



NEW YORK STATE SENATOR

David J. Valesky

Valesky Bill Streamlines Property Tax Exemptions for Grape, Apple Growers

DAVID J. VALESKY June 15, 2010

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SYRACUSE, N.Y.— The New York State Senate passed legislation sponsored by Senator David J. Valesky (D-Oneida) that supports growth and investment in vineyards and orchards, two major agricultural crops in New York State. The legislation streamlines an existing property tax exemption for new or replanted vineyards or orchards that, while well-intentioned, proved burdensome for farmers.

“Our orchards and vineyards produce billions of dollars of economic impact each year, and this legislation supports the hundreds of farms across New York State while encouraging growth in the industry,” Senator Valesky said.

The new or replanted orchard property tax exemption recognizes that investing in new orchards and vineyards means the land will not produce a harvestable crop for six years. Since the application process costs money annually, the cost incurred can in fact exceed any benefit the farm obtains from the exemption.

The new legislation amends the process so that farms would only need to file an assessment once. Every year thereafter, owners would only need to notify the assessor of new acreage planted, making the program more cost-efficient and saving landowners money.

“We are delighted that this bill is moving forward. The wine industry is capital intensive and contributes greatly to the New York economy,” said Jim Trezise of the New York Wine and Grape Foundation. “We greatly appreciate Senator Valesky’s leadership on this and other legislation that will stimulate growth of our industry.”

The New York State wine industry has an estimated \$3.76 billion economic impact each year. More than 12,000 employees work in 255 wineries, 96 of which are located in Upstate New York’s Finger Lakes region. Approximately 16,000 tons of grapes are crushed to make 40 million gallons—or 200 million bottles—each year, making New York State the nation’s third largest wine producer in the United States.

New York State is the second largest apple producing state in the nation, averaging 29.5 million bushels each year with a value of \$268 million. There are nearly 700 apple farms in New York employing 10,000 workers.