	Neither	R	20,672	3.7	9.7	6.0
	New Windsor	Both	U	22,737	3.7	9.7	6.0
	Newburgh	Both	U	25,035	3.7	9.7	6.0
Orleans	Clarendon	Neither	R	22,958	6.7	8.1	1.4
Oswego	C/Oswego	Neither	U	20,624	7.2	9.2	2.0
	Amboy	Neither	R	15,039	7.2	9.2	2.0
	Mexico	Neither	R	19,876	7.2	9.2	2.0
	New Haven	Neither	R	18,394	7.2	9.2	2.0
	West Monroe	Neither	R	18,244	7.2	9.2	2.0
Otsego	Burlington	Neither	R	15,199	5.6	8.1	2.5
	Decatur	Neither	R	13,731	5.6	8.1	2.5
	Morris	Neither	R	18,128	5.6	8.1	2.5
	Otsego	Neither	R	19,417	5.6	8.1	2.5
	Plainfield	Neither	R	17,531	5.6	8.1	2.5
	Unadilla	Neither	R	18,714	5.6	8.1	2.5
Putnam	Southeast	Neither	R	28,779	2.6	8.3	5.7
Rensselaer	C/Troy	Both	U	20,054	3.5	8.1	4.6
Saratoga	C/Mechanicville	Neither	U	20,079	3.8	7.0	3.2
	C/Saratoga Springs	Both	U	21,721	3.8	7.0	3.2
	Charlton	Neither	R	27,285	3.8	7.0	3.2
	Edinburg	Neither	R	15,270	3.8	7.0	3.2
	Galway	Neither	R	20,019	3.8	7.0	3.2
	Hadley	Neither	R	17,576	3.8	7.0	3.2
	Halfmoon	Neither	R	20,513	3.8	7.0	3.2
	Milton	Both	R	19,823	3.8	7.0	3.2
	Providence	Neither	R	16,448	3.8	7.0	3.2
	Waterford	Neither	U	21,715	3.8	7.0	3.2
Schenectady	Princetown	Neither	R	22,321	3.3	5.7	2.4
	Rotterdam	Neither	U	21,462	3.3	5.7	2.4

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
St. Lawrence	C/Ogdensburg	Both	U	18,602	5.8	11.5	5.7
	Clare	Neither	R	12,150	5.8	11.5	5.7
	Clifton	Neither	R	17,395	5.8	11.5	5.7
	Colton	Neither	R	16,334	5.8	11.5	5.7
	DePeyster	Neither	R	15,777	5.8	11.5	5.7
	Edwards	Neither	R	14,222	5.8	11.5	5.7
	Fowler	Both	R	15,003	5.8	11.5	5.7
	Hermon	Neither	R	15,828	5.8	11.5	5.7
	Hopkinton	Neither	R	15,511	5.8	11.5	5.7
	Lawrence	Neither	R	20,166	5.8	11.5	5.7
	Lisbon	Both	R	18,409	5.8	11.5	5.7
	Macomb	Neither	R	13,619	5.8	11.5	5.7
	Massena	Both	U	21,812	5.8	11.5	5.7
	Norfolk	Both	R	19,098	5.8	11.5	5.7
	Oswegatchie	Both	R	19,841	5.8	11.5	5.7
	Parishville	Neither	R	16,548	5.8	11.5	5.7
	Piercefield	Neither	R	16,160	5.8	11.5	5.7
	Pitcairn	Neither	R	12,882	5.8	11.5	5.7
	Potsdam	Both	U	19,731	5.8	11.5	5.7
	Rossie	Neither	R	15,350	5.8	11.5	5.7
	Waddington	Both	R	18,695	5.8	11.5	5.7
Steuben	Hornby	Neither	R	19,879	4.7	8.8	4.1
Suffolk	Brookhaven	Both	U	24,409	3.5	8.7	5.2
	East Hampton	Neither	R	24,447	3.5	8.7	5.2
	Southampton	Neither	U	24,780	3.5	8.7	5.2
	Southold	Neither	U	22,796	3.5	8.7	5.2
Sullivan	Callicoon	Neither	R	17,466	5.3	10.8	5.5
	Cohecton	Neither	R	17,873	5.3	10.8	5.5
	Fremont	Neither	R	15,059	5.3	10.8	5.5
	Neversink	Neither	R	17,276	5.3	10.8	5.5
Tioga	Berkshire	Neither	R	18,793	4.0	7.0	3.0
	Candor	Neither	R	17,776	4.0	7.0	3.0
	Newark Valley	Neither	R	21,782	4.0	7.0	3.0
	Nichols	Neither	R	20,286	4.0	7.0	3.0
	Owego	Neither	R	26,303	4.0	7.0	3.0
	Richford	Neither	R	16,122	4.0	7.0	3.0
	Spencer	Neither	R	17,143	4.0	7.0	3.0
	Tioga	Neither	R	19,677	4.0	7.0	3.0

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Ulster	Lloyd	Both	U	23,320	4.4	10.3	5.9
	Olive	Both	R	20,318	4.4	10.3	5.9
	Rochester	Both	R	17,667	4.4	10.3	5.9
	Saugerties	Both	R	21,282	4.4	10.3	5.9
Warren	Horicon	Neither	R	13,305	6.2	12.1	5.9
	Johnsburg	Neither	R	16,374	6.2	12.1	5.9
	Lake George	Neither	R	21,002	6.2	12.1	5.9
	Thurman	Neither	R	13,258	6.2	12.1	5.9
	Warrensburg	Neither	U	17,060	6.2	12.1	5.9
Wayne	Arcadia	Both	U	21,006	5.2	9.6	4.4
	Galen	Both	R	17,794	5.2	9.6	4.4
	Lyons	Both	U	19,974	5.2	9.6	4.4
	Macedon	Both	R	23,932	5.2	9.6	4.4
	Marion	Both	R	22,354	5.2	9.6	4.4
	Ontario	Both	R	25,142	5.2	9.6	4.4
	Palmyra	Both	R	22,983	5.2	9.6	4.4
	Savannah	Both	R	19,393	5.2	9.6	4.4
	Sodus	Both	R	19,968	5.2	9.6	4.4
	Walworth	Both	R	25,017	5.2	9.6	4.4
	Williamson	Both	R	24,213	5.2	9.6	4.4
	Wolcott	Both	R	17,277	5.2	9.6	4.4
Westchester	C/Mount Vernon	Both	U	28,589	2.6	7.1	4.5
	C/Rye	Neither	U	52,054	2.6	7.1	4.5
	C/White Plains	Neither	U	39,955	2.6	7.1	4.5
	Bedford	Neither	U	45,929	2.6	7.1	4.5
	Cortlandt	Neither	U	32,063	2.6	7.1	4.5
	Eastchester	Neither	U	42,209	2.6	7.1	4.5
	Greenburgh	Neither	U	41,664	2.6	7.1	4.5
	Harrison	Neither	U	51,126	2.6	7.1	4.5
	Lewisboro	Neither	U	43,472	2.6	7.1	4.5
	Mamaroneck	Neither	U	52,302	2.6	7.1	4.5
	Mount Kisco	Neither	U	31,537	2.6	7.1	4.5
	New Castle	Neither	U	57,733	2.6	7.1	4.5
	North Castle	Neither	R	51,380	2.6	7.1	4.5
	North Salem	Neither	R	40,673	2.6	7.1	4.5
	Pound Ridge	Neither	R	56,329	2.6	7.1	4.5
	Rye	Neither	U	32,376	2.6	7.1	4.5
	Scarsdale	Neither	U	79,209	2.6	7.1	4.5
	Somers*	Neither	R	35,063	2.6	7.1	4.5
	Yorktown	Neither	U	33,804	2.6	7.1	4.5

Table A-4. Business Exemptions: City/Town Options Exercised by Degree of Urbanization, Income, and Unemployment.

