

**TITLE: ADOPTION OF LOCAL LAW INTRO. NO. 1-2006, PRINT NO. 1, IN RELATION TO A LOCAL LAW IMPLEMENTING FIRST TIME HOMEOWNER COUNTY PROPERTY TAX EXEMPTION**

Offered by: Ways and Means Committee

**RESOLVED:**

1. That proposed Local Law, Intro. No. 1-2006, Print No. 1, is adopted without any change in language, to wit:

**COUNTY OF ALLEGANY**

Intro. No. 1 -2006

Print No. 1

**A LOCAL LAW IMPLEMENTING FIRST TIME HOMEOWNER COUNTY PROPERTY TAX EXEMPTION**

**BE IT ENACTED** by the Board of Legislators of the County of Allegany, State of New York, as follows:

**Section 1. Purpose.**

The purpose of this local law is to provide a partial real property tax exemption for first time homeowners based on income and a six year declining schedule in order to create a positive climate for economic growth and attracting future homeowners by providing a tax exemption for first time homeowners.

**Section 2. Definitions.**

A. "Household Income" shall mean the total combined income of all the owners, and of any owners' spouses residing on the premises, for the income tax year preceding the date of making application for the exemption.

B "Income" shall mean the "adjusted gross income" for federal income tax purposes as reported on the applicant's latest available federal or state income tax return subject to any subsequent amendments or revisions, reduced by distributions, to the extent included in federal adjusted gross income, received from an individual retirement account, and an individual

retirement annuity; provided that if no such return was filed within the one year period preceding taxable status date, "Income" shall mean the adjusted gross income that would have been so reported if such a return had been filed. For purposes of this subsection, "latest available return" shall mean the Federal or State income tax return for the year immediately preceding the date of making application, provided however, that if the tax return for such tax year has not been filed, then the income tax return for the tax year two years preceding the date of making application shall be considered the latest available.

C. "First Time Homebuyer" shall mean a person who has not owned a primary residential property and is not married to a person who has owned a residential property during the three year period prior to his or her purchase of the primary residential property, and who does not own a vacation or investment home.

D. "Primary Residential Property" shall mean any one or two family house, townhouse, or condominium located in this State which is owner-occupied by such homebuyer.

E. "Newly Constructed" shall mean an improvement to real property which was constructed as a primary residential property, and which has never been occupied and was constructed after the effective date of this local law. "Newly Constructed" shall also mean that portion of a primary residential property that is altered, improved, or reconstructed.

### **Section 3. Real Property Tax Exemption**

The County of Allegany hereby elects to grant the tax exemption authorized under Section 457 of the New York Real Property Tax Law.

A. Newly constructed primary residential property located within the County of Allegany and purchased by one or more persons, each of whom is a first-time homebuyer and has not been married to a homeowner in the three (3) years prior to applying for this first-time homeowners exemption, shall be exempt from taxation levied by or on behalf of the County of Allegany, for a period of five (5) years.

B. Such exemption shall be computed in accordance with the following table:

<u>Year of Exemption</u>	<u>Percentage Assessed Valuation Exempt from Tax</u>
1	50
2	40
3	30
4	20
5	10
6 or more	0

**Section 4. Eligibility.**

A. Any newly constructed primary residential real property within the purchase price limits as defined by the State of New York Mortgage Agency (SONYMAE) low interest rate mortgage program in the non-target, one family new category for Allegany County and in effect on the contract date for the purchase and sale of such property, shall be eligible for the exemption allowed pursuant to this local law.

B. A first-time homebuyer who either as part of a written contract for sale of the primary residential property, or who enters into a written contract within ninety (90) days after closing on the sale of the primary residence for reconstruction, alteration or improvements, the value of which exceeds three thousand dollars, to the primary residential property shall be exempt from taxation to the extent provided by this local law. Such exemption shall apply solely to the increase in assessed value thereof attributable to such reconstruction, alteration, or improvement, provided that the assessed value after reconstruction, alteration, or improvements does not exceed fifteen percent (15%) more than the purchase price limits as defined in Subsection A of this section. For purposes of this subsection, the terms "reconstruction," "alteration," and "improvement" shall not include ordinary maintenance and repairs.

C. A first-time homebuyer shall not qualify for the exemption authorized pursuant to this local law if the household income exceeds income limits as defined by the SONYMAE low interest rate mortgage program in the non-target, one and two-person household category for Allegany County in effect on the contract date for the purchase and sale of such property.

