

STATE OF NEW YORK

852

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. HELMING, BORRELLO, GALLIVAN, JACKSON, RHOADS, ROLISON, WEBER, WEIK -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the real property tax law, in relation to enacting the "homebuyer renovation property tax exemption act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "homebuyer renovation property tax exemption act".

3 § 2. Legislative findings. The legislature finds that much of New
4 York's current housing stock is old and in need of repair, yet often the
5 repairs are beyond the financial capability of many homeowners. This
6 bill would give homeowners who invest in their property needed tax
7 relief for a period of five years to allow them to recoup the invest-
8 ments made in their property and incentivize the revitalization of our
9 existing housing stock. This incentive will bring abandoned and dilapi-
10 dated homes back to life and help expand the housing stock of the
11 future.

12 § 3. The real property tax law is amended by adding a new section
13 421-r to read as follows:

14 § 421-r. Exemption for renovated homes. 1. Primary residential proper-
15 ty purchased after the effective date of this section by one or more
16 persons, who either as part of the written contract for sale of the
17 primary residential property, or who enters into a written contract
18 within one hundred eighty days after closing of the sale of the primary
19 residence for reconstruction, alteration or improvements, the value of
20 which exceeds fifteen thousand dollars, to the primary residential prop-
21 erty, shall be exempt from taxation levied by or on behalf of any coun-
22 ty, city, town, village or school district in which such residential

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 property is located for a period of five years from the date of purchase
2 of the property. Such exemption shall apply solely to the increase in
3 assessed value thereof attributable to such reconstruction, alteration,
4 or improvement. For the purposes of this section, the purchase of an
5 appliance, including, but not limited to, a refrigerator, oven, dish-
6 washer, washer, or dryer, shall not constitute an improvement.

7 2. (a) No portion of a single family primary residential property
8 shall be leased during the period of time when such exemption shall
9 apply to the residence. If any portion of the single family primary
10 residential property is found to be the subject of a lease agreement,
11 the assessor shall discontinue any exemption granted pursuant to this
12 section.

13 (b) In the event that a primary residential property granted an
14 exemption pursuant to this section ceases to be used primarily for resi-
15 dential purposes or title thereto is transferred to other than the heirs
16 or distributees of the owner, the exemption granted pursuant to this
17 section shall be discontinued.

18 (c) Upon determining that an exemption granted pursuant to this
19 section should be discontinued, the assessor shall mail a notice so
20 stating to the owner or owners thereof at the time and in the manner
21 provided by section five hundred ten of this chapter. Such owner or
22 owners shall be entitled to seek administrative and judicial review of
23 such action in the manner provided by law, provided that the burden
24 shall be on such owner or owners to establish eligibility for the
25 exemption.

26 3. Such exemption shall be granted only upon application by the owner
27 of such residential property on a form prescribed by the commissioner.
28 The application shall be filed with the assessor of the city, town,
29 village or county having the power to assess property for taxation on or
30 before the appropriate taxable status date of such city, town, village
31 and county.

32 4. If satisfied that the applicant is entitled to an exemption pursu-
33 ant to this section, the assessor shall approve the application and such
34 primary residential property shall thereafter be exempt from taxation as
35 provided in this section commencing with the assessment roll prepared on
36 the basis of the taxable status date referred to in subdivision one of
37 this section. The assessed value of any exemption granted pursuant to
38 this section shall be entered by the assessor on the assessment roll
39 with the taxable property, with the amount of the exemption shown in a
40 separate column.

41 5. For purposes of this section, "primary residential property" means
42 any one or two family house, townhouse or condominium located in this
43 state which is owner occupied by such homebuyer.

44 § 4. The commissioner of taxation and finance shall promulgate any
45 rules and regulations necessary to implement the provisions of this act.

46 § 5. This act shall take effect January 1, 2026.