TOWN OF HENDERSON

LOCAL LAW NO. __-2026

A LOCAL LAW PROVIDING FOR A BUSINESS INVESTMENT EXEMPTION PURSUANT TO REAL PROPERTY TAX LAW §485-b

Be it enacted by the Town of Henderson Town Board, as follows:

SECTION 1. LEGISLATIVE INTENT & PURPOSE

This Local Law is intended to establish an exemption provided for in §485-b, Subdivision 2(a) of the Real Property Tax Law ("RPTL") for certain commercial, business or industrial investment activities.

SECTION 2. AUTHORITY

This Local Law is adopted pursuant to RPTL §485-b, which provides partial exemptions for certain business improvements made to properties constructed, altered, installed, or improved after July 1, 1976, for commercial, business, or industrial purposes.

SECTION 3. DEFINITIONS

As used in this Local Law, the following terms shall have the meanings set forth in RPTL §485-b, as that statute may be amended from time to time.

A. "**Commercial, business or industrial activity**" means any lawful activity conducted for gain or economic benefit, including but not limited to manufacturing, processing, assembling, warehousing, distribution, retail and wholesale trade, office operations, research and development, and other for-profit enterprises, as defined and interpreted under RPTL §485-b.

B. "**Construction, alteration, installation or improvement**" means work performed on real property that increases its assessed value and is undertaken for the purpose of commercial, business, or industrial activity, as provided in RPTL §485-b.

C. "**Exemption base**" means the increase in assessed value as determined in the initial year of the exemption period following the filing of an original application, subject to adjustment as provided in section RPTL §485-b.

D. "**Increase in assessed value**" means the amount by which the assessed value of real property is increased as a result of construction, alteration, installation, or improvement for commercial, business, or industrial activity, as determined by the Assessor in accordance with RPTL §485-b.

E. All other terms used in this Local Law shall have the meanings ascribed to them in RPTL §485-b unless the context clearly requires otherwise.

SECTION 4 GRANT OF EXEMPTION

1. Real property located within the Town of Henderson that is constructed, altered, installed, or improved subsequent to October 1, 2026, for the purpose of commercial, business, or industrial activity shall be exempt from Town of Henderson real property taxation and special ad valorem levies to the extent and for the period provided in this Section, except that such exemption shall not apply to special ad valorem levies for any special district in existence.

2. The exemption granted by this Local Law shall be computed and applied as follows:

   A. For a period of one year commencing with the assessment roll prepared on the basis of the taxable status date immediately following completion of the construction, alteration, installation, or improvement, the exemption shall be fifty percent (50%) of the exemption base.

   B. For an additional period of nine years immediately following the initial one-year period, the exemption shall be decreased by five percent (5%) of the exemption base each year, such that:

      i. In year two, the exemption shall be forty-five percent (45%) of the exemption base;

      ii. In year three, the exemption shall be forty percent (40%) of the exemption base;

      iii. In year four, the exemption shall be thirty-five percent (35%) of the exemption base;

      iv. In year five, the exemption shall be thirty percent (30%) of the exemption base;

      v. In year six, the exemption shall be twenty-five percent (25%) of the exemption base;

      vi. In year seven, the exemption shall be twenty percent (20%) of the exemption base;

      vii. In year eight, the exemption shall be fifteen percent (15%) of the exemption base;

      viii. In year nine, the exemption shall be ten percent (10%) of the exemption base;

      ix. In year ten, the exemption shall be five percent (5%) of the exemption base.

3. After the expiration of the ten-year exemption period, no further exemption shall be granted under this Local Law with respect to the construction, alteration, installation, or improvement, and the property shall be fully taxable.

4. The exemption base shall be the increase in assessed value as determined in the initial year of the ten-year exemption period following the filing of an original application. In any year in which a change in level of assessment of fifteen percent (15%) or more is certified for a final assessment roll pursuant to the rules of the Commissioner of the New York State Department of Taxation and Finance, the exemption base shall be adjusted by multiplying it by a fraction, the numerator of which shall be the total assessed value of the parcel on such final assessment roll (after accounting for any physical or quantity changes to the parcel since the immediately preceding assessment roll), and the denominator of which shall be the total assessed value of the parcel on the immediately preceding final assessment roll. The result shall be the new exemption base, and the exemption shall thereupon be recomputed to take into account the new exemption base

5. If the Assessor does not have custody of the assessment roll when certification of a change in level of assessment is received, the Assessor shall certify the recomputed exemption to the local officers having custody and control of the roll, and such local officers shall enter the recomputed exemption certified by the Assessor on the roll.

SECTION 5. ELIGIBILITY

1. To be eligible for the exemption provided by this Local Law, real property must satisfy all of the following requirements:

    A. The construction, alteration, installation, or improvement must have commenced on or after October 1, 2026.

    B. The construction, alteration, installation, or improvement must result in an increase in the assessed value of the real property.

    C. The construction, alteration, installation, or improvement must be for the purpose of commercial, business, or industrial activity as defined in Section 4 of this Local Law and section 485-b of the Real Property Tax Law.

    D. The real property owner must file a timely and complete application for exemption with the Assessor in accordance with Section 7 of this Local Law.

2. Real property that does not result in an increase in assessed value attributable to construction, alteration, installation, or improvement for commercial, business, or industrial activity shall not be eligible for exemption under this Local Law.

3. Existing real property that undergoes no new construction, alteration, installation, or improvement after October 1, 2026, shall not be eligible for exemption under this Local Law.

SECTION 6. APPLICATION AND ADMINISTRATION

1. Any owner of real property seeking an exemption under this Local Law shall file an application with the Assessor of the Town of Henderson on a form to be provided by the Assessor or on such form as may be prescribed by the New York State Department of Taxation and Finance.

2. The application shall be filed on or before the applicable taxable status date for the assessment roll on which the exemption is first sought, or within such time thereafter as the Assessor may permit.

3. The application shall include:

    A. A description of the real property for which exemption is sought, including tax map parcel identification number;

    B. A description of the construction, alteration, installation, or improvement undertaken;

    C. The date on which the construction, alteration, installation, or improvement was completed or, if not yet completed, the expected completion date;

    D. Documentation sufficient to establish that the construction, alteration, installation, or improvement was undertaken for the purpose of commercial, business, or industrial activity;

    E. Such other information as the Assessor may reasonably require to determine eligibility for and the amount of the exemption.

4. The Assessor shall review each application and determine:

    A. Whether the applicant and the property are eligible for exemption under this Local Law and RPTL §485-b;

    B. The increase in assessed value attributable to the construction, alteration, installation, or improvement, which shall constitute the exemption base;

    C. The amount of the exemption for each year of the exemption period in accordance with the schedule set forth in Section 4 of this Local Law.

5. The Assessor shall place the exemption on the assessment roll in accordance with the provisions of this Local Law RPTL §485-b. The exemption shall be separately stated and identified on the assessment roll.

6. The Assessor shall annually review and recompute the exemption as necessary to account for changes in level of assessment or other circumstances requiring adjustment under RPTL §485-b.

7. The determinations of the Assessor under this Local Law shall be subject to administrative and judicial review in the same manner as other assessment determinations under the Real Property Tax Law.

SECTION 7 SEVERABILITY

If any clause, sentence, paragraph, section, article or part of this Local Law shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operations to the clause, sentence, paragraph, section, article, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

SECTION 8. EFFECTIVE DATE

This Local Law shall take effect upon filing with Secretary of State of the State.