



Instructions for Form RP-421-q

Application for Real Property Tax Exemption for Capital Improvements to Residential Buildings to Reduce Carbon Emissions

General information

Real Property Tax Law (RPTL) § 421-q allows a city, town, village, or a school district that is not subject to Article 52 of the Education Law, to adopt a local law or (in the case of a school district) resolution providing an exemption from taxation and special ad valorem levies (but not special assessments) for capital improvements to residential buildings to reduce carbon emissions.

For the property to become eligible for this exemption, the following eligibility requirements **must** be met:

- The property must be an owner-occupied building or structure designed and occupied exclusively for residential purposes by not more than two families.
- The improvements must result in a reduction of greenhouse gas emissions for the building.
- All work performed shall be in conformity with all applicable state and local laws.
- The eligible real property must be reconstructed, altered, or improved **after** the effective date of RPTL § 421-q.

As allowed by local option, eligible improvements may include but are not limited to the following:

- replacement, repair, or installation of new systems for heating or cooling, including domestic hot water
- installation of solar, energy storage, or other mechanisms to offset use of energy from the electrical grid
- replacement or installation of insulation in walls, roofs, flooring, windows, eaves, and around pipes
- replacement or installation of thermostats to control temperature and building management systems
- installation of energy efficient appliances, fixtures, or lighting
- repair, replacement, or modification of the electrical system or wiring associated with an eligible improvement

A county, city, town, or village by its local law, or a school district by its resolution, may limit or expand the improvements that are eligible for the exemption.

Duration and computation of exemption

As allowed by local option, the amount of increased value resulting from eligible improvements shall be exempt from taxation for a period of 20 years. For the first 10 years after the eligible improvements have been completed, up to 100% of the increased assessed value resulting from eligible improvements shall be exempt. The exemption shall then decrease by 10% annually over the following 10 years.

A county, city, town, or village by its local law, or a school district by its resolution, may reduce the amount of exemption otherwise allowed.

If the property ceases to be used primarily for residential purposes or its title is transferred to someone other than the heirs or distributees of the owner, the exemption shall be removed.

Where and when to file the application

Before the appropriate taxable status date, you should file Form RP-421-q with your assessor's office:

Note: Contact your assessor's office to confirm the taxable status date in your community.

With:	For:
the city or town assessor	property located outside Nassau or Tompkins Counties
the village assessor	property located in a village outside Nassau or Tompkins Counties that assesses property (but file a separate application with the town assessor as well)
the Nassau County Department of Assessment	property located in Nassau County (but for property located in a village in Nassau County that assesses property, file a separate application with the village assessor as well)
the Tompkins County Division of Assessment	property located in Tompkins County

Do **not** file this form with either the New York State Department of Taxation and Finance or the Office of Real Property Tax Services.