County	City/Town	Both JIP and 485-b Exemption Allowed?	Urban/ Rural (U/R)	Mean Hsehold Income (Owner)	County Unemployment Rate, 1970	County Unemployment Rate, 1977	Change in Rate, 1970-1977
Wyoming	Arcade	Both	R	20,268	5.0	9.6	4.6
	Castile	Both	R	18,773	5.0	9.6	4.6
	Covington	Both	R	19,044	5.0	9.6	4.6
	Eagle	Both	R	17,503	5.0	9.6	4.6
	Perry	Both	U	19,538	5.0	9.6	4.6
Yates	Italy	Neither	R	15,183	4.1	10.2	6.1
	Jerusalem	Neither	R	17,028	4.1	10.2	6.1
	Milo	Neither	U	20,679	4.1	10.2	6.1
	Torrey	Both	R	18,128	4.1	10.2	6.1

* Reduced percentage of exemption in first year to 1%, thus effectively not allowing exemption.

Table A-5. Business Exemptions: Options Exercised by Larger Cities.

County	City	Both JIP and 485-b Exemption Allowed?	County Unemployment Rate, 1970	City Unemployment Rate, 1970	City Unemployment Rate, 1980	Change in City Rate, 1970-1980
Albany	Albany	Only 485-b	3.0	3.5	6.4	2.9
Broome	Binghamton	Both	3.6	5.0	7.2	2.2
Cayuga	Auburn	Both	6.0	6.4	11.5	5.1
Chautauqua	Jamestown	Both	4.9	4.5	7.5	3.0
Chemung	Elmira	Both	4.8	5.3	12.3	7.0
Dutchess	Poughkeepsie	Only JIP	2.7	4.5	9.6	5.1
Erie	Buffalo	Both	4.7	6.0	13.1	7.1
Jefferson	Watertown	Only 485-b	5.4	4.6	10.5	5.9
Monroe	Rochester	Both	3.1	4.3	9.1	4.8
Nassau	Long Beach	Neither	2.8	4.7	6.1	1.4
Niagara	Niagara Falls	Only 485-b	5.4	6.6	10.3	3.7
	North Tonawanda	Both	5.4	5.3	8.5	3.2
Ondondaga	Syracuse	Both	3.9	4.5	8.5	4.0
Oneida	Rome	Both	5.8	6.5	9.9	3.4
	Utica	Both	5.8	6.6	9.6	3.0
Rensselaer	Troy	Only 485-b	3.5	3.7	8.9	5.2
Schenectady	Schenectady	Only 485-b	3.3	3.7	8.4	4.7
Tompkins	Ithaca	Only 485-b	3.1	4.0	5.2	1.2
Westchester	Mount Vernon	Only 485-b	2.6	3.3	4.8	1.5
	New Rochelle	Only 485-b	2.6	2.9	4.6	1.7
	White Plains	Neither	2.6	2.2	3.5	1.3
	Yonkers	Only 485-b	2.6	3.0	5.6	2.6

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Albany	Manufacturing			3	7,293			3	7,293
	Wholesale trade			11	36,763			11	36,763
	Retail			32	217,132			32	217,132
	Services			7	59,752			7	59,752
	Other businesses			9	69,330			9	69,330
	Type unknown			45	487,851			45	487,851
	Total			107	878,121			107	878,121
Allegany	Manufacturing			10	7,381			10	7,381
	Wholesale trade			8	6,885			8	6,885
	Retail			15	9,864			15	9,864
	Services			4	12,125			4	12,125
	Other businesses			107	246,682			107	246,682
	Type unknown			7	12,644			7	12,644
	Total			151	295,581			151	295,581
Broome	Manufacturing			12	29,331			12	29,331
	Wholesale trade			16	13,076			16	13,076
	Retail			15	15,953			15	15,953
	Services			5	100,287			5	100,287
	Other businesses			14	28,590			14	28,590
	Type unknown			13	15,372			13	15,372
	Total			75	202,609			75	202,609
Cattaraugus	Manufacturing	4	2,567	18	17,375			22	19,942
	Wholesale trade			18	7,752			18	7,752
	Retail			33	18,583			33	18,583
	Services			20	40,005			20	40,005
	Other businesses			35	31,449			35	31,449
	Type unknown			16	3,727			16	3,727
	Total	4	2,567	140	118,891			144	121,458
Cayuga	Manufacturing	2	3,476	19	59,938			21	63,414
	Wholesale trade			21	11,093			21	11,093
	Retail			42	32,196			42	32,196
	Services			11	13,915			11	13,915
	Other businesses			60	138,216			60	138,216
	Type unknown			20	31,688			20	31,688
	Total	2	3,476	173	287,046			175	290,522

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Chautauqua	Manufacturing	3	3,807	52	56,698			55	60,505
	Wholesale trade	1	6,686	50	155,769			51	162,455
	Retail			81	130,282			81	130,282
	Services			18	52,993			18	52,993
	Other businesses			102	123,221			102	123,221
	Type unknown			94	101,849			94	101,849
	Total	4	10,493	397	620,811			401	631,304
Chemung	Manufacturing	6	185,724	21	119,458			27	305,182
	Wholesale trade	3	58,918	13	34,921			16	93,839
	Retail			28	170,134			28	170,134
	Services			18	28,598			18	28,598
	Other businesses			18	37,569			18	37,569
	Type unknown			45	51,570			45	51,570
	Total	9	244,642	143	442,249			152	686,891
Chenango	Manufacturing	2	33,133	23	45,215			25	78,348
	Wholesale trade			14	11,254			14	11,254
	Retail			29	10,915			29	10,915
	Services			10	3,674			10	3,674
	Other businesses	1	430	67	62,525			68	62,955
	Type unknown			35	38,197			35	38,197
	Total	3	33,563	178	171,780			181	205,343
Clinton	Wholesale trade			5	284			5	284
	Retail			7	1,496			7	1,496
	Other businesses			4	9,808			4	9,808
	Type unknown			21	2,965			21	2,965
	Total			37	14,554			37	14,554
Columbia	Manufacturing			5	37,765			5	37,765
	Wholesale trade			7	20,215			7	20,215
	Retail			13	9,877			13	9,877
	Services			1	232			1	232
	Other businesses			16	9,928			16	9,928
	Type unknown			13	6,128			13	6,128
	Total			55	84,146			55	84,146

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemp-tions	JIP Tax Shift ($)	485-b # of Exemp-tions	485-b Tax Shift ($)	EDZ # of Exemp-tions	EDZ Tax Shift ($)	Total # of Exemp-tions	Total Tax Shift ($)
Cortland	Manufacturing	1	2,088	12	19,132			13	21,220
	Wholesale trade			6	2,747			6	2,747
	Retail			12	36,840			12	36,840
	Services			3	10,923			3	10,923
	Other businesses			17	84,444			17	84,444
	Type unknown			14	19,397			14	19,397
	Total	1	2,088	64	173,483			65	175,571
Delaware	Manufacturing			4	6,719			4	6,719
	Wholesale trade			4	24,329			4	24,329
	Retail			8	10,733			8	10,733
	Services			2	2,185			2	2,185
	Other businesses			15	45,563			15	45,563
	Type unknown			7	10,360			7	10,360
	Total			40	99,888			40	99,888
Dutchess	Manufacturing			16	642,931			16	642,931
	Wholesale trade			34	103,733			34	103,733
	Retail			67	205,923			67	205,923
	Services			16	58,707			16	58,707
	Other businesses			47	289,644			47	289,644
	Type unknown			54	287,523			54	287,523
	Total			234	1,588,461			234	1,588,461
Erie	Manufacturing	42	368,374	135	208,190			177	576,564
	Wholesale trade	29	316,744	164	135,102			193	451,846
	Retail	3	8,532	404	1,056,443			407	1,064,975
	Services	2	72,026	103	337,280			105	409,306
	Other businesses	2	2,218	350	1,246,880			352	1,249,098
	Type unknown	9	309,058	429	516,637			438	825,695
	Total	87	1,076,951	1,585	3,500,531			1,672	4,577,482
Essex	Manufacturing	2	26,612	2	33,365			4	59,977
	Retail			2	1,979			2	1,979
	Other businesses			20	198,330			20	198,330
	Total	2	26,612	24	233,673			26	260,285

