

# Property Tax Exemptions

*A Brief Discussion on Benefits & Qualifications*



# What exemptions are available?

The most common exemptions granted are

- **Basic STAR**
- **Enhanced STAR**
- **Senior Citizens**
- **Agricultural Land**
- **Agricultural Buildings**
- **Veterans**
- **Business Investment**

There are dozens of other exemptions from village, town, county and state taxes.

For more exemptions go to <http://www.tax.ny.gov/forms/orpts/exemption.htm>

# Exemption Qualification Overviews

**Basic STAR** – owner-occupied primary residence; annual income <\$500,000.

**Enhanced STAR** – owners age  $\geq 65$  by Dec.31<sup>st</sup>; annual income < \$81,900.

**Senior Citizens** – owner-occupied primary residence; age 65 by Dec. 31<sup>st</sup>; income less than \$25,525; no residency by school-age children.

**Agricultural Land** – Gross sales  $\geq$  \$10,000 and land  $\geq$  7 acres.

**Agricultural Buildings** – Filed within 1 year of construction of building; building is essential to farm activity; on parcel  $\geq$  5 acres.

**Veterans** – Military service during period of war, in combat, and/or that results in a disability or an expeditionary medal.

**Business Investment** – Business owned by private individual or organization; building is essential to business; alteration, improvement or construction costing over \$10,000.

# Exemption Profiles

## State Registration for Basic STAR

New this year is the requirement for existing STAR recipients to register with the state in an attempt to limit fraudulent receipt of exemptions. **This affects Basic STAR only.** Annual renewal of Enhanced STAR is required through your local assessor office unless you are in the Income Verification Program, but **Enhanced STAR applicants/renewers need not register with the state.**

If you are applying for a Basic STAR for the first time, **you must apply at your local assessor's office.** If you received a Basic STAR exemption on previous year's school tax bills **you must register with the state.** If you have moved or purchased a different home which is your primary residence, **you must register with the state AND apply at your local assessor's office; registration with the state is not the same as application with the town.**

- Visit <http://www.tax.ny.gov/pit/property/star13/> to register with the state.

# Exemption Profiles

## Basic STAR

- owner-occupied primary residence; annual combined income <\$500,000.
- \$30,000 of your assessment is exempted from school taxes only.
- exemptions savings cannot exceed 2% increase beyond last year's savings.
- no renewal is required; the exemption lasts for the duration of your ownership.
- Visit <http://www.tax.ny.gov/pdf/publications/orpts/star.pdf> for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp425\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp425_fill_in.pdf) to download the exemption application form.

# Exemption Profiles

## Enhanced STAR

- owner-occupied primary residence; annual combined income <\$81,900. All residing owners must be  $\geq 65$  years of age by Dec. 31<sup>st</sup> unless they are spouse or sibling of owner who is  $\geq 65$  years of age by Dec. 31<sup>st</sup>.
- \$63,300 of your assessment is exempted from school taxes only.
- exemption savings cannot exceed 2% increase beyond last year's savings.
- annual renewal is required unless you enroll in the state-maintained IVP (income verification program). This program allows the state to verify your income and notify the assessor as to your eligibility every year. You would no longer need to participate in the renewal process. To be eligible you must file a state income tax annually.
- Visit <http://www.tax.ny.gov/pdf/publications/orpts/star.pdf> for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp425\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp425_fill_in.pdf) to download the exemption first-time application form.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp425rnw\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp425rnw_fill_in.pdf) to download the exemption renewal application form.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp425ivp\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp425ivp_fill_in.pdf) to download the Income Verification Program registration form.

