



**NEW YORK STATE DEPARTMENT OF TAXATION & FINANCE  
OFFICE OF REAL PROPERTY TAX SERVICES**

**INSTRUCTIONS FOR APPLICATION FOR REAL PROPERTY TAX EXEMPTION  
FOR BRANCH BANKING DEVELOPMENT DISTRICT**

**(Real Property Tax Law, Section 485-f)**

**1. Authorization for exemption**

Section 485-f of the Real Property Tax Law authorizes a partial exemption from real property taxation for the construction, installation, alteration or improvement of a branch of a bank, trust company or national bank, savings bank, savings and loan association, federal savings and loan association, or federal savings bank located in a banking development district as designated by the Superintendent of Banks. Counties, cities, towns and villages may enact local laws authorizing the exemption; school districts may do so by resolution.

**2. Criteria for exemption**

Assuming local authorization for the exemption, to qualify, (1) the construction, installation, alteration or improvement must be commenced after the designation of the banking development district and the adoption of the local law or resolution authorizing the exemption, and (2) the property must be located within the banking development district.

**3. Duration and computation of exemption**

The exemption may apply to charges imposed upon real property by or on behalf of a county, city, town, village or school district for municipal or school district purposes and to special ad valorem levies. Generally, the amount of the exemption in the first year is 50% of the increase in assessed value attributable to the improvement. The exemption amount then decreases by 5% in each of the next nine years. This declining percentage continues to be applied to the increase in assessed value determined in the first year of the exemption unless there is a change in level of assessment for an assessment roll of 15% or more, as certified by the Office of Real Property Tax Services, in which case adjustment is required. The exemption does not apply to costs incurred for ordinary maintenance and repairs.

**4. Filing of application**

Application for exemption from county, city, town and school district taxes must be filed with the city or town assessor. Application for exemption from village taxes must be filed with the assessor who prepares the assessment roll used in levying village taxes. In Nassau County, applications for exemption from county, town or school district taxes must be filed with the Nassau County Board of Assessors. In Tompkins County, applications for exemption from county, city, town, village or school district taxes must be filed with the Tompkins County Division of Assessment.

**5. Time of filing application**

The application must be filed in the assessor's office on or before the appropriate taxable status date and within one year from the date of completion. In towns preparing their assessment rolls in accordance with the schedule provided in the Real Property Tax Law, the taxable status date is March 1. In towns in Nassau County, the taxable status date is January 2. Westchester County towns have either a May 1 or June 1 taxable status date; contact the assessor. In villages and cities, the taxable status dates vary, and the appropriate assessor should be consulted for the correct date.

Once the exemption has been granted, the exemption may continue for the authorized period provided that the eligibility requirements continue to be satisfied. It is not necessary to reapply for the exemption after the initial year in order for the exemption to continue.