

Memorandum



Department of Taxation and Finance

January 2017

TO: Users of New York State Assessor's Manual

FROM: James McGovern

SUBJECT: Revisions to Assessor's Manual, Volume 4: Exemption Administration, Year 2017 Updates

Updates to Volume 4 of the Assessor's Manual online for the 2017 assessment roll year are now complete. The revisions and additions incorporate legislation enacted in 2016 that pertains to real property tax exemptions (current through December 31). In addition to new and amended exemptions, material has been revised to correct errors, clarify certain provisions of exemption statutes, and to consolidate or reformat pages

Please note that Assessors Manual Volume 4 is available on the New York State Department of Taxation and Finance, Office of Real Property Tax Services (ORPTS) website at <http://www.tax.ny.gov/research/property/assess/manuals/assersmanual.htm>. This on-line version contains the same material as the paper manual many of you have continued to use for several years.

Revisions are now made solely to the on-line version, with the changes denoted on a summary page of changes. This began with the 2015 version of the manual. Unlike the two other volumes of the Assessor's Manual (Data Collection and Valuation), the Exemption Administration Manual must be extensively revised each and every year, usually across all eight major sections. The high frequency of revisions throughout the manual, combined with scarce resources at ORPTS, makes it no longer feasible to continue maintaining and supporting the physical manual. You do have the option of printing the web pages should you still choose to maintain the physical manual on your own. However, the most cost- and time-effective approach is to use the on-line version of the Manual without printing at all. Each of the profiles contains several hyperlinks for easy navigation throughout the on-line manual. Exemption application and instruction forms may still be downloaded and printed at <http://www.tax.ny.gov/forms/orpts/exemption.htm>.

The School Tax Relief (STAR) exemption has been amended in 2016. The STAR program has undergone a major change. Beginning with homes purchased after the taxable status date for the 2015 assessment roll, the STAR program is no longer an exemption. It is now an advance payment personal income tax credit. Property that was already receiving a STAR exemption, including those that move from Basic to Enhanced STAR are grandfathered in and will continue to receive the exemption as long as they remain eligible or until the property is transferred. Additionally the income eligibility limit for the Enhanced STAR exemption (under Real Property Tax Law Section 425) increases to \$86,000 for the 2016-17 school year.

The Veterans exemptions were also amended this year. A local option was added to the Alternative Veterans' exemption to allow counties, cities, villages, and school districts to allow

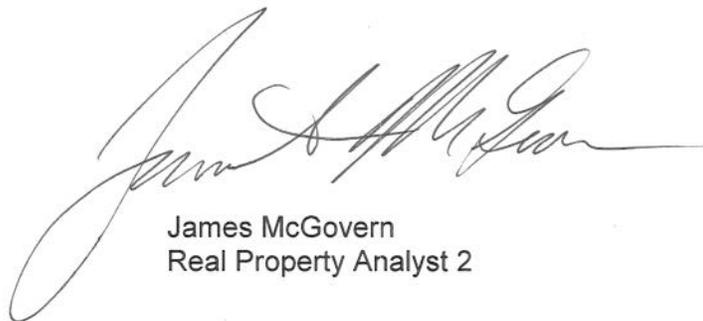
reservists activated for Operation Graphic Hand to be eligible for the exemption. Additionally, the local option to allow the exemption was added to the Cold war veterans' exemption.

Several new exemptions were added this year. RPTL §485-s added a mixed use property exemption for the Village of Wappingers Falls. The Cities of Corning and Hornell now have an exemption, contained in RPTL §421-o, for multiple dwelling property converted to single family residences. RPTL §467-j added an exemption for community land trust property in Tompkins County that takes into account the restricted sale price contained in the deed or ground lease. An exemption for anaerobic digestion facilities was added in RPTL §483-e. Lastly §485-s (a different law section from the one mentioned previously) allows the Towns of Greenburgh and Ossining to implement the impact of a full value reassessment over two years for qualifying residential property.

The Agricultural Assessment program was amended to redefine structures and buildings to permanent and impermanent structures, including pergolas and trellises, made of metal, string, or wood..

Turning to other sections of the manual, the NYC exemption for solar generating systems was extended as was the exemption for banking development districts. The J-51 program was amended to include cost of living adjustments to eligibility. And the exemption for land bank owned property was expanded to apply to special ad valorem levies and special assessments and to property owned by a subsidiary of a land bank. The SCRIE and DRIE programs, RPTL sections 467-b and c, added several new provisions including to allow those dropped from the program for a non-recurring income increase to return at their previous rent level, to allow transfer of benefits to an eligible surviving household member if the head of household dies or permanently leaves, and to allow USPS disability pension or compensation to qualify a person as disabled.

Questions on the material contained in the manual should be directed to the offices listed at the end of the Introduction Section of Volume 4, or send email to James McGovern at jim.mcgovern@tax.ny.gov



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