# Exemption Profiles

## Senior Citizens

- owner-occupied primary residence; owner or owner's spouse or owner's sibling must be age 65 by Dec. 31<sup>st</sup>; income less than \$25,525; no residency by school-age children.
- requires annual renewal.
- The county and town taxes are all exempted from up to 50% of assessed value based on the following sliding scale:

Annual Income	Exemption (percent)
Less than \$18,025.00	50
\$18,025.00 to \$19,024.99	45
\$19,025.00 to \$20,024.99	40
\$20,025.00 to \$21,024.99	35
\$21,025.00 to \$21,924.99	30
\$21,925.00 to \$22,824.99	25
\$22,825.00 to \$23,724.99	20
\$23,725.00 to \$24,624.99	15
\$24,625.00 to \$25,524.99	10

- The village grants a 50% exemption for income < \$19,500; the school grants a 50% exemption for < \$18,500.
- Visit <http://www.tax.ny.gov/pdf/publications/orpts/senior.pdf> for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp467\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp467_fill_in.pdf) to download the exemption first-time application form.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp467rnw\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp467rnw_fill_in.pdf) to download the exemption renewal application form.

# Exemption Profiles

## Agricultural Land

- soil worksheet, lease agreement are necessary supplements to the exemption form to calculate amount exempt from county, town, and school taxes.
- $\geq 7$  acres used for preceding two years with  $\geq \$10,000$  sales from production of crops, livestock, or livestock products. Annual renewal is required.
- also exempt  $< 7$  acres if  $\geq \$50,000$  in sales.
- “sales” means gross sales value.
- “production” does not include processing or retail of sale items.
- Visit [http://www.tax.ny.gov/research/property/assess/valuation/ag\\_overview.htm](http://www.tax.ny.gov/research/property/assess/valuation/ag_overview.htm) for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp305\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp305_fill_in.pdf) to download the exemption first-time application form.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp305r\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp305r_fill_in.pdf) to download the exemption renewal application form.

