



COOPERATIVE/CONDOMINIUM ABATEMENT FACT SHEET

The New York State Legislature recently passed a bill that amends the Cooperative/Condominium Abatement. The abatement gives eligible co-op and condo owners a reduction in their property taxes. For Tax Year 2012/13, we continued to apply the abatement as it had been before it was amended. Now that the amendment has been enacted into law, we will revise your 2012/13 tax bill.

Here is a description of the changes to the abatement.

1. PRIMARY RESIDENCE

To be eligible for this abatement, the unit must be your primary residence. If the unit is not your primary residence, your abatement will be phased out and completely removed by tax year 2014/15, which starts on July 1, 2014.

2. PRIMARY RESIDENCE AND NUMBER OF UNITS

If you own 4 or more units within the same building, none of the units are eligible for the abatement. If you own 3 or fewer units and one of those units is your primary residence, then all 3 units are eligible for the abatement. If you own 3 or fewer units and none of them are your primary residence, none of the units are eligible for the abatement and it will be phased out.

3. DWELLING UNITS

Parking spaces and storage units are not eligible. There is no phase-out period for these units and the abatement will be removed for the 2012/13 tax year. You or your co-op board will receive a charge on your July 2013 Property Tax Bill for the abatement you received on your 2012/13 property tax bills before the new abatement was enacted.

4. BENEFIT AMOUNTS

The benefit amounts have increased for many property owners. Before the law changed, the abatement was 17.5% for all properties with an Assessed Value of more than \$15,000 and 25% for properties with an Assessed Value of \$15,000 or less. If you are receiving an increased amount for 2012/13, you or your co-op board will receive a credit on your July 2013 Property Tax Bill for the increased abatement amount.

The new law has changed the Assessed Value thresholds and benefit amounts as follows:

Assessed Value	Benefit Amount Per Year		
	2012/2013	2013/2014	2014/2015
\$50,000 or less	25%	26.5%	28.1%
\$50,001 - \$55,000	22.5%	23.8%	25.2%
\$55,001 - \$60,000	20%	21.2%	22.5%
\$60,001 and above	17.5%	17.5%	17.5%



COOPERATIVE/CONDOMINIUM ABATEMENT FACT SHEET - Continued

5. NOTICES

We will be sending notices to individual co-op and condo units that are no longer eligible for the abatement. We do not want any property that is owned by a primary resident individual to lose the abatement. If you are an individual owner of this unit and it is your primary residence, please complete and return the Primary Residence Verification on the back of this letter by **April 12, 2013**. This will ensure that you maintain the abatement. Responses to the notice should be mailed to:

NYC Co-Op/Condo Abatement
P.O. Box 1194
Maplewood, NJ 07040

Responses can be sent by certified mail, if you wish.

6. PHASE OUTS

If you are an owner who is not using the unit as your primary residence and has received the abatement in 2011/12, your abatement will be phased out. Non-primary resident owners include units that are held solely by a trust. You or your co-op board will receive a charge on your July 2013 Property Tax Bill for the abatement you received on your 2012/13 property tax bill.

If you are a non-primary resident owner who is having the abatement phased out, here is how it will work:

Tax Year	Phase Out Abatement Amount	How You or Your Co-op Board Will See This on Your Bill
2012/13	50% of 2012/13 Amount You Received Before Abatement Amendment	You or your board will receive a one-time charge for this amount on your July 2013 Property Tax Bill
2013/14	25% of the 2012/13 Amount You Received Before Abatement Amendment	You or your board will see a reduced abatement amount on your 2013/14 property tax bills starting with your July 2013 bill
2014/15	0%	Abatement will no longer appear on your property tax bill