- interest (including non-taxable interest on state and local bonds),
- total dividends, *net* earnings from farming, rentals, business or profession (including amounts claimed as depreciation for income tax purposes),
- income from estates or trusts,
- gains from sales and exchanges,
- the total amount received from governmental or private retirement or pension plans,
- annuity payments (excluding amounts representing a return of capital),
- alimony
- unemployment insurance payments,
- workers' compensation, etc.

Income **does not include:**

- Supplemental Security Income,
- moneys received pursuant to the federal Foster Grandparent Program,
- welfare payments,
- inheritances,
- a return of capital, or
- reparation payments received by Holocaust survivors.

Municipalities have the option to permit applicants to subtract from their incomes all medical and prescription drug expenses that are not reimbursed or paid by insurance.

If the owner is an inpatient in a residential health care facility, the owner's other income is not considered income in determining exemption eligibility if it does not exceed the amount paid by such owner, spouse, or co-owner for care at the facility. Proof from the facility of the amount paid for an owner's care must be submitted with the exemption application.

Q. Are Social Security payments received by an owner as representative payee of another considered income to the recipient?

A. No. If the recipient can prove that the monies he or she receives are paid on behalf of another, such as the recipient's disabled adult child, those monies received in a fiduciary capacity are not considered income to the recipient.

Q. Can the exemption be granted for school taxes if a child resides on the property and attends any public school in the district or in another school district?

A. Yes, but only if a school district allowing the exemption also adopts a separate resolution to allow the exemption on such property. Moreover, the school district resolution authorizing the exemption must provide that satisfactory proof is required that the child was not brought into the residence primarily for the purpose of attending a particular school within the district.

Q. Where must the application be filed?

A. The application form (RP-459-c) must be filed with the city, town or village assessor for partial exemption from city, town and village property taxes. File with the town assessor for partial exemption from county or school district taxes, or from village taxes in villages that do not assess property.

There are exceptions for Nassau County and Tompkins County, which are county assessing units. In Nassau County, applications for exemption from county, town, or school taxes should be filed with the Nassau County Department of Assessment. In Tompkins County, applications for exemption from county, city, town, village, or school district taxes should be filed with the Tompkins County Division of Assessment.

Q. What is the deadline for filing?

A. The application generally must be filed in the local assessor's office on or before the appropriate taxable status date. This date in most towns is March 1. In Nassau County, it is January 2. Westchester County towns have either a May 1 or June 1 taxable status date; contact the assessor. In cities, such date is determined from charter provisions. In New York City, applications for this exemption must be filed on or before March 15. The date in most assessing villages is January 1, but the village clerk should be consulted for variations.

STATE OF NEW YORK

Department of Taxation and Finance
Office of Real Property Tax Services
W.A. Harriman State Campus
Albany, NY 12227
518-591-5232

Commission on Quality Care and Advocacy for Persons with Disabilities
401 State Street, Schenectady, NY 12305-2397
www.cqcapd.state.ny.us
1-800-624-4143

Exemption for Persons with Disabilities and Limited Incomes

Questions & Answers

Partial Exemption from Property Taxes in New York State

New York State Department of
Taxation and Finance
Office of Real Property Tax Services

www.orps.state.ny.us *January 2011*

New York State law (section 459-c of the Real Property Tax Law) gives local governments and public school districts the option of granting a reduction in the amount of property taxes paid by qualifying persons with disabilities.

To qualify, persons with disabilities generally must have certain documented evidence of their disability and meet certain income limitations and other requirements. They also must file the exemption application with their local assessor by the appropriate filing date. The telephone number for the assessor can be found in the "blue pages" of the telephone directory. Assessor information also is available on the internet website of the State Office of Real Property Tax Services at ***www.orps.state.ny.us***

The basic exemption is a 50% reduction in the assessed value of the *legal residence* of the qualifying disabled person. For the basic exemption, the law allows each county, city, town, village, or school district to set the maximum income limit at any figure between $3,000 and $29,000.