# Exemption Profiles

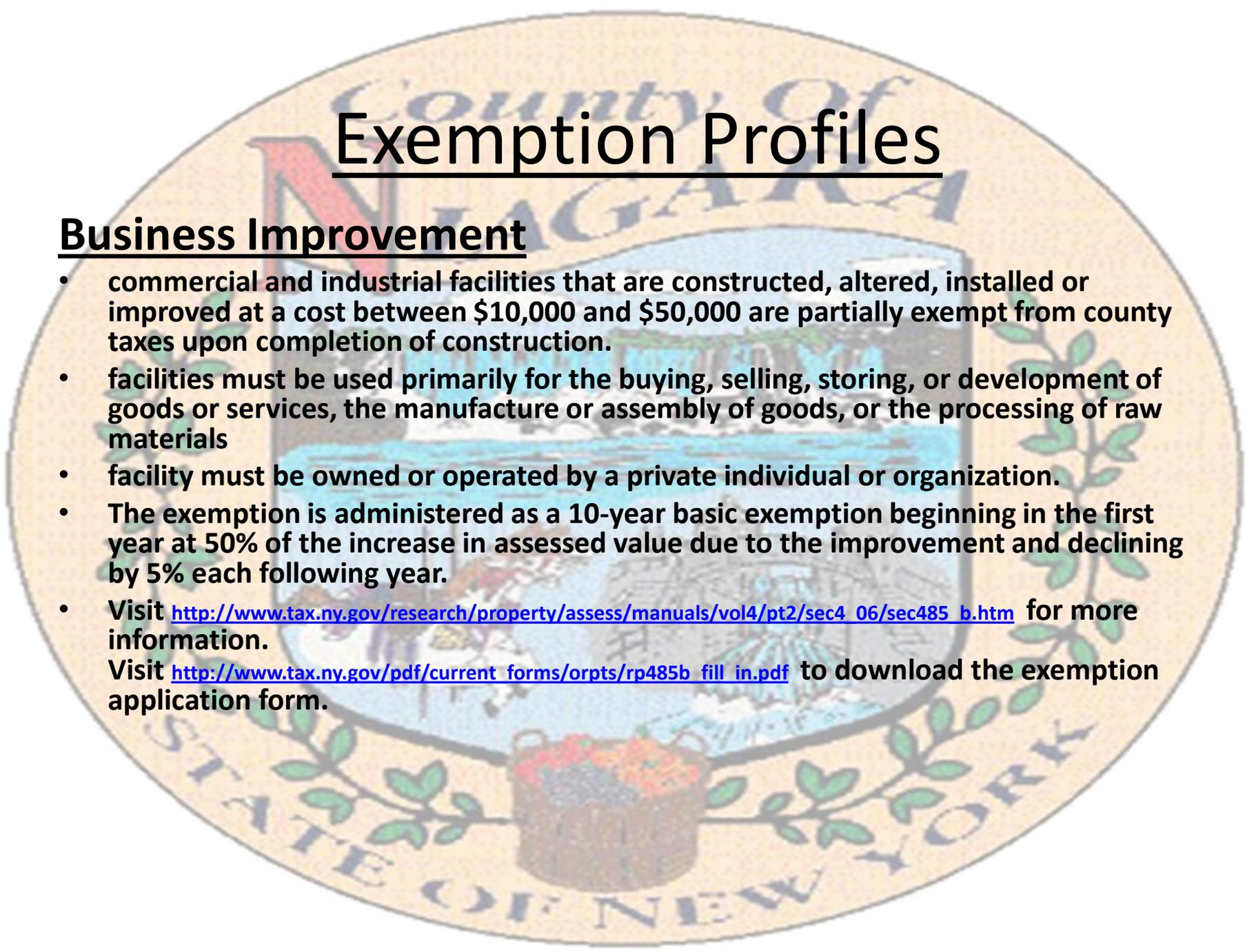
## Agricultural Building

- a building essential to agricultural or horticultural purposes, built within the last year, is exempt from county and town taxes for the first 10 years.
- land devoted to agricultural and horticultural purposes and cannot be < 5 acres.
- this exemption does not apply to farm silos, bulk milk tanks and coolers, farm feed grain storage bins and commodity sheds, manure storage and handling facilities, or temporary greenhouses. These are eligible for exemption under other programs.
- Visit <http://www.tax.ny.gov/pdf/publications/orpts/farmbuilding.pdf> for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp483\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp483_fill_in.pdf) to download the exemption application form.

# Exemption Profiles

## Veterans

- county and town exempt 15% for wartime service, 10% for combat service, and up to 50% of your disability rating, for a total maximum exemption of 75%
- proof of dates of service and wartime, combat and/or disability is required; renewal is not required.
- A non-wartime veteran can qualify for exemption if he/she has been awarded an expeditionary medal via the Army, Navy, Marines or Global War on Terror.
- Visit <http://www.tax.ny.gov/pdf/publications/orpts/veterans.pdf> for more information.
- Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp458a\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp458a_fill_in.pdf) to download the exemption application form.

The background of the slide features the official seal of the County of Niagara, State of New York. The seal is circular and contains the text "County Of NIAGARA" at the top and "STATE OF NEW YORK" at the bottom. In the center, there is a depiction of a landscape with a river, a bridge, and a building, surrounded by a laurel wreath and a basket of fruit.

# Exemption Profiles

## Business Improvement

- commercial and industrial facilities that are constructed, altered, installed or improved at a cost between \$10,000 and \$50,000 are partially exempt from county taxes upon completion of construction.
- facilities must be used primarily for the buying, selling, storing, or development of goods or services, the manufacture or assembly of goods, or the processing of raw materials
- facility must be owned or operated by a private individual or organization.
- The exemption is administered as a 10-year basic exemption beginning in the first year at 50% of the increase in assessed value due to the improvement and declining by 5% each following year.
- Visit [http://www.tax.ny.gov/research/property/assess/manuals/vol4/pt2/sec4\\_06/sec485\\_b.htm](http://www.tax.ny.gov/research/property/assess/manuals/vol4/pt2/sec4_06/sec485_b.htm) for more information.  
Visit [http://www.tax.ny.gov/pdf/current\\_forms/orpts/rp485b\\_fill\\_in.pdf](http://www.tax.ny.gov/pdf/current_forms/orpts/rp485b_fill_in.pdf) to download the exemption application form.

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(716)794-3243

(Leave a message; I'll return your call by the  
end of the next business day)

*Thanks for visiting!*

