

Local Law 3 2008:
Passed by Town Board
04/16/2008, pending
receipt by DOS

A local law referred to as "The Home Improvement Exemption Law", using Section 421-f of the Real Property Tax Law, that authorizes a partial exemption from real property taxation of the increase in assessed value attributable to reconstruction, alterations or improvements made to residential property, and shall apply to taxes and special ad valorem levies, and shall not apply to special assessments

Be it enacted by the Town Board of the Town of Portville as follows:

I. Purpose and Intent

This local law, using Section 421-f of the Real Property Tax Law, authorizes a partial exemption from real property taxation of the increase in assessed value attributable to reconstruction, alterations or improvements made to residential property, and shall apply to taxes and special ad valorem levies, and shall not apply to special assessments.

II. Colloquial Name of Law

The colloquial name of this local law, which is a verbatim adoption and implementation of Section 421-f of the Real Property Tax Law, shall be "The Home Improvement Exemption Law."

III. Exemption Criteria

Section 421-f of the Real Property Tax Law sets forth the following exemption criteria:

1. The property for which exemption is sought must be a one or two family residence;
2. The greater portion of the residence (as measured by square footage) after the capital improvement must be at least five years old;
3. The capital improvement must be commenced after the date the local law or resolution is enacted;
4. The exemption applies to reconstruction, alterations or improvements;
5. The exemption does not apply to ordinary maintenance or repairs; and,
6. The value of such reconstruction, alteration or improvement must exceed the sum of \$3,000.

IV. Application and Documentation

The property owner interested in receiving said exemption must:

1. Properly complete and file the "[Application for Real Property Tax Exemption for Capital Improvement to Residential Property \(RP-421-f\)](#)" in the Town of Portville assessor's office on or before the taxable status date of March 1st; and,
2. Provide sufficient documentation to the Town of Portville assessor's office in the form of construction contract, building permit, and receipted bills to support the cost of capital improvement.

V. Exemption Limit

The exemption shall be limited to Eighty Thousand Dollars (\$80,000) in increased market value with any additional value attributable to the new construction not being eligible for the exemption; and,

VI. Determination of Market Value

The market value of the new construction shall be calculated by dividing the increase in assessed

value attributable to the new construction by the latest State equalization rate or special equalization rate, unless such rate is 95 percent or more, in which case the increased assessed value shall be deemed to equal the market value.

VII. Annual Qualifying Exemption Percentage

Then, the value of an improvement qualifying for exemption shall receive the following exemption percentages:

VIII. Exemption Retention Conditions

Once the exemption has been granted, it shall not necessary to reapply for the exemption after the initial year in order for the exemption to continue. There is no need to reapply in subsequent years, but if the property ceases to be used primarily for residential purposes, or if title to the property is transferred to persons other than the heirs or distributees of the owner, the exemption is terminated. The exemption will automatically be recalculated in any year in which there is a change in level of assessment for the final assessment roll of 15 percent or more. No local law or resolution may repeal or reduce an exemption granted pursuant to Section 421-f until expiration of the period of that exemption.

IX. Effective Date

This Local Law shall take effect immediately upon this filing thereof in the Office of the Secretary of State of the State of New York.

