



# Instructions for Form RP-457-a

## Application for Exemption for Eligible Residential Property Transferred to Low-income Household

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### General information

Real Property Tax Law § 457-a allows a county, city, town, or village to adopt a local law, or a school district — other than a school district to which Education Law Article 52 applies — to adopt a resolution, providing a partial exemption from taxation to eligible residential property transferred to or occupied by a low-income household.

### Eligibility requirements

For the residential real property to be eligible for this exemption, the following eligibility requirements must be met:

- The property must be subject to a restrictive covenant or declaration, legal requirement, regulatory agreement or other contractual obligation with a governmental entity, nonprofit housing organization, or land bank, and either:
  - The property has been transferred to a qualified low-income household, or,
  - If the property consists of land that has been transferred to a community land trust and a residential building is situated on the land, the residential building has been or will be leased or sold to a qualified low-income household.
- The property must be the primary residence of a qualified low-income household. To be considered a qualified low-income household for this purpose, a household must have an income upon initial occupancy of the residential property of not more than 80% of the area median income, which is defined annually by the United States Department of Housing and Urban Development. The household must also have been certified as meeting the income and residency criteria by a nonprofit housing organization, community land trust, land bank, or appropriate governmental entity.

### Duration and computation of exemption

The exemption percentage (depending on local option) is at least 25% but not more than 75% of the assessed value of the eligible residential real property.

The exemption will be discontinued if the property:

- ceases to be used primarily for residential purposes
- ceases to be used as a primary residence; or
- is transferred to another person or entity, other than to any heirs or beneficiaries of the owner that meet the requirements of being a qualified low-income household at the time of the transfer.

### Where and when to file the application

On or before the appropriate taxable status date, the owners must file this form with the assessor of the county, city, town, or village, having the power to assess property for taxation.

**Note:** Contact your assessor's office to confirm the taxable status date in your municipality.