



NEW YORK STATE SENATOR

Robert G. Ortt

## Ortt's Green Development Tax Exemption Bill Passes in Senate

ROBERT G. ORTT June 4, 2015

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*Senator Ortt's Bill Would Create Jobs in Green Industry, Lower Energy Costs for Consumers*

State Senator Rob Ortt's (R,C,I – North Tonawanda) Green Development Neighborhood Tax Exemption bill (S5013) unanimously passed in the Senate yesterday with overwhelming support. This tax incentive is meant to encourage more homeowners to build “green” homes. Ortt's bill would allow local municipalities across the state to offer a real property tax exemption of 35 percent for up to 20 years.

“This incentive will encourage people to implement clean energy initiatives, helping to reduce their energy consumption and lower energy costs for consumers. It aims to reduce our carbon footprint and pushes our region toward energy-efficiency, environmental responsibility, and local job creation in this growing industry. Western New York is on the upswing, and this bill will aid in keeping it there as more and more people gravitate toward less-costly, greener, cleaner options.”

In addition, the green development home tax exemption would help increase demand for environmentally-friendly housing while facilitating growth in the green home market by offsetting up-front building costs. The National Association of Home Builders (NAHB) estimates that U.S. homebuyers are willing to pay between 11 and 25 percent more for green homes.

Studies have shown green homes use less energy, water, and require less maintenance, all of which translate to cost-saving benefits. The energy savings alone in a green home could pay for green improvements several times over with a return on investment within 1 – 7 years. Building green increases a home's value while decreasing utility expenses, maximizing the use of natural resources, and minimizing environmental impact.

Homeowners in municipalities that choose to participate in offering the exemption would be eligible if their new home meets specific NAHB or Leadership in Energy and Environmental Design (LEED) standards. Features of the home could include use of recycled content in building materials, renewable energy sources, utilities that conserve water, low or no VOC finishes, among others.

More information about this bill is available at <http://leginfo.state.ny.us>.