

NYAOT | NYCOM | NYSAA Monthly Roundtable

December 10, 2025

Zoom link to join: <https://us06web.zoom.us/j/82505106489>

Agenda

Date: Wednesday, December 10, 2025 | **Time:** 1:00 PM | **Duration:** 60 Minutes

Topic: Legislative Update / 2026 Focus

Welcome & Introductions

- Welcome from NYAOT, NYCOM & NYSAA

Legislative Update

2025 Enacted Laws

Chapter 95 of the Laws of 2025 – Climate Change Property Tax Relief Act

Eligibility of Properties: Relief is limited to owner-occupied residential property with three or fewer units; municipalities may also extend eligibility to small businesses occupied by their owners. Property transferred after the disaster does not qualify.

Standardized Damage Brackets: Assessment reductions follow a graduated scale (10% to 100% loss of improved value), with relief tied to the percentage damage bracket determined by the assessor. The statute now provides a uniform framework statewide for post-disaster adjustments.

Assessor's Role and Documentation: Assessors must review FEMA determinations, insurance reports, private appraisals, photographs, affidavits, and other acceptable evidence to determine loss. Findings must be issued within 30 days of the application deadline, with notice sent to both the property owner and the municipal address specified in the local law.

Review, Corrections, and Refunds: Owners dissatisfied with an assessor's determination may appeal to the Board of Assessment Review, and further under Article 7 procedures. Corrected assessments may result in reduced tax bills or refunds, and such corrections are deemed "errors in essential fact" under RPTL § 550(3).

Exemption for Property Transferred to Certain Low-income Households: This newly enacted law provides a real property tax exemption for property transferred from a nonprofit housing organization, community land trust, or a land bank to a low-income household, increasing affordability and access to homeownership for low-income populations. Opt-in property tax exemption between 25 and 75%, as determined by the municipality.

2024 Enacted Laws

Chapter 372 – Expansion of Emergency Services Responder Exemption

- 2022: State enacted legislation that authorized local governments to adopt a local law or resolution offering real property tax exemption of up to 10% to volunteer firefighters and ambulance workers

- Many questions arose, including eligibility of emergency service responders that volunteer in a neighboring jurisdiction
- Effective September 20, 2024 - locality can amend (or enact) legislation to extend exemption to any resident volunteer firefighter or ambulance worker that provides their volunteer services to a neighboring city, village, town, county or school district
- Note that each jurisdiction has to opt in for the exemption to apply to that tax base (town, county, school, village)

Chapter 605 of the Laws of 2024: Cannabis as a Crop

- 2024: confusion as to whether agricultural operations that harvested cannabis entitled to ag exemption
- Cannabis explicitly added to definition of crops, livestock and livestock products – farmers do not have to worry about exemption
- As a result, sales of cannabis may count towards the "gross sales" threshold (generally \$10,000) required for an agricultural operation to qualify for the agricultural exemption
- Applies to entire use – will not lose exemption if there is manufacturing on the premises

Chapter 672 – Short-term Rental Registry

- This new law creates a statewide taxation structure on short-term rentals through sales tax and any applicable occupancy tax
- Sales tax structure effective May 8, 2025
- Registry requirement effective November 22, 2025
- Establishes a county-based registration system for short-term rentals
- Localities can establish their own registration system prior to effective date
- Can also establish their own if the county opts out
- Local governments may still regulate short-term rentals via their land use, zoning, police power and home rule authority

2025-2026 Enacted Budget Legislation

Revenue Part O – Simplify STAR Income Definition

- Requires only one resident owner to be aged 65 or older for Enhanced STAR (Previously required all owners to be 65+)
- Shifts income eligibility requirements so only the income of the resident owner(s) is considered
- Phases out income verification for owners that do not file tax returns after three years
- Shifts residency date to July 1 (from December 31)
- Prohibits assessor / BAR from reinstating exemption after state has denied / removed benefit
- If the state denies or removes the STAR benefit, the assessor cannot reinstate it
- Property owners cannot commence an action to restore the benefit once removed
- Shifts eligibility determination to Department of Taxation and Finance, "in consultation with the assessor"
- The Commissioner of Taxation and Finance will determine Basic and Enhanced STAR benefit eligibility upon consultation with the assessor

- If the state determines a property is eligible for an enhanced benefit, the assessor must grant the benefit without requiring any additional information from the property owner

2025-2026 Enacted Budget Legislation

Chapter 59 of the Laws of 2025 Part F – Waiting Period / Limitations on Institutional Real Estate Investors

- Prohibits "institutional real estate investors" from putting an offer on a single/two-family residence unless the property has been on the market for at least 90 days
- Change in market price resets the 90 day clock
- Institutional real estate investor: entity / group that owns ten or more single/two-family residences, manages funds and acts as a fiduciary, and has \$30 million or more in net value / assets
- Violators subject to fines not to exceed \$250,000

Pending Legislation

A3047 (No same as) – End "Archaic" Requirement to Elect Town Assessors

- This legislation would eliminate the ability to elect assessors
- "An important technical position requiring a highly qualified individual . . . It does not make sense to elect an assessor" (Sponsor's memo)
- Note – this does not reflect the views of NYAOT

Open Discussion

- Questions or additional topics
- Standing monthly roundtable date selection
- Roundtable topics for 2026

NYAOT, NYCOM & NYSAA | Questions? Contact Katie Hodgdon, NYAOT Association Counsel at khodgdon@nytowns.org