§ 469. Assessment exemption for living quarters for parent or grandparent. 1. A county, city, town, village or school district acting through its local legislative body is hereby authorized and empowered to adopt and amend local laws, or resolutions in the case of school districts, to provide for an exemption from taxation to the extent of any increase in assessed value of residential property resulting from the construction or reconstruction of such property for the purpose of providing living quarters for a parent or grandparent, who is sixty-two years of age or older. Such exemption shall not exceed (a) the increase in assessed value resulting from construction or reconstruction of such property, or (b) twenty percent of the total assessed value of such property as improved, or (c) twenty percent of the median sale price of residential property as reported in the most recent sales statistical summary published by the commissioner for the county in which the property is located, whichever is less.

2. No such exemption shall be granted unless:

(a) The property is within the geographical area in which such construction or reconstruction is permitted; and

(b) The residential property so constructed or reconstructed is the principal place of residence of the owner.

3. Such exemption shall be applicable only to construction or reconstruction which occurred subsequent to the effective date of this section and shall only apply during taxable years during which at least one such parent or grandparent maintains a primary place of residence in such living quarters.

4. Such exemption from taxation shall be granted upon an application made annually, upon a form to be promulgated by the commissioner, by the owner of such property to the assessor of the city, town, village or county having the power to assess property for taxation on or before the appropriate taxable status date of such city, town, village or county. If the assessor is satisfied that the property is entitled to an exemption pursuant to this section, he shall approve the application and such residential improvements shall be exempt from taxation and special ad valorem levies as provided in this section.

5. For the purposes of this section, the term "parent or grandparent" shall be deemed to include the birth or adoptive grandparents and parents of the owner or the spouse of the owner.

6. Any conviction of having made any willful false statement in the application for such exemption shall result in the revocation thereof, be punishable by a civil penalty of not more than one hundred dollars and shall disqualify the applicant or applicants from further exemption for a period of five years.