

Warren County Board of Supervisors

RESOLUTION NO. 248 OF 2023

RESOLUTION INTRODUCED BY SUPERVISORS BRAYMER, MAGOWAN, LEGGETT, MCDEVITT, GERACI, DICKINSON AND SMITH

RESOLUTION OF THE COUNTY OF WARREN REQUESTING THAT GOVERNOR HOCHUL SUPPORTS LEGISLATION THAT WILL ALLOW THE TOWNS IN THE COUNTY THE OPTION TO ASSESS ALL NEWLY CONSTRUCTED CONDOMINIUMS IN A MANNER THAT REFLECTS THE MOST CURRENT MARKET VALUE

WHEREAS, in 1975, section 306 of the State Real Property Tax Law directed that “All real property in each assessing unit shall be assessed at the full value thereof,” and

WHEREAS, residential condominium units in some municipalities incur less taxes than those of comparably priced homes under conventional forms of property ownership pursuant to the provisions of section 581.1(a) of the Real Property Tax Law (“RPTL”) which governs how condominium units are assessed for tax purposes, and

WHEREAS, pursuant to the provisions of section 581.1(c) of the RPTL, section 581.1(a) does not apply to a “converted condominium” unit in a municipal corporation which has adopted, prior to the taxable status date of the assessment roll upon which its taxes will be levied, a local law providing that the provisions of section 581.21(a) shall not apply to converted condominium units, and

WHEREAS, the Warren County Board of Supervisors believes that it is in the best interests of its municipalities to have the option to exempt “newly constructed” condominiums from the provisions of section 581.1(a) of the RPTL in the same manner that section 581.1(c) of the RPTL provides an exemption for converted condominiums, and

WHEREAS, because of its attractive location, many towns in Warren County are popular destinations for those seeking second homes, most of which would be characterized as expensive, and are intentionally condominized by developers seeking preferential tax treatment, which shifts the tax burden to other residential property owners, often those who can least afford it, and

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WHEREAS, the New York State Assessors Association supports legislation that will allow municipalities to assess newly constructed condominiums to reflect the most current market values, and

WHEREAS, the New York State Assessors Association has a longstanding voice expressing support for a change in the methodology for condominium valuation for the purposes of taxation to reflect current market values, similarly to that of residential properties, and

WHEREAS, currently, condominiums are valued based on a restricted methodology that has no resemblance to market value, and

WHEREAS, Warren County now seeks an amendment to section 581.1(a) of the RPTL or legislation authorizing a Home Rule request or any other New York State legislation that would permit its municipalities to opt for the ability to exempt “newly constructed” condominiums from the provisions of section 581.1(a) of the RPTL, and

WHEREAS, as the New York State Attorney General’s Office states, a condominium (condo) is a single real estate unit in a multi-unit development in which an owner has both of the following: Separate (individual) ownership of a unit and undivided interest in the common elements of the building, and

WHEREAS, Syracuse.com reported that “one condo in Skaneateles sold for \$2.2 million. It was assessed and taxed as if it were worth just \$464,000,” and

WHEREAS, legislation introduced and passed in both houses to amend the real property tax law (Assembly Bill A3491B and Senate Bill S5946), in relation to the taxation of property owned by a cooperative corporation, and

WHEREAS, that legislation, passed by both houses of the New York State legislature, amended section 581 of the real property tax law allowing municipalities, if they choose, to treat future residential condominiums assessment based on market value, the same as for single family residential assessments, and

WHEREAS, in December 2022 Governor Hochul vetoed legislation that would have brought greater

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equity in the assessment of residential housing and would generate more revenue, and

WHEREAS, Governor Hochul signed a law that enabled the Town of Greenburgh to tax future condominium construction as residential properties, and

WHEREAS, there are many towns in New York, like Greenburgh, that have spent considerable time and money to assess properties at 100% equalization levels, and

WHEREAS, Warren County wishes to assure real property tax equity for all forms of housing in its County, and

WHEREAS, Warren County supports legislation that would close the door on homebuilders who wish to seek unfair market advantages for their expensive homes, classified as condominiums, and giving big tax breaks to owners of big suburban homes classified as condominiums, and

WHEREAS, the current law enables significant tax breaks for the owners of condominiums, often very expensive condominiums, and are tax breaks that all other property owners must burden, making single family homes, for example, more expensive to own, and school and local government tax burdens greater for single family homeowners, and

WHEREAS, Warren County also wishes to deter Warren County residential developers from abusing the current law and give significant tax breaks to expensive homeowners at the expense of the creation of more affordable homeowners, and

WHEREAS, the original bill, that was vetoed by the current governor, would have allowed municipalities to decide for themselves if they wish to maintain the current condominium loophole or opt out, thus maintaining New York's long tradition of Home Rule, and

WHEREAS, the choice of the municipality to abandon the Condominium loophole law would be in accord with New York State's Section 10 of the Municipal Home Rule law, and

WHEREAS, according to the Lake George Mirror, "it is estimated that under current law, condo

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owners' county, town and school tax bills are 30 to 40% less than what they ought to be - leaving other property owners to make up the difference," now, therefore, be it

RESOLVED, that the municipalities of Warren County, like the Town of Greenburgh, wish to have the same ability to have the OPTION of assessing condominiums and cooperatives the same as single family housing, based on market values, which would provide more equity in taxation and fairness in assessment, and be it further

RESOLVED, that the Clerk of the Board of Supervisors is hereby directed to forward copies of this resolution to Governor Hochul; Sentator Stec; Assemblyman Simpson; Assemblywoman Woerner; the New York State Association of Counties; and the Intercounty Legislative Committee of the Adirondacks.