**Section 5. Applicability.**

A. Newly constructed primary residential property purchased by first-time homebuyers at a sales price greater than the maximum eligible sales price shall qualify for the exemption allowed pursuant to this local law for that portion of the sales price of such newly constructed primary residential property equal to the maximum eligible sales price, provided, however, that any newly constructed primary residential property purchased at a sales price greater than twenty-five percent (25%) above the maximum eligible sales price shall not be allowed any exemption.

B. No exemption shall be allowed pursuant to this local law for any newly constructed primary residential property purchased by a first-time homebuyer on or after the expiration date of Section 457 of the New York Real Property Tax Law, or any extensions thereof, unless such purchase is pursuant to a binding written contract entered into prior to such expiration date, provided, however, that any first-time homebuyer who is allowed an exemption pursuant to this local law prior to such expiration date shall continue to be allowed further exemptions pursuant to this local law.

**Section 6. Restrictions on Use of Eligible Property.**

A. No portion of a single family newly constructed primary residential property shall be leased during the period of time when the first-time homeowner exemption shall apply to the residence. If any portion of the single family newly constructed primary residential property is found to be the subject of a lease agreement, the assessor shall discontinue any exemption granted pursuant to this local law.

B. In the event that a primary residential property granted an exemption pursuant to this local law ceases to be used primarily for residential purposes or title thereto is transferred to other than the heirs or distributees of the owner, the exemption granted pursuant to this local law shall be discontinued.

C. Upon determining that an exemption granted pursuant to this local law should be discontinued, the assessor shall mail a notice so stating to the owner or owners thereof at the time and in the manner provided by Section 510 of the New York Real Property Tax Law. Such owner or owners shall be entitled to seek administrative and judicial review of such action in the manner provided by law, provided that the burden shall be on such owner or owners to establish eligibility for the exemption.

**Section 7. Application.**

A. Such exemption shall be granted only upon application by the owner of such building on a form prescribed by the State Board of Real Property Services. The application shall be filed with the assessor of the pertinent town having the power to assess property for taxation on or before the appropriate taxable status date of Allegany County.

B. If satisfied that the applicant is entitled to an exemption pursuant to this local law, the assessor shall approve the application and such primary residential property shall thereafter be exempt from taxation and special ad valorem levies as provided in this local law commencing with the assessment roll prepared on the basis of the taxable status date referred to in subsection A of this section. The assessed value of any exemption granted pursuant to this local law shall be entered by the assessor on the assessment roll with the taxable property, with the amount of the exemption shown in a separate column.

**Section 8. Filing.**

The Clerk of the Allegany County Board of Legislators is hereby directed to file a copy of this local law with the State Board of Real Property Services and the town assessors who prepare the assessment roll on which the taxes of this County are levied.

**Section 9. Severability.**

If any clause, sentence, paragraph, subdivision, section, or part of this local law or the application thereof to any person, individual, corporation, firm, partnership, entity, 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, section, or part of this local law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

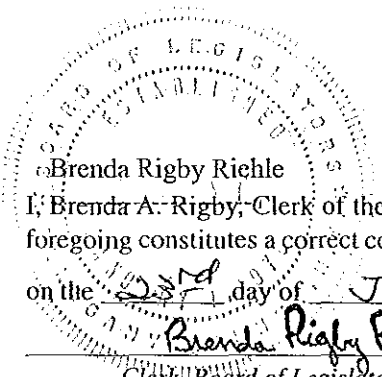
**Section 10. Effective Date.**

This local law shall take effect immediately upon filing in the Office of the Secretary of State and shall apply to taxable years beginning on or after January 1, 2006.

**Local Law No. 1-2006**

Adopted by Res. No. 23-06, 1/23/06

Effective Date: January 26, 2006



Brenda Rigby Riehle

I, Brenda A. Rigby, Clerk of the Board of Legislators of the County of Allegany, State of New York do hereby certify that the foregoing constitutes a correct copy of the original on file in my office and the whole thereof of a resolution passed by said Board on the 23rd day of January, 2006.

Brenda Rigby Riehle

Dated at Belmont, New York this 21st day of August 2019.

Clerk, Board of Legislators, Allegany County

Moved by Hall Seconded by Reynolds VOTE: Ayes 13 Noes 2 Absent 0 Voice  
Voting No: Truax, Ungermann