Memorandum of Support S.5603 (May)/A.7550 (Kelles)

An act to amend the real property tax law, in relation to real property tax exemptions for preservation of forest lands and state assistance to municipalities

Summary

The above organizations strongly support S.5603/A.7550, which would help maintain wild forestlands, sequester carbon, conserve wildlife habitat, and improve air quality, water quality, and soil health. The bill expands Section 480-a tax incentives to landowners who place at least ten acres of forested property under a conservation easement that ensures that the land will be permanently conserved as wild forest. In addition, the bill authorizes State assistance to municipalities that lose real property tax revenues from Section 480-a tax relief programs.

Explanation

Forests are critical ecosystems that provide a wide array environmental benefits, including wildlife habitat, flood mitigation, and protection of air and water quality. Forests also absorb and store carbon dioxide that can offset greenhouse gas emissions and reduce the impacts of climate change. According to the New York State Climate Action Council, New York's forests store an estimated 1,911 million metric tons (MMT) of carbon—ten times more than the amount of carbon emitted from the State's energy sector annually[1]—and sequester approximately 26.6 MMT of carbon dioxide annually.[2] Around 70%, or 13.7 million acres, of New York forest lands are owned by private landowners and the majority of all the carbon storage and sequestration in the State occurs on these lands.[3]

This bill provides a financial incentive for private landowners to maintain wild forest lands, enacting a critical climate mitigation strategy of expanding the exiting 480-a tax incentive recommended by the Climate Action Council[4] and helping New York meet