

# **LOCAL LAW No. 3 of 2023**

## **Town of Rensselaerville Local Law Providing Real Property Tax Exemptions for Persons with Disabilities and Limited Incomes**

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

### **A. Title**

This Local Law shall be entitled “Persons with Disabilities and Limited Incomes Property Tax Exemption”.

### **B. Effective Date**

This Local Law shall take effect upon filing with the Secretary of State as provided by law.

### **C. Legislative Intent**

Pursuant to Real Property Tax Law § 449-c that permits local governments to grant partial tax exemptions for certain persons with disabilities and limited incomes, and the County of Albany has adopted such a local law and the Town of Rensselaerville desires to adopt a law to the same effect.

### **D. Authority**

This Local Law is adopted pursuant to the Real Property Tax Law Section 449-c and Municipal Home Rule Law Sections 10 and 20.

### **E. Partial Tax Exemption Granted Under Real Property Tax Law § 449-c**

The Real Property Tax Law authorizes local municipalities to offer tax exemptions for qualifying persons with disabilities and limited incomes based upon their income level. Effective as hereinafter provided, there shall be an exemption from town taxation by the Town of Rensselaerville to the extent of the percentage of assessed valuation provided in the following schedule, determined by the maximum income exemption eligibility level also provided in the following schedule up to a maximum amount of fifty (50%) percent of the assessed valuation of real property owned by one (1) or more persons with disabilities, or real property owned by husband or wife, or both, or by siblings, at least one of whom has a disability, and whose income, as hereinafter defined, is limited by reason of such disability:

<b><u>ANNUAL INCOME</u></b>	<b><u>PERCENTAGE OF ASSESSED VALUATION EXEMPT FROM TAXATION</u></b>
\$50,000 or less	50%
More than \$50,000 but less than \$51,000	45%
\$51,000 or more but less than \$52,000	40%
\$52,000 or more but less than \$53,000	35%
\$53,000 or more but less than \$53,900	25%
\$53,900 or more but less than \$54,800	20%
\$54,800 or more but less than \$55,700	15%
\$56,600 or more but less than \$57,500	10%
\$57,500 or more but less than \$58,400	5%

**F. Definitions**

As used in this Local Law, the following terms shall have the meanings indicated:

“Sibling” shall include persons whose relationship as siblings has been established through either half blood, whole blood or adoption.

“Peron with a Disability” is one who has a physical or mental impairment, not due to current use of alcohol or illegal drug use, which substantially limits such person’s ability to engage in one or more major life activities, such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working and who (I) is certified to receive social security disability insurance (SSDI) or supplemental security income (SSI) benefits under the Federal Social Security Act, or (II) is certified to receive Railroad Retirement Disability benefits under the Federal Railroad Retirement Act, or (III) has received a certification from the State Commission for the Blind and Visually Handicapped stating that such person is legally blind, or (IV) is certified to receive a United States Postal Service Disability Pension.

“Income” shall mean the adjusted gross income for federal income tax purposes as reported on the applicant’s federal or state income tax return for the applicable income tax year, subject to any subsequent amendments or revisions, plus any social security benefits not included in such federal adjusted gross income; provided that if no such return was filed for the applicable tax year, the applicant’s income shall be determined based on the amounts that would have so been reported if such a return had been filed; and further provided, that when determining income for purposes of this section, the following conditions shall be applicable:

- (i) The applicant’s income shall be offset by all medical and prescription drug expenses actually paid that were not reimbursed or paid for by insurance;
- (ii) Any tax-exempt interest or dividends that were excluded from the applicant’s federal adjusted gross income shall be considered income; and

- (iii) Any losses that were applied to reduce the applicant's federal adjusted gross income shall be subject to the following limitations:
  - a. The net amount of loss reported on federal Schedule C, D, E, or F shall not exceed three thousand dollars (\$3,000); and
  - b. The net amount of any separate category of loss shall not exceed three thousand dollars (\$3,000); and
  - c. The aggregate amount of all losses shall not exceed fifteen thousand dollars (\$15,000).

#### **G. Required Proof**

An award letter from the Social Security Administration or the Railroad Retirement Board, or a certification from the State Commission for the Blind and Visually Handicapped, or an award letter from the United States Postal Service shall be submitted as proof of disability.

