



# **Instructions for Form RP-421-L**

## **Application for Real Property Tax Exemption for Capital Improvements to Residential Buildings in Certain Towns**

**(Real Property Tax Law, Section 421-L, for use in Town of Cheektowaga, Erie County only)**

### **1. Authorization for exemption**

Section 421-L of the Real Property Tax Law authorizes the governing body of the Town of Cheektowaga, Erie County to adopt a local law offering a partial tax exemption from town taxes and town special ad valorem levies to residential buildings designed and occupied exclusively as one, two, or three-family dwellings that are reconstructed, altered or improved. The partial exemption does not apply to special assessments. The property owner must meet the following requirements:

- The property must be located in the Town of Cheektowaga, Erie County
- The owner-applicant must have satisfied all outstanding town, county, village and school district obligations
- Benefits of the exemption are reserved exclusively for buildings used exclusively for residential purposes (*Item 4*), and which are reconstructed, altered or improved (*Item 5a*)
- The project must increase the assessed value of the property by at least \$10,000 (or by a higher amount established by local law) (*Item 5b*)
- Costs attributable to ordinary maintenance and repairs are not eligible for the exemption
- The residential reconstruction, alteration or improvement project may not commence until after the effective date of the local law allowing the exemption (*Item 5c*)
- Completion of project must be demonstrated by a certificate of occupancy (*Item 5d*)

After the Town of Cheektowaga has initially adopted a local law to authorize this exemption, the Erie County governing body may likewise offer the exemption by local law, and the school districts in the Town of Cheektowaga may also offer the exemption by local resolution. The governing body of the Villages (located within the Town of Cheektowag) may also allow the exemption by adoption of a local law.

### **2. Duration and computation of exemption**

Unless reduced by local law or resolution, the exemption benefit starts at 100% of the increase in assessed value attributable to the reconstruction, alteration or improvement in the first year of a five-year benefit, declining by 20 percentage points in each succeeding year thereafter. If the property receiving this exemption ceases to be used primarily for residential purposes as stated above, the exemption will cease. If the exemption is granted on the property, it may not be transferred from the owner to another if the property is sold or transferred during the exemption period.

### **3. Application of exemption**

The exemption may apply to county, town, village, 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, or in the case of a school district, a resolution providing for the exemption.

**4. Place of filing of exemption application**

Initial application for this exemption from town taxes must be filed with the assessor in the Town of Cheektowaga. (The town assessor administers the exemption for village tax purposes in the Villages within the Town of Cheektowaga, since the villages do not assess property for its own tax purposes.) 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 town assessor's office on or before taxable status date, **and** within one year of the date of completion of the improvements. The taxable status date for the Town of Cheektowaga is March 1. 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.