

Co-op and Condo Tax Abatement Now Tied to Prevailing Wages

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Leni Cummins discusses imminent changes that are a result of Senate bill S6350A that was signed by Governor Kathy Hochul and will limit the tax abatement to those residing in condos and co-ops that pay their service employees the prevailing wage in *Habitat Magazine*. The new conditions of the bill will go into effect as of April 1, 2022.

The bulk of the city's co-ops and condos has unionized employees and therefore, nothing will change. However, those deemed "qualified properties" that will be eligible for the abatement now includes properties with an average unit assessed value of \$60,000 or less, as well as co-ops and condos with fewer than 30 units that have an average unit assessed value of \$100,000 or less.

According to Leni, "Boards need to very quickly evaluate their wages and bring them in line with prevailing wages."

"If boards don't make this change, they're about to become very unpopular. Why? Because property managers tell me that the amount saved by keeping the tax abatement far exceeds the cost of paying the staff the prevailing wage. Every building is different, of course, and every board needs to make an educated decision," she continued.

To read the full article, [click here](#). (Subscription required)

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