

## Cooperative and Condominium Tax Abatement Safe from Prevailing Wage Requirement

Coops and condos will not need to pay their service employees prevailing wages to keep their units eligible for the Cooperative and Condominium Tax Abatement (the abatement). The abatement reduces property taxes between 17.5 and 28.1 percent on average, depending on the assessed value of the units in the development.

Bill S6219/A8082, which proposed requiring New York coops and condos to certify that their service employees are paid a prevailing wage to avail their shareholders and unit owners of the benefits of the state's Cooperative and Condominium Tax Abatement, was passed by both houses of the New York State Legislature in June of 2019. Condos and coops throughout the city were deeply concerned regarding the impact the requirement would have on the affordability of coop and condo units.

The bill was sent to the governor on January 7 to be signed into law. The governor declined to sign the bill, and it was officially pocket vetoed last week after remaining unsigned for 30 days. The pocket veto of this legislation is a huge victory for many coop and condo shareholders and unit owners who would have lost their benefits under the abatement once their boards were unable to certify that their service employees are paid a prevailing wage. It is also a win for coop and condo boards that do not have the financial wherewithal to pay prevailing wages.

The bill is available [here](#).

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Leni Morrison Cummins

**Chair,  
Condominiums  
& Cooperatives**

lcummins@cozen.com  
Phone: (212) 883-4954  
Fax: (212) 509-9492



Jennifer D. Miller

**Member**

jdmler@cozen.com  
Phone: (212) 883-4908  
Fax: (212) 509-9492

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