

Local Law 5 2008:
Passed by Town Board
05/21/2008, pending
receipt by DOS

A local law referred to as "The First-Time Homebuyer Exemption Law", using Section 457 of the Real Property Tax Law, that authorizes a partial exemption from real property taxation for new home purchase or initial improvements by a qualifying first-time homebuyer on or after adoption into law.

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

I. Authorization for Exemption

This local law, using Section 457 of the Real Property Tax Law, authorizes a partial exemption from real property taxation for "newly constructed homes" purchased by "first-time homebuyers" on or after the effective date of this law.

II. Colloquial Name of Law

The colloquial name of this local law, which is a Town of Portville adoption and implementation of Section 457 of the Real Property Tax Law, shall be "The First-Time Homebuyer Exemption Law."

III. Eligibility for Exemption

There are three elements which must be met to be eligible for this exemption: 1) qualifying as a first-time homebuyer; 2) having a qualifying property; and 3) meeting the income and purchase price criteria of SONYMA.

Qualifying As A First-Time Homebuyer

The definition of a "first-time homebuyer" is any person and his/her spouse who: a) have not owned a primary residential property during the previous three years; and b) do not own a vacation or investment home regardless of location inside or outside of the United States of America.

Having A Qualifying Property

A qualifying property in the recorded name(s) of the property owner(s) must: a) be a "newly constructed home" that is a one- or two-family residence, townhouse or condominium, which was constructed after November 28, 2001, is to be owner-occupied, and was not previously occupied to which the entirety of its purchase price shall be eligible for exemption up to the limits provided by this law; or b) be a \$3,000 or greater cost renovation or remodeling of an existing home for which a building permit was issued within 90 days of the recorded purchase date of property by property owner(s) and a certificate of occupancy was subsequently issued to which the eligible exemption shall be determined and applied in accordance with the provisions of Real Property Tax Law Section 457.

Meeting The Income And Purchase Price Criteria Of SONYMA

Wherein "income" shall be defined as the "adjusted gross income on the most recent Federal income tax return(s) provided to the assessor" of the property owner(s) and their resident spouse (s), the total combined incomes of all owners and their resident spouses, of the property to which this exemption shall apply, shall not exceed the "State of New York Mortgage Agency (SONYMA) Low Interest Rate Mortgage Program non-target, one and two person household category for Cattaraugus County".

The purchase price of the property including any renovation or remodeling costs, of the property to which this exemption shall apply, shall not exceed by more than 25% of the limit set by the "State of New York Mortgage Agency (SONYMA) Low Interest Rate Mortgage Program one family, new, non-target, or one family, existing, non-target for Cattaraugus County".

IV. SCOPE AND DURATION OF EXEMPTION

The exemption, if authorized, lasts for a maximum term of five years, beginning at fifty percent in the first year and declining to ten percent in the fifth and final year. This exemption applies to taxes and special ad valorem levies. This exemption does not apply to special assessments. This exemption applies only to homes purchased or contracted for before December 31, 2010.

V. FILING APPLICATION

Application for exemption (RP-457) must be filed with the town assessor.

VI. TIME OF FILING APPLICATION

The application for exemption (RP-457) must be filed in the assessor's office on or before March 1st. Once the exemption has been granted, it is 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 the property is a single-family residence and any portion is leased, or if title to the property is transferred to persons other than the heirs or distributees of the owner, the exemption is terminated.

VII. 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.