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemp-tions	JIP Tax Shift ($)	485-b # of Exemp-tions	485-b Tax Shift ($)	EDZ # of Exemp-tions	EDZ Tax Shift ($)	Total # of Exemp-tions	Total Tax Shift ($)
Franklin	Manufacturing			3	5,561			3	5,561
	Wholesale trade			5	1,337			5	1,337
	Retail			6	7,315			6	7,315
	Services			3	2,218			3	2,218
	Other businesses			14	28,532			14	28,532
	Type unknown			7	3,846			7	3,846
	Total			38	48,809			38	48,809
Fulton	Manufacturing	2	4,125	7	16,153	2	21,118	11	41,396
	Wholesale trade			7	11,952			7	11,952
	Retail			9	7,216			9	7,216
	Services			1	10,791			1	10,791
	Other businesses			3	5,739			3	5,739
	Type unknown			2	1,357			2	1,357
	Total	2	4,125	29	53,208	2	21,118	33	78,451
Genesee	Manufacturing			18	19,634			18	19,634
	Wholesale trade	2	451	16	3,411			18	3,862
	Retail			37	25,356			37	25,356
	Services			23	75,692			23	75,692
	Other businesses			239	86,313			239	86,313
	Type unknown			28	27,130			28	27,130
	Total	2	451	361	237,536			363	237,987
Greene	Manufacturing			5	5,236			5	5,236
	Wholesale trade			3	10,306			3	10,306
	Retail			16	23,937			16	23,937
	Services			16	28,233			16	28,233
	Other businesses	2	4,579	27	23,249			29	27,828
	Type unknown			13	10,216			13	10,216
	Total	2	4,579	80	101,177			82	105,756
Hamilton	Manufacturing			1	1,754			1	1,754
	Retail			3	695			3	695
	Other businesses			3	3,542			3	3,542
	Type unknown			2	1,059			2	1,059
	Total			9	7,050			9	7,050

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Herkimer	Manufacturing			10	79,043			10	79,043
	Wholesale trade			1	1,027			1	1,027
	Retail			16	21,930			16	21,930
	Services			8	17,519			8	17,519
	Other businesses			25	94,935			25	94,935
	Type unknown			8	3,529			8	3,529
	Total			68	217,983			68	217,983
Jefferson	Manufacturing	1	6,624	9	3,966			10	10,590
	Wholesale trade			33	21,083			33	21,083
	Retail			61	88,241			61	88,241
	Services			39	15,236			39	15,236
	Other businesses			99	186,122			99	186,122
	Type unknown			48	33,537			48	33,537
	Total	1	6,624	289	348,183			290	354,807
Lewis	Manufacturing			4	2,847			4	2,847
	Wholesale trade			9	3,939			9	3,939
	Retail			7	3,736			7	3,736
	Services			2	596			2	596
	Other businesses			16	45,661			16	45,661
	Type unknown			3	894			3	894
	Total			41	57,671			41	57,671
Livingston	Manufacturing			17	85,034			17	85,034
	Wholesale trade			8	3,178			8	3,178
	Retail			37	29,238			37	29,238
	Services			6	7,315			6	7,315
	Other businesses			117	96,420			117	96,420
	Type unknown			12	2,681			12	2,681
	Total			197	223,866			197	223,866
Madison	Manufacturing	1	2,648	13	26,679			14	29,327
	Wholesale trade			14	10,029			14	10,029
	Retail			28	30,022			28	30,022
	Services			6	3,773			6	3,773
	Other businesses			23	36,873			23	36,873
	Type unknown			23	24,097			23	24,097
	Total	1	2,648	107	131,473			108	134,121

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemp-tions	JIP Tax Shift ($)	485-b # of Exemp-tions	485-b Tax Shift ($)	EDZ # of Exemp-tions	EDZ Tax Shift ($)	Total # of Exemp-tions	Total Tax Shift ($)
Monroe	Manufacturing	1	188	188	887,250			189	887,438
	Wholesale trade	2	1,949	122	305,099			124	307,048
	Retail			164	640,913			164	640,913
	Services			46	264,169			46	264,169
	Other businesses			271	521,896			271	521,896
	Type unknown	1	1,847	383	1,186,688			384	1,188,535
	Total	4	3,984	1,174	3,806,015			1,178	3,809,999
Montgomery	Manufacturing			7	4,306			7	4,306
	Wholesale trade			4	6,521			4	6,521
	Retail			10	8,638			10	8,638
	Services			5	6,136			5	6,136
	Other businesses			3	4,227			3	4,227
	Type unknown			7	7,179			7	7,179
	Total			36	37,007			36	37,007
Nassau	Manufacturing	1	2,004	110	1,199,762			111	1,201,766
	Wholesale trade	1	2,204	156	2,062,786			157	2,064,990
	Retail			247	1,928,136			247	1,928,136
	Services			43	966,616			43	966,616
	Other businesses	2	37,300	107	1,280,818			109	1,318,118
	Type unknown	7	4,672	704	15,284,988			711	15,289,660
	Total	11	46,180	1,367	22,723,106			1,378	22,769,286
Niagara	Manufacturing	2	2,448	38	143,003			40	145,451
	Wholesale trade			23	15,734			23	15,734
	Retail			68	116,628			68	116,628
	Services			26	51,026			26	51,026
	Other businesses			160	1,344,478			160	1,344,478
	Type unknown			55	36,167			55	36,167
	Total	2	2,448	370	1,707,035			372	1,709,483
Oneida	Manufacturing	1	3,972	14	38,290			15	42,262
	Wholesale trade			10	14,978			10	14,978
	Retail			45	109,638			45	109,638
	Services			14	23,818			14	23,818
	Other businesses			59	691,142			59	691,142
	Type unknown			54	71,744			54	71,744
	Total	1	3,972	196	949,610			197	953,582

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Onondaga	Manufacturing	4	395,810	32	233,186			36	628,996
	Wholesale trade	8	24,768	85	309,784	1	3,840	94	338,392
	Retail	1	24,858	131	441,764	1	2,383	133	469,005
	Services			35	425,074			35	425,074
	Other businesses	2	23,236	150	396,804	9	2,449	161	422,489
	Type unknown	10	65,720	303	2,230,881	4	148,387	317	2,444,988
	Total	25	534,392	736	4,037,493	15	157,060	776	4,728,945
Ontario	Manufacturing	12	9,069	32	87,137			44	96,206
	Wholesale trade	1	788	35	39,898			36	40,686
	Retail			49	54,336			49	54,336
	Services			17	11,080			17	11,080
	Other businesses			99	45,525			99	45,525
	Type unknown			54	69,060			54	69,060
	Total	13	9,857	286	307,036			299	316,893
Orange	Manufacturing	2	3,431	77	205,432			79	208,863
	Wholesale trade			108	623,926			108	623,926
	Retail			173	880,121			173	880,121
	Services			23	59,381			23	59,381
	Other businesses			97	1,632,277			97	1,632,277
	Type unknown			242	690,161			242	690,161
	Total	2	3,431	720	4,091,299			722	4,094,730
Orleans	Manufacturing			14	15,043			14	15,043
	Wholesale trade			10	5,022			10	5,022
	Retail			15	7,050			15	7,050
	Services			2	487			2	487
	Other businesses			82	35,052			82	35,052
	Type unknown			12	4,675			12	4,675
	Total			135	67,328			135	67,328
Oswego	Manufacturing			44	252,341			44	252,341
	Wholesale trade			28	59,361			28	59,361
	Retail			36	29,251			36	29,251
	Services			17	18,952			17	18,952
	Other businesses			117	10,295,689			117	10,295,689
	Type unknown			38	20,548			38	20,548
	Total			280	10,676,142			280	10,676,142

