



Instructions for Form RP-485-n

Application for Real Property Tax Exemption for Residential-Commercial Properties in Certain Counties

(Real Property Tax Law, Section 485-n, for use in Livingston and Steuben Counties only)

1. Authorization for exemption

Section 485-n of The Real Property Tax Law (RPTL) authorizes the governing body of a city, town, or village in Livingston or Steuben County to adopt a local law offering a partial tax exemption from town taxes and town special ad valorem levies, from city taxes or from village taxes, to properties that are converted, created, modernized, rehabilitated, expanded, or otherwise improved for commercial and mixed residential and commercial uses. The partial exemption does not apply to special assessments. The property owner must meet the following requirements:

- The property must be located in a *benefit area*, as designated in the local law.
- Benefits of the exemption are reserved exclusively on property converted, created, modernized, rehabilitated, expanded, or otherwise improved for commercial and mixed residential-commercial purposes.
- The portion of the project devoted to residential construction work may not include dwelling units in a hotel.
- The cost of construction of the project must exceed \$10,000 or a greater amount as specified in the local law.
- Costs attributable to ordinary maintenance and repairs are not eligible for the exemption.
- The eligible project may not commence until after the date of the municipality's local law has taken effect.
- Completion of project must be demonstrated by a certificate of occupancy.

Upon adoption of a local law by any city, town, or village, any of the other municipal corporations in which the designated *benefit area* is located may likewise offer this exemption by local law. After adoption by any such city, town or village, the county and any school district(s) in which the designated *benefit area* is located may also elect to offer this exemption by local law of the county government, or by resolution of the school board(s), respectively.

2. Duration and computation of exemption

If the exemption is locally authorized, the exemption benefit starts at 100% of the increase in assessed value attributable to the conversion, creation, modernization, rehabilitation, expansion or otherwise eligible improvement in the first through eighth years of a 12-year benefit, and declines by 20 percentage points in each succeeding year thereafter.

This exemption may not be granted concurrent with or subsequent to any other property tax exemption with respect to the same project, except that a subsequent exemption may be granted where, during the period of a previous exemption, payments in lieu of taxes or other payments were made to a local government in an amount equal to or greater than the amount of taxes that would have been paid on the improvements had the property been granted an exemption pursuant to RPTL §485-n. In that case, the property may be eligible for a §485-n

exemption for a period of 12 years less the number of years such payments to the local government were made.

3. Application of exemption

The exemption may apply to county, city, town, village, or school district taxes, and also to special ad valorem levies. It does not apply to special assessments. Each taxing jurisdiction must adopt a local law, ordinance, or resolution providing for the exemption.

4. Place of filing of exemption application

Initial application for this exemption from city, town, or village taxes must be filed with the assessor in the town in which the eligible project is located (villages in Livingston and Steuben Counties do not assess for their own tax purposes). Initial application for exemption from city taxes must be filed with the city in which the eligible project is located. Do **not** file this form with either the New York State Department of Taxation and Finance or the Office of Real Property Tax Services.

5. Time of filing application

The application must be filed in the assessor's office on or before the appropriate taxable status date. The taxable status date for towns in Livingston and Steuben Counties is March 1. The taxable status date for the city of Corning (Steuben County) is March 1; the taxable status date for the city of Hornell (Steuben County) is January 1. If making initial exemption application for village purposes, file the application on or before March 1 with the town of which the village is a part (none of the villages in Livingston and Steuben Counties prepare their own separate assessment rolls). Once the exemption has been granted, the exemption may continue for the authorized period provided that the eligibility requirements continue to be satisfied. It is not necessary to reapply for the exemption after the initial year in order for the exemption to continue.