#### **H. Computation of Exemption**

Any exemption provided by this Local Law shall be computed after all other partial exemptions allowed by law, excluding the School Tax Relief (STAR) exemption have been subtracted from the total amount assessed; provided, however, that no parcel may receive an exemption for the same tax purpose pursuant to both this Local Law and Section 467 of the Real Property Tax Law.

#### **I. Real Property Held in Trust**

Notwithstanding any other provisions of law to the contrary, the provisions of this Local Law shall apply to real property held in trust solely for the benefit of a person or persons who would otherwise be eligible for a real property tax exemption pursuant to this Local Law.

#### **J. Cooperative Apartment Ownership**

- (i) Title to that portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides, and which is represented by his share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.
- (ii) That proportion of the assessment of such real property owned by a cooperative apartment corporation determined by the relationship of such real property vested in such tenant-stockholder to such entire parcel and the buildings thereon owned by such cooperative apartment corporation in which such tenant-stockholder resides shall be subject to exemption from taxation pursuant to this section and any exemption so granted shall be credited by the appropriate taxing authority against the assessed valuation of such real property; the reduction in real property taxes realized thereby shall be credited by the cooperative apartment corporation against

the amount of such taxes otherwise payable by or chargeable to such tenant-stockholder.

#### **K. Conditions on Grant of Exemption**

No exemption shall be granted:

- (i) If the income of the owner or the combined income of the owners of the property for the applicable income tax year is less than three thousand dollars (\$3,000) or more than fifty-eight thousand four hundred dollars (\$58,400), as authorized by Real Property Tax Law § 459-c.
- (ii) That proportion of the assessment of such real property owned by a cooperative apartment corporation determined by the relationship of such real property vested in such tenant-stockholder to such entire parcel and the buildings thereon owned by such cooperative apartment corporation in which such tenant-stockholder resides shall be subject to exemption from taxation pursuant to this section and any exemption so granted shall be credited by the appropriate taxing authority against the assessed valuation of such real property; the reduction in real property taxes realized thereby shall be credited by the cooperative apartment corporation against the amount of such taxes otherwise payable by or chargeable to such tenant-stockholder.
- (iii) Where title is vested in a married person, the combined income of such person and such person's spouse may not exceed such sum, except where one spouse or ex-spouse is absent from the property due to divorce, legal separation, or abandonment, then only the income of the spouse or ex-spouse residing on the property shall be considered and may not exceed such sum.
- (iv) Unless the property is used exclusively for residential purposes, provided, however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation or pilot and the remaining portion only shall be entitled to the exemption provided in this section;
- (v) Unless the real property is the legal residence of and is occupied in whole or in part by the disabled person; except where the disabled person is absent from the residence while receiving health-related care as an in-patient of a residential health care facility, as defined in Public Health Law § 2801, provided that any income accruing to that person shall be considered income for purposes of this section only to the extent that it exceeds the amount paid by such person or spouse of such person for care in the facility.

#### **L. Application for Exemption**

- (i) Application for such exemption must be made annually by the owner, or all of the owners of the property, on forms prescribed by the State Board to be furnished by the appropriate local assessing unit, and shall furnish the information and be executed in

- the manner required or prescribed on such forms, and shall be filed in such Assessor's Office on or before the appropriate taxable status date; provided however, proof of a permanent disability need be submitted only in the year an exemption pursuant to this Local Law is first sought or the disability is first determined to be permanent.
- (ii) At least sixty (60) days prior to the appropriate taxable status date, the appropriate local assessing unit shall mail to each person who was granted an exemption pursuant to this Local Law on the latest completed assessment roll an application form and a notice that such application must be filed on or before the taxable status date and be approved in order for the exemption to continue to be granted. Failure to mail such application form or the failure of such person to receive the same shall not prevent the levy, collection and enforcement of payment of the taxes on property owned by such person.

### **M. Severability**

If any clause, sentence, paragraph, subdivision or part of this Local Law of the application thereof to any person, firm or corporation, or circumstance, shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, or part of this Local law or in its application to the person, individual, firm or corporation or circumstance, directly involved in the controversy in which such judgment or order shall be rendered.