Localities have the further option of giving exemptions of less than 50% to persons with qualifying disabilities whose incomes are more than $29,000. Under this option, called the "sliding-scale" option, a qualifying owner can have a yearly income as high as $37,399.99 and get a 5% exemption in places that are using the maximum limit.

Please check with your local assessor or the clerks of the local governments and school district involved to determine which local options, if any, are in effect.

Please note that if the property is receiving an exemption under the low-income senior citizens exemption (section 467 of the Real Property Tax Law), it cannot also receive an exemption under this law for the same municipal tax purpose. A property eligible for the persons with disabilities exemption, however, can receive other exemptions, such as those for School Tax Relief (STAR), veterans, etc.

When the property is owned by one or more persons, some of whom qualify for this exemption and the others of whom qualify for the senior citizens' exemption provided by RPTL §467, the owners have the option of choosing the more beneficial exemption. The owners may not be prohibited from taking one of these two exemptions solely because the owners qualify for more than one exemption.

Q. What are the general requirements to qualify for this exemption?
A. The requirements are based on the person's disability, ownership status, residency and occupancy status, and income.

Q. What are the disability requirements?
A. To be eligible, an applicant must have a physical or mental impairment, not due to current use of alcohol or illegal drug use, that substantially limits that person's ability to engage in one or more major life activities, such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning or working.

The applicant must submit one of the following:

- An award letter from the Social Security Administration certifying the applicant's eligibility to receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI).
- An award letter from the Railroad Retirement Board certifying the applicant's eligibility to receive railroad retirement disability benefits.
- A certificate from the State Commission for the Blind and Visually Handicapped stating that the applicant is legally blind.
- An award letter from the United States Postal Service stating that the applicant is certified to receive a United States Postal Service disability pension.
- An award letter from the United States Department of Veterans Affairs stating that the applicant is entitled to a veterans disability pension.

If the award letter or certificate states that the applicant's disability is permanent, there will be no need to refile evidence of disability in future years if renewal of the exemption is sought.

Q. What are the residency and occupancy requirements?
A. The property must be the "legal residence" of the disabled person and must be occupied by that person unless he or she is absent from the property while receiving health-related services as an inpatient of a residential health care facility. Such a facility is defined as a nursing home or other facility that provides or offers lodging, board, and physical care. Such care includes, but is not limited to, the recording of health information, dietary supervision, and supervised hygienic services.

The property for which the exemption is being sought also must be used exclusively for residential purposes. If a portion of the property is used for other than residential purposes, however, the exemption will apply only to the portion that is used exclusively for residential purposes.

Q. Must all owners of the property qualify for the exemption?
A. Yes. All of the owners must be persons with disabilities. Exceptions are made in cases where the property is owned by husband and wife, or by siblings. In those cases, only one needs to have a disability.

Q. What if the property is held in a life estate or trust?
A. If a person holds life estate in the property, that person is the legal owner of the property. If the property is held in trust, the exemption may be allowed if the trustee or beneficiary of the trust qualifies.

Q. Can qualified residents of cooperative apartments receive the exemption?
A. Yes. Municipalities that offer the exemption also may offer it to otherwise qualified persons who are tenant-stockholders of a cooperative apartment corporation. Any exemption granted will be credited by the taxing authority against the assessed value of the property. The reduction in property taxes resulting from the exemption will be credited by the cooperative apartment corporation against the amount of such taxes otherwise chargeable to the tenant-stockholder.

Q. What are the income requirements and what is considered income?
A. The exemption cannot be granted if the income of the owner, or the combined income of all of the owners, exceeds the maximum income limit set by the locality.

If the owner is married, the income of the spouse must be included in the total unless the spouse is absent from the residence due to a legal separation or abandonment. The income of a non-resident former spouse, who retains an ownership interest, is not included. Applicants should contact their local assessor to determine what the income limits are.

Income is to be reported on the basis of the latest preceding income tax year prior to the date of application. This usually is the preceding calendar year. If the owner, any of the owners, or the spouse of any of the owners filed a federal or New York State income tax return for the preceding calendar year, a copy of the return should be submitted with the application.

Income **includes:**

- disability payments,
- all Social Security payments,
- salary and wages (including bonuses),