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Otsego	Manufacturing	1	35,053	5	6,928			6	41,981
	Wholesale trade			10	8,196			10	8,196
	Retail			32	20,809			32	20,809
	Services			16	10,469			16	10,469
	Other businesses			18	11,245			18	11,245
	Type unknown			42	44,985			42	44,985
	Total	1	35,053	123	102,632			124	137,685
Putnam	Manufacturing			5	22,938			5	22,938
	Wholesale trade			13	182,513			13	182,513
	Retail			19	67,524			19	67,524
	Services			15	72,456			15	72,456
	Other businesses			16	349,735			16	349,735
	Type unknown			62	284,362			62	284,362
	Total			130	979,528			130	979,528
Rensselaer	Manufacturing	2	47,032	31	155,165			33	202,197
	Wholesale trade			30	36,013			30	36,013
	Retail			75	170,660			75	170,660
	Services			26	96,911			26	96,911
	Other businesses			39	33,427			39	33,427
	Type unknown			81	268,774			81	268,774
	Total	2	47,032	282	760,950			284	807,982
Rockland	Manufacturing			45	707,380			45	707,380
	Wholesale trade			45	334,178			45	334,178
	Retail			63	709,234			63	709,234
	Services			18	188,935			18	188,935
	Other businesses			32	978,237			32	978,237
	Type unknown			223	866,525			223	866,525
	Total			426	3,784,489			426	3,784,489
St. Lawrence	Manufacturing	1	17,510	6	7,679			7	25,189
	Wholesale trade			34	25,241			34	25,241
	Retail			79	96,443			79	96,443
	Services			16	12,985			16	12,985
	Other businesses			65	151,140	1	249,574	66	400,714
	Type unknown			63	95,520			63	95,520
	Total	1	17,510	263	389,007	1	249,574	265	656,091

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Saratoga	Manufacturing	4	51,049	19	48,206			23	99,255
	Wholesale trade			10	4,255			10	4,255
	Retail			24	151,127			24	151,127
	Services			3	820			3	820
	Other businesses			30	1,334,269			30	1,334,269
	Type unknown			35	47,273			35	47,273
	Total	4	51,049	121	1,585,950			125	1,636,999
Schenectady	Manufacturing			5	57,594			5	57,594
	Wholesale trade			9	10,478			9	10,478
	Retail			34	50,698			34	50,698
	Services			7	38,376			7	38,376
	Other businesses			5	8,465			5	8,465
	Type unknown			32	617,130			32	617,130
	Total			92	782,739			92	782,739
Schoharie	Manufacturing			1	1,026			1	1,026
	Wholesale trade			3	199			3	199
	Retail			5	5,895			5	5,895
	Services			2	295			2	295
	Other businesses			8	1,285			8	1,285
	Type unknown			12	7,787			12	7,787
	Total			31	16,486			31	16,486
Schuyler	Wholesale trade			5	1,953			5	1,953
	Retail			10	3,641			10	3,641
	Services			1	298			1	298
	Other businesses			34	18,362			34	18,362
	Type unknown			6	2,284			6	2,284
	Total			56	26,538			56	26,538
Seneca	Manufacturing	1	1,613	2	1,788			3	3,401
	Wholesale trade			1	942			1	942
	Retail			7	1,848			7	1,848
	Services			2	308			2	308
	Other businesses			19	8,545			19	8,545
	Type unknown			3	586			3	586
	Total	1	1,613	34	14,017			35	15,630

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Steuben	Manufacturing			6	63,420			6	63,420
	Wholesale trade			18	11,850			18	11,850
	Retail			27	29,753			27	29,753
	Services			7	15,925			7	15,925
	Other businesses			64	100,812			64	100,812
	Type unknown			30	82,899			30	82,899
	Total			152	304,659			152	304,659
Suffolk	Manufacturing	20	210,262	321	2,454,194			341	2,664,456
	Wholesale trade	7	319,304	348	1,939,541			355	2,258,845
	Retail			580	1,020,086			580	1,020,086
	Services			323	961,217			323	961,217
	Other businesses			254	884,187			254	884,187
	Type unknown	7	601,958	833	4,220,976			840	4,822,934
	Total	34	1,131,524	2,659	11,480,202			2,693	12,611,726
Sullivan	Manufacturing			2	1,688			2	1,688
	Wholesale trade			10	23,901			10	23,901
	Retail			14	17,179			14	17,179
	Services			24	88,559			24	88,559
	Other businesses			17	224,169			17	224,169
	Type unknown			16	32,570			16	32,570
	Total			83	388,066			83	388,066
Tioga	Manufacturing	2	6,346	3	11,297			5	17,643
	Wholesale trade			1	1,391			1	1,391
	Retail			5	920			5	920
	Other businesses			3	1,391			3	1,391
	Type unknown			4	877			4	877
	Total	2	6,346	16	15,877			18	22,223
Tompkins	Manufacturing			5	13,968			5	13,968
	Wholesale trade			22	12,596			22	12,596
	Retail			51	193,574			51	193,574
	Services			15	66,119			15	66,119
	Other businesses			97	138,249			97	138,249
	Type unknown			90	139,182			90	139,182
	Total			280	563,687			280	563,687

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Ulster	Manufacturing	6	19,585	28	58,491			34	78,076
	Wholesale trade	2	12,181	39	36,044			41	48,225
	Retail			44	170,721			44	170,721
	Services	1	6,719	17	27,539			18	34,258
	Other businesses	1	8,805	78	93,181			79	101,986
	Type unknown	3	7,613	52	39,108			55	46,721
	Total	13	54,902	258	425,084			271	479,986
Warren	Manufacturing	3	36,784	4	11,944			7	48,728
	Wholesale trade	1	46,655	4	480			5	47,135
	Retail			2	296			2	296
	Services			5	162,142			5	162,142
	Other businesses			126	86,673			126	86,673
	Type unknown	1	13,862	17	7,410			18	21,272
	Total	5	97,301	158	268,945			163	366,246
Washington	Manufacturing			13	40,691			13	40,691
	Wholesale trade	1	1,137	19	13,566			20	14,703
	Retail			28	55,774			28	55,774
	Services			2	1,655			2	1,655
	Other businesses			28	55,145			28	55,145
	Type unknown			18	11,420			18	11,420
	Total	1	1,137	108	178,249			109	179,386
Wayne	Manufacturing	10	21,383	14	25,319			24	46,702
	Wholesale trade	1	1,357	28	19,141			29	20,498
	Retail			32	20,312			32	20,312
	Services			13	33,592			13	33,592
	Other businesses	1	2,516	108	54,828			109	57,344
	Type unknown	3	4,932	52	67,739			55	72,671
	Total	15	30,005	247	220,931			262	250,936
Westchester	Manufacturing			11	36,039			11	36,039
	Wholesale trade			46	127,161	2	2,012	48	129,173
	Retail			56	468,247	1	77	57	468,324
	Services			14	210,496			14	210,496
	Other businesses			84	284,444	3	36,924	87	321,368
	Type unknown			166	1,096,688	2	4,012	168	1,100,700
	Total			377	2,223,074	8	43,026	385	2,266,100

Table A-6. Business Exemptions by County and Type of Business, 1988.

County	Type of Business	JIP # of Exemptions	JIP Tax Shift ($)	485-b # of Exemptions	485-b Tax Shift ($)	EDZ # of Exemptions	EDZ Tax Shift ($)	Total # of Exemptions	Total Tax Shift ($)
Wyoming	Manufacturing			10	10,556			10	10,556
	Wholesale trade			15	3,729			15	3,729
	Retail			18	18,440			18	18,440
	Services			2	197			2	197
	Other businesses			29	10,652			29	10,652
	Type unknown			4	1,870			4	1,870
	Total			78	45,445			78	45,445
Yates	Manufacturing			3	3,531			3	3,531
	Wholesale trade			8	1,862			8	1,862
	Retail			12	3,852			12	3,852
	Services			2	1,327			2	1,327
	Other businesses			21	8,132			21	8,132
	Type unknown			4	3,082			4	3,082
	Total			50	21,785			50	21,785
Statewide	Manufacturing	163	1,496,290	1,514	8,341,489	2	21,118	1,679	9,858,897
	Wholesale trade	67	789,444	1,701	6,869,955	3	5,852	1,771	7,665,251
	Retail	4	33,213	2,795	9,661,091	2	2,461	2,801	9,696,765
	Services	2	78,269	804	4,710,391			806	4,788,660
	Other businesses	14	78,858	3,705	24,319,881	13	288,948	3,732	24,687,687
	Type unknown	45	1,004,378	4,304	28,193,755	6	152,399	4,355	29,350,532
	Total	295	3,480,452	14,823	82,096,563	26	470,777	15,144	86,047,792

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

	Manufacturing		Wholesale Trade		Retail Trade		Services	
County	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
New York State								
% Change, 1972-77	-10.1	-4.6	-6.3	-4.6	-1.5	-4.8	2.1	-2.4
% Change, 1977-82	-6.0	-10.7	4.8	2.5	2.1	-3.7	NA	NA
% Change, 1982-86	-6.4	-8.1	15.3	3.4	19.9	8.4	18.3	20.3
% Change, 1977-86	-12.0	-18.0	20.9	6.0	22.4	4.4	NA	NA
% Change, 1972-86	-20.9	-21.7	13.2	1.1	20.6	-0.6	NA	NA
High Exemption Values (Value = $200,000+)								
Albany								
% Change, 1972-77	-18.8	4.8	-2.9	-4.5	6.0	-4.2	6.0	-0.3
% Change, 1977-82	-10.1	-3.1	7.0	6.1	7.9	1.5	NA	NA
% Change, 1982-86	4.6	6.1	19.9	4.6	31.0	17.4	23.3	22.4
% Change, 1977-86	-6.0	2.8	28.3	11.1	41.4	19.2	NA	NA
% Change, 1972-86	-23.7	7.7	24.6	6.0	49.8	14.2	NA	NA
Dutchess								
% Change, 1972-77	23.4	-1.7	1.9	0.0	11.5	2.6	16.5	3.5
% Change, 1977-82	19.7	8.3	-6.4	6.0	17.1	4.9	NA	NA
% Change, 1982-86	4.3	-8.5	20.2	9.6	23.3	8.1	24.0	28.0
% Change, 1977-86	24.8	-0.9	12.5	16.2	44.4	13.4	NA	NA
% Change, 1972-86	54.1	-2.6	14.7	16.2	61.0	16.4	NA	NA
Nassau								
% Change, 1972-77	-1.4	-3.0	7.7	7.1	-0.1	3.2	10.8	13.3
% Change, 1977-82	-4.1	-6.1	12.6	15.1	8.2	1.7	NA	NA
% Change, 1982-86	9.3	-2.0	18.9	6.0	18.1	12.2	26.0	25.0
% Change, 1977-86	4.8	-8.0	34.0	22.0	27.7	14.1	NA	NA
% Change, 1972-86	3.3	-10.7	44.2	30.7	27.6	17.8	NA	NA
Niagara								
% Change, 1972-77	-0.9	5.5	1.6	5.6	16.4	-0.8	13.4	-2.3
% Change, 1977-82	-19.7	-5.2	-11.0	-15.9	4.4	-3.3	NA	NA
% Change, 1982-86	-6.3	-3.1	10.2	2.9	10.4	3.4	12.3	15.2
% Change, 1977-86	-24.8	-8.2	-1.8	-13.5	15.3	0.0	NA	NA
% Change, 1972-86	-25.5	-3.1	-0.3	-8.6	34.2	-0.8	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Oneida								
% Change, 1972-77	-6.8	-4.0	5.2	-10.7	5.8	-7.6	8.6	-2.8
% Change, 1977-82	2.3	1.3	1.0	3.6	8.4	-2.5	NA	NA
% Change, 1982-86	-9.9	-10.1	16.8	-0.8	20.6	8.6	10.0	14.6
% Change, 1977-86	-7.8	-8.9	18.0	2.8	30.7	5.9	NA	NA
% Change, 1972-86	-14.1	-12.5	24.1	-8.2	38.2	-2.1	NA	NA
Oswego								
% Change, 1972-77	21.7	21.1	-3.6	-12.9	22.0	-3.1	NA	1.9
% Change, 1977-82	-9.5	-5.5	47.7	1.1	-1.0	-10.2	NA	NA
% Change, 1982-86	-3.9	-2.9	-17.5	5.6	16.8	7.2	23.9	26.1
% Change, 1977-86	-13.1	-8.3	21.8	6.8	15.6	-3.8	NA	NA
% Change, 1972-86	5.8	11.1	17.4	-6.9	40.9	-6.8	NA	NA
Saratoga								
% Change, 1972-77	NA	20.0	24.8	7.1	47.3	20.0	4.6	17.1
% Change, 1977-82	18.9	7.5	28.1	18.9	18.8	-0.6	NA	NA
% Change, 1982-86	1.6	1.6	51.8	26.2	31.9	17.8	40.5	39.1
% Change, 1977-86	20.8	9.2	94.4	50.0	56.7	17.0	NA	NA
% Change, 1972-86	NA	31.0	142.7	60.6	130.8	40.4	NA	NA
Schenectady								
% Change, 1972-77	NA	1.4	-5.6	-10.1	4.0	-7.8	4.5	0.2
% Change, 1977-82	-25.0	-7.6	-17.5	-5.1	2.0	-2.4	NA	NA
% Change, 1982-86	-15.3	0.8	0.5	-7.7	23.9	5.5	21.5	12.3
% Change, 1977-86	-36.5	-6.9	-17.1	-12.4	26.5	3.0	NA	NA
% Change, 1972-86	NA	-5.6	-21.7	-21.2	31.6	-5.0	NA	NA
Westchester								
% Change, 1972-77	-7.2	6.0	3.8	6.7	0.6	-3.6	10.8	-0.5
% Change, 1977-82	5.6	-9.7	4.2	11.7	10.1	-0.9	NA	NA
% Change, 1982-86	-2.3	-4.6	50.6	9.3	14.5	9.3	17.0	23.5
% Change, 1977-86	3.2	-13.9	56.9	22.1	26.0	8.3	NA	NA
% Change, 1972-86	-4.2	-8.7	62.8	30.3	26.9	4.4	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Medium Exemption Values (Value = $100,000 - $199,000)								
Broome								
% Change, 1972-77	3.7	4.5	-9.1	1.6	9.7	3.3	30.6	10.5
% Change, 1977-82	8.8	-8.0	0.6	-2.6	3.7	-6.6	NA	NA
% Change, 1982-86	-6.9	-2.0	23.3	3.6	27.4	5.0	16.6	15.5
% Change, 1977-86	1.3	-9.8	24.1	1.0	32.2	-1.9	NA	NA
% Change, 1972-86	5.1	-5.7	12.8	2.6	45.0	1.3	NA	NA
Cayuga								
% Change, 1972-77	-9.4	10.6	-7.3	-15.4	2.6	-1.0	-1.6	5.8
% Change, 1977-82	-8.6	-10.6	11.8	6.1	18.0	-1.0	NA	NA
% Change, 1982-86	0.0	1.1	-15.6	-6.7	13.9	6.5	10.1	25.4
% Change, 1977-86	-8.6	-9.6	-5.6	-1.0	34.4	5.4	NA	NA
% Change, 1972-86	-17.2	0.0	-12.5	-16.2	37.8	4.3	NA	NA
Chemung								
% Change, 1972-77	NA	-7.8	-1.9	-8.1	4.9	-6.7	3.3	4.2
% Change, 1977-82	-27.3	-14.3	-2.5	-6.8	6.1	-4.2	NA	NA
% Change, 1982-86	-22.6	-9.8	12.2	5.8	7.7	0.7	10.1	13.6
% Change, 1977-86	-43.8	-22.7	9.3	-1.4	14.3	-3.5	NA	NA
% Change, 1972-86	NA	-28.7	7.2	-9.4	19.8	-9.9	NA	NA
Cortland								
% Change, 1972-77	-11.3	-12.3	50.3	4.2	5.5	-9.1	1.3	0.0
% Change, 1977-82	-3.6	7.8	-42.8	-9.3	6.0	-3.3	NA	NA
% Change, 1982-86	-13.2	-14.5	-3.8	-19.1	17.6	6.9	20.9	18.8
% Change, 1977-86	-16.4	-7.8	-45.0	-26.7	24.7	3.3	NA	NA
% Change, 1972-86	-25.8	-19.2	-17.3	-23.6	31.5	-6.1	NA	NA
Erie								
% Change, 1972-77	-9.3	4.7	-2.4	-7.0	2.6	-5.8	8.1	-1.8
% Change, 1977-82	-19.6	-6.5	4.3	-2.1	-3.0	-5.6	NA	NA
% Change, 1982-86	-9.5	-3.3	6.0	1.2	18.6	5.0	20.8	13.4
% Change, 1977-86	-27.2	-9.5	10.5	-0.9	15.1	-0.9	NA	NA
% Change, 1972-86	-33.9	-5.3	7.8	-7.9	18.1	-6.6	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Herkimer								
% Change, 1972-77	-38.3	-6.7	8.0	-6.3	12.3	-4.6	4.5	0.0
% Change, 1977-82	5.4	-21.6	2.4	-8.3	-3.0	-6.6	NA	NA
% Change, 1982-86	-41.0	-9.2	13.5	7.3	23.9	-0.3	22.3	21.1
% Change, 1977-86	-37.8	-28.9	16.2	-1.7	20.2	-6.9	NA	NA
% Change, 1972-86	-61.7	-33.7	25.5	-7.8	35.0	-11.2	NA	NA
Monroe								
% Change, 1972-77	1.4	1.8	0.4	2.8	2.8	-1.6	9.3	3.9
% Change, 1977-82	4.2	4.3	11.5	3.1	8.3	3.1	NA	NA
% Change, 1982-86	-10.8	-2.2	100.0	7.0	26.3	10.6	29.0	22.8
% Change, 1977-86	-7.1	2.1	123.0	10.3	36.8	14.0	NA	NA
% Change, 1972-86	-5.8	3.9	123.9	13.5	40.6	12.1	NA	NA
Onondaga								
% Change, 1972-77	-7.4	2.9	-2.4	2.8	3.9	1.1	10.2	8.0
% Change, 1977-82	-2.1	-3.0	0.4	-2.2	7.3	0.2	NA	NA
% Change, 1982-86	-1.1	-2.1	11.7	3.2	39.7	10.8	27.6	21.5
% Change, 1977-86	-3.1	-5.1	12.1	0.9	49.8	11.0	NA	NA
% Change, 1972-86	-10.3	-2.3	9.4	3.7	55.6	12.2	NA	NA
Putnam								
% Change, 1972-77	NA	73.0	18.1	7.6	28.3	7.2	15.1	15.3
% Change, 1977-82	NA	3.1	45.3	0.0	10.2	-0.8	NA	NA
% Change, 1982-86	35.7	13.6	26.8	33.8	17.3	6.2	48.6	34.4
% Change, 1977-86	NA	17.2	84.2	33.8	29.3	5.4	NA	NA
% Change, 1972-86	171.4	102.7	117.6	43.9	65.8	12.9	NA	NA
Rensselaer								
% Change, 1972-77	-20.2	0.0	-11.1	-2.0	-6.4	-11.3	-9.2	-3.3
% Change, 1977-82	-16.9	-11.8	-2.2	-3.4	10.4	-2.2	NA	NA
% Change, 1982-86	-1.7	2.7	52.0	-2.8	30.7	3.0	9.6	22.0
% Change, 1977-86	-18.3	-9.4	48.8	-6.1	44.2	0.7	NA	NA
% Change, 1972-86	-34.8	-9.4	32.2	-8.0	35.0	-10.7	NA	NA
Rockland								
% Change, 1972-77	5.7	15.4	11.1	44.6	12.5	4.7	19.6	15.6
% Change, 1977-82	6.1	11.9	50.6	35.9	8.6	0.9	NA	NA
% Change, 1982-86	11.5	7.7	6.2	7.7	16.2	12.3	26.0	29.6
% Change, 1977-82	18.2	20.5	59.8	46.4	26.2	13.3	NA	NA
% Change, 1972-86	25.0	39.0	77.6	111.6	41.9	18.6	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

	Manufacturing		Wholesale Trade		Retail Trade		Services	
County	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Suffolk								
% Change, 1972-77	12.3	42.5	24.1	29.3	9.3	17.4	5.9	29.3
% Change, 1977-82	30.7	8.4	41.9	31.1	10.1	4.7	NA	NA
% Change, 1982-86	18.7	3.4	40.0	22.4	28.6	12.6	31.8	32.1
% Change, 1977-86	55.2	12.1	98.6	60.5	41.6	17.9	NA	NA
% Change, 1972-86	74.3	59.7	146.5	107.6	54.8	38.4	NA	NA
Tioga								
% Change, 1972-77	42.6	16.3	1.5	-8.0	5.2	-8.8	10.8	1.4
% Change, 1977-82	16.4	8.0	7.4	-10.9	-0.5	-13.5	NA	NA
% Change, 1982-86	-1.3	-7.4	12.3	2.4	20.0	4.4	14.2	31.6
% Change, 1977-86	14.9	0.0	20.6	-8.7	19.4	-9.6	NA	NA
% Change, 1972-86	63.8	16.3	22.4	-16.0	25.6	-17.5	NA	NA
Warren								
% Change, 1972-77	6.3	10.5	7.1	-4.3	10.0	4.6	-9.5	-1.6
% Change, 1977-82	-11.8	3.2	15.6	3.3	6.1	-0.4	NA	NA
% Change, 1982-86	15.6	8.2	17.6	-1.1	17.8	10.4	25.7	32.3
% Change, 1977-86	2.0	11.6	35.9	2.2	25.0	10.0	NA	NA
% Change, 1972-86	8.3	23.3	45.6	-2.1	37.4	15.1	NA	NA
Low Exemption Values (Value = $1,000 - $99,000)								
Allegany								
% Change, 1972-77	-8.1	0.0	7.9	5.8	4.6	-13.7	-11.1	-18.1
% Change, 1977-82	-8.8	4.3	22.7	-7.3	-2.6	-9.2	NA	NA
% Change, 1982-86	-19.4	-6.1	-6.3	-2.0	17.2	1.6	19.7	26.7
% Change, 1977-86	-26.5	-2.1	15.0	-9.1	14.1	-7.7	NA	NA
% Change, 1972-86	-32.4	-2.1	24.2	-3.8	19.3	-20.4	NA	NA
Cattaraugus								
% Change, 1972-77	5.8	7.3	-12.3	-5.2	0.7	-0.2	15.9	4.8
% Change, 1977-82	-11.0	-15.9	4.9	-7.3	14.5	-6.8	NA	NA
% Change, 1982-86	-11.1	-0.9	-5.6	-3.9	8.3	7.3	37.7	21.6
% Change, 1977-86	-20.9	-16.7	-1.0	-10.9	24.0	0.0	NA	NA
% Change, 1972-86	-16.3	-10.6	-13.2	-15.5	24.9	-0.2	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Chautauqua								
% Change, 1972-77	-4.6	17.3	8.9	-0.9	5.3	-7.1	-13.1	-10.3
% Change, 1977-82	-4.8	-10.0	2.8	-13.4	-0.3	-10.8	NA	NA
% Change, 1982-86	-7.0	-5.9	26.0	3.2	5.0	2.5	18.5	17.7
% Change, 1977-86	-11.4	-15.4	29.6	-10.6	4.7	-8.6	NA	NA
% Change, 1972-86	-15.5	-0.8	41.1	-11.4	10.2	-15.0	NA	NA
Chenango								
% Change, 1972-77	1.8	27.3	-44.1	-13.2	16.2	1.7	1.3	7.7
% Change, 1977-82	7.1	-2.4	-18.9	-8.5	-9.0	-9.1	NA	NA
% Change, 1982-86	-5.0	12.2	-2.4	1.9	46.0	-3.0	23.4	34.9
% Change, 1977-86	1.8	9.5	-20.8	-6.8	32.8	-11.8	NA	NA
% Change, 1972-86	3.6	39.4	-55.7	-19.1	54.3	-10.3	NA	NA
Clinton								
% Change, 1972-77	23.3	31.7	12.4	10.9	34.1	0.9	15.0	8.5
% Change, 1977-82	5.4	3.8	-3.8	-9.0	5.7	2.0	NA	NA
% Change, 1982-86	20.5	-1.2	17.2	8.1	9.2	2.0	19.2	22.1
% Change, 1977-86	27.0	2.5	12.7	-1.6	15.5	4.0	NA	NA
% Change, 1972-86	56.7	35.0	26.7	9.1	54.8	5.0	NA	NA
Columbia								
% Change, 1972-77	-6.9	11.7	-17.9	3.8	4.4	-3.3	5.0	-10.5
% Change, 1977-82	0.0	-10.5	21.2	6.1	10.4	-14.8	NA	NA
% Change, 1982-86	0.0	7.8	20.7	4.6	9.4	12.7	23.6	25.0
% Change, 1977-86	0.0	-3.5	46.3	11.0	20.8	-4.0	NA	NA
% Change, 1972-86	-6.9	7.8	20.1	15.2	26.2	-7.2	NA	NA
Delaware								
% Change, 1972-77	3.6	4.2	-17.2	-7.4	1.8	-7.0	27.9	0.0
% Change, 1977-82	3.4	-2.7	-13.1	-1.6	19.6	-11.3	NA	NA
% Change, 1982-86	-16.7	1.4	8.9	-1.6	13.5	6.9	21.8	28.3
% Change, 1977-86	-13.8	-1.4	-5.3	-3.2	35.8	-5.2	NA	NA
% Change, 1972-86	-10.7	2.8	-21.6	-10.3	38.3	-11.9	NA	NA
Essex								
% Change, 1972-77	0.0	8.9	-6.6	-3.9	3.8	-1.8	-4.4	-8.7
% Change, 1977-82	-6.3	-1.6	-6.6	-22.4	24.2	-7.7	NA	NA
% Change, 1982-86	86.7	3.3	NA	18.4	32.9	12.6	15.4	33.0
% Change, 1977-86	75.0	1.6	NA	-8.2	65.1	3.9	NA	NA
% Change, 1972-86	75.0	10.7	NA	-11.8	71.3	2.0	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

	Manufacturing		Wholesale Trade		Retail Trade		Services	
County	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Franklin								
% Change, 1972-77	NA	5.5	-22.1	-17.9	13.2	-6.6	-8.0	-1.7
% Change, 1977-82	NA	-10.3	-10.0	-20.3	-2.6	-8.4	NA	NA
% Change, 1982-86	20.0	-5.8	69.7	-7.8	13.1	-1.1	21.8	25.6
% Change, 1977-86	NA	-15.5	52.7	-26.6	10.2	-9.4	NA	NA
% Change, 1972-86	28.6	-10.9	19.0	-39.7	24.7	-15.4	NA	NA
Fulton								
% Change, 1972-77	6.0	-13.7	-14.3	-14.9	0.6	-5.4	14.9	-1.7
% Change, 1977-82	-9.9	-11.0	3.4	10.5	-6.8	-18.2	NA	NA
% Change, 1982-86	-14.1	-10.3	-9.8	-3.2	15.8	3.3	12.5	15.9
% Change, 1977-86	-22.5	-20.1	-6.7	7.0	7.9	-15.5	NA	NA
% Change, 1972-86	-17.9	-31.1	-20.1	-8.9	8.5	-20.1	NA	NA
Genesee								
% Change, 1972-77	-22.1	-6.5	24.9	5.4	4.2	-1.6	27.0	12.0
% Change, 1977-82	-17.0	-5.7	5.3	4.1	2.0	-7.5	NA	NA
% Change, 1982-86	-4.5	1.2	9.8	1.0	29.6	4.5	10.2	21.0
% Change, 1977-86	-20.8	-4.6	15.6	5.1	32.2	-3.3	NA	NA
% Change, 1972-86	-38.2	-10.8	44.4	10.8	37.8	-4.9	NA	NA
Greene								
% Change, 1972-77	25.0	-9.8	-28.0	-10.2	12.5	-4.2	-18.0	-14.3
% Change, 1977-82	-25.0	-4.3	-6.0	-2.3	2.1	-7.8	NA	NA
% Change, 1982-86	-13.3	0.0	34.1	9.3	23.5	3.1	42.0	28.4
% Change, 1977-86	-35.0	-4.3	26.0	6.8	26.1	-5.0	NA	NA
% Change, 1972-86	-18.8	-13.7	-9.2	-4.1	41.9	-9.0	NA	NA
Hamilton								
% Change, 1972-77	NA	40.0	NA	100.0	17.4	-9.0	-21.3	-27.3
% Change, 1977-82	NA	-28.6	NA	0.0	-13.3	-14.8	NA	NA
% Change, 1982-86	0.0	30.0	NA	NA	1.2	-7.2	12.9	23.8
% Change, 1977-86	NA	-7.1	NA	NA	-12.2	-21.0	NA	NA
% Change, 1972-86	0.0	30.0	NA	NA	3.0	-28.1	NA	NA
Jefferson								
% Change, 1972-77	-11.1	-13.0	-2.5	-8.8	-9.5	-5.1	28.9	-8.5
% Change, 1977-82	-3.6	-3.4	-0.2	-0.7	1.9	-10.6	NA	NA
% Change, 1982-86	-11.1	-7.1	0.0	-10.4	21.8	9.9	12.9	22.2
% Change, 1977-86	-14.3	-10.3	-0.2	-11.1	24.1	-1.8	NA	NA
% Change, 1972-86	-23.8	-22.0	-2.6	-18.9	12.3	-6.8	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Lewis								
% Change, 1972-77	-15.0	-8.1	-10.3	-18.8	-0.9	-7.0	-53.3	-7.5
% Change, 1977-82	17.6	26.5	-6.3	3.8	-5.7	-9.8	NA	NA
% Change, 1982-86	-10.0	-4.7	-20.3	-11.1	28.9	0.0	32.6	45.0
% Change, 1977-86	5.9	20.6	-25.4	-7.7	21.5	-9.8	NA	NA
% Change, 1972-86	-10.0	10.8	-33.1	-25.0	20.4	-16.2	NA	NA
Livingston								
% Change, 1972-77	-9.3	-1.8	3.6	-5.6	30.1	-2.3	-1.8	0.9
% Change, 1977-82	5.1	3.6	5.1	-3.0	8.2	-7.3	NA	NA
% Change, 1982-86	0.0	-6.9	7.1	-1.5	7.6	-0.6	22.0	21.6
% Change, 1977-86	5.1	-3.6	12.6	-4.5	16.4	-7.8	NA	NA
% Change, 1972-86	-4.7	-5.3	16.7	-9.9	51.4	-9.9	NA	NA
Madison								
% Change, 1972-77	-15.0	-1.5	-13.2	-13.9	4.7	-0.8	NA	0.0
% Change, 1977-82	29.4	-1.6	0.4	11.8	8.0	-10.2	NA	NA
% Change, 1982-86	22.7	9.5	23.0	9.2	15.5	5.7	34.1	18.0
% Change, 1977-86	58.8	7.8	23.5	22.1	24.7	-5.1	NA	NA
% Change, 1972-86	35.0	6.2	7.1	5.1	30.6	-5.9	NA	NA
Montgomery								
% Change, 1972-77	-1.3	-1.1	-49.1	-19.5	9.2	-13.2	-0.2	-7.8
% Change, 1977-82	-15.6	0.0	47.7	1.4	6.6	-6.1	NA	NA
% Change, 1982-86	15.4	-11.2	32.1	-5.6	7.1	0.9	39.6	20.2
% Change, 1977-86	-2.6	-11.2	95.0	-4.3	14.1	-5.2	NA	NA
% Change, 1972-86	-3.8	-12.2	-0.7	-23.0	24.6	-17.7	NA	NA
Ontario								
% Change, 1972-77	4.5	4.2	-12.9	-3.0	26.0	3.5	-2.3	9.0
% Change, 1977-82	15.2	4.8	-7.6	-7.7	3.5	-0.5	NA	NA
% Change, 1982-86	28.3	1.5	9.6	3.3	10.3	4.1	4.9	22.6
% Change, 1977-86	47.8	6.4	1.2	-4.6	14.2	3.6	NA	NA
% Change, 1972-86	54.5	10.8	-11.8	-7.5	43.9	7.3	NA	NA
Orange								
% Change, 1972-77	-7.9	-0.3	-3.7	1.5	10.2	-2.2	-10.6	1.0
% Change, 1977-82	-13.8	-2.2	33.7	5.1	8.5	3.1	NA	NA
% Change, 1982-86	9.2	-0.6	48.4	15.7	28.7	14.0	26.6	26.3
% Change, 1977-86	-5.9	-2.8	98.4	21.6	39.7	17.5	NA	NA
% Change, 1972-86	-13.3	-3.1	91.2	23.5	53.9	14.9	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Orleans								
% Change, 1972-77	7.7	11.6	-7.0	-2.4	-1.8	-10.9	22.2	-8.2
% Change, 1977-82	-25.0	-6.3	-9.8	-5.0	7.0	-7.2	NA	NA
% Change, 1982-86	9.5	-2.2	6.7	-15.8	5.5	7.2	21.1	22.3
% Change, 1977-86	-17.9	-8.3	-3.8	-20.0	12.8	-0.6	NA	NA
% Change, 1972-86	-11.5	2.3	-10.5	-22.0	10.8	-11.4	NA	NA
Otsego								
% Change, 1972-77	23.1	3.4	3.3	-3.9	18.2	2.3	-14.1	-1.9
% Change, 1977-82	0.0	11.7	-7.2	-10.1	-2.8	-11.1	NA	NA
% Change, 1982-86	6.3	3.0	2.5	-15.7	16.0	4.0	0.7	22.3
% Change, 1977-86	6.3	15.0	-4.9	-24.2	12.7	-7.6	NA	NA
% Change, 1972-86	30.8	19.0	-1.8	-27.2	33.3	-5.4	NA	NA
St. Lawrence								
% Change, 1972-77	-6.5	-12.1	-20.7	-18.5	12.8	-10.2	-4.4	4.2
% Change, 1977-82	-6.9	-5.7	4.4	7.3	-7.3	-8.1	NA	NA
% Change, 1982-86	-6.0	6.1	28.8	-11.9	27.4	5.2	17.0	13.3
% Change, 1977-86	-12.5	0.0	34.4	-5.5	18.2	-3.3	NA	NA
% Change, 1972-86	-18.2	-12.1	6.6	-23.0	33.3	-13.2	NA	NA
Schoharie								
% Change, 1972-77	NA	30.0	NA	-11.8	16.3	0.7	-1.2	0.0
% Change, 1977-82	NA	-15.4	NA	-6.7	6.3	-7.9	NA	NA
% Change, 1982-86	16.7	-3.0	-6.3	-10.7	14.9	12.9	59.1	30.7
% Change, 1977-86	NA	-17.9	NA	-16.7	22.2	3.9	NA	NA
% Change, 1972-86	0.0	6.7	-20.7	-26.5	42.1	4.6	NA	NA
Schuyler								
% Change, 1972-77	0.0	26.7	NA	NA	-6.2	-12.9	-36.7	-35.0
% Change, 1977-82	0.0	10.5	NA	-7.1	22.4	-12.9	NA	NA
% Change, 1982-86	-8.3	0.0	NA	-30.8	17.4	2.3	69.2	31.4
% Change, 1977-86	-8.3	10.5	NA	-35.7	43.6	-10.9	NA	NA
% Change, 1972-86	-8.3	40.0	NA	NA	34.7	-22.4	NA	NA
Seneca								
% Change, 1972-77	-5.7	12.9	19.6	9.1	-5.7	-13.4	-16.9	-21.5
% Change, 1977-82	15.2	-8.6	13.9	5.6	4.4	-8.9	NA	NA
% Change, 1982-86	10.5	-12.5	-10.6	15.8	-9.6	2.0	14.9	19.5
% Change, 1977-86	27.3	-20.0	1.8	22.2	05.6	-7.1	NA	NA
% Change, 1972-86	20.0	-9.7	21.8	33.3	-11.0	-19.6	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Steuben								
% Change, 1972-77	24.6	0.0	29.3	-8.6	1.7	-3.4	-3.4	-9.3
% Change, 1977-82	-11.3	-2.2	-19.4	-3.8	3.4	-7.2	NA	NA
% Change, 1982-86	-4.0	19.1	0.7	-2.0	5.7	3.8	5.3	24.9
% Change, 1977-86	-14.8	16.5	-18.9	-5.7	9.3	-3.7	NA	NA
% Change, 1972-86	6.1	16.5	4.9	-13.8	11.1	-7.0	NA	NA
Sullivan								
% Change, 1972-77	-11.1	17.4	-17.3	-25.2	4.9	-11.9	7.8	-13.3
% Change, 1977-82	25.0	-9.9	4.1	4.8	2.3	-16.4	NA	NA
% Change, 1982-86	0.0	8.2	27.1	7.3	18.7	11.1	1.7	27.0
% Change, 1977-86	25.0	-2.5	32.4	12.5	21.4	-7.1	NA	NA
% Change, 1972-86	11.1	14.5	9.5	-15.8	27.4	-18.1	NA	NA
Tompkins								
% Change, 1972-77	-1.9	64.7	4.2	0.0	19.1	15.1	3.9	7.6
% Change, 1977-82	-17.0	6.0	21.2	6.9	21.6	2.6	NA	NA
% Change, 1982-86	-13.6	18.0	-7.2	-3.9	6.8	4.6	18.7	20.5
% Change, 1977-86	-28.3	25.0	12.5	2.8	29.9	7.3	NA	NA
% Change, 1972-86	-29.6	105.9	17.3	2.8	54.7	23.5	NA	NA
Ulster								
% Change, 1972-77	-37.3	11.3	-24.6	-8.4	7.1	3.9	13.5	2.5
% Change, 1977-82	49.4	-1.7	14.7	1.2	12.1	-3.5	NA	NA
% Change, 1982-86	-2.5	-4.3	12.4	7.8	21.0	10.5	24.8	24.2
% Change, 1977-86	45.6	-5.9	28.9	9.1	35.6	6.6	NA	NA
% Change, 1972-86	-8.7	4.7	-2.9	0.0	45.2	10.8	NA	NA
Washington								
% Change, 1972-77	1.7	-7.2	-27.3	-11.3	19.3	-6.9	-10.7	2.9
% Change, 1977-82	-5.1	10.4	7.2	1.6	16.7	-0.7	NA	NA
% Change, 1982-86	-10.7	-7.1	1.8	-12.5	10.9	10.3	23.3	38.9
% Change, 1977-86	-15.3	2.6	9.1	-11.1	29.4	9.5	NA	NA
% Change, 1972-86	-13.8	-4.8	-20.6	-21.1	54.4	2.0	NA	NA
Wayne								
% Change, 1972-77	1.5	-1.7	-32.3	-16.8	65.8	-5.1	5.6	-5.8
% Change, 1977-82	5.8	-6.7	12.4	0.0	-73.4	-20.4	NA	NA
% Change, 1982-86	-9.6	7.2	3.5	0.0	22.6	1.8	35.4	22.1
% Change, 1977-86	-4.3	0.0	16.4	0.0	-67.5	-19.0	NA	NA
% Change, 1972-86	-2.9	-1.7	-21.3	-16.8	-46.0	-23.1	NA	NA

Table A-7. Business Exemptions Granted in 1986 and Percent Change in Number of Employees and Establishments.

County	Manufacturing		Wholesale Trade		Retail Trade		Services	
	Employees	Establishments	Employees	Establishments	Employees	Establishments	Employees	Establishments
Wyoming								
% Change, 1972-77	-7.7	0.0	-5.9	-9.6	7.8	-1.3	28.9	4.4
% Change, 1977-82	0.0	-8.3	61.5	10.6	14.1	-6.6	NA	NA
% Change, 1982-86	2.8	6.8	-31.9	9.6	7.8	9.4	40.6	31.0
% Change, 1977-86	2.8	-2.1	10.0	21.3	22.9	2.2	NA	NA
% Change, 1972-86	-5.1	-2.1	3.5	9.6	32.5	0.9	NA	NA
Yates								
% Change, 1972-77	-20.0	16.7	23.7	7.4	8.9	-6.0	-1.6	-7.0
% Change, 1977-82	-12.5	14.3	-6.0	0.0	13.6	-7.9	NA	NA
% Change, 1982-86	-14.3	12.5	-11.8	-3.4	20.7	11.2	11.8	25.0
% Change, 1977-86	-25.0	28.6	-17.0	-3.4	37.1	2.4	NA	NA
% Change, 1972-86	-40.0	50.0	2.6	3.7	49.2	-3.7	NA	NA

NA = Not available. 1977-82, 1977-86, and 1972-86 percent changes for service industries are unavailable because of incomparability of published data; other percent changes are unavailable because the number of employees or establishments has been withheld by the Census Bureau to avoid disclosure.

Source: U.S. Bureau of the Census, County and City Data Book, 1977, 1983, 1988.
U.S. Bureau of the Census, County Business Patterns, 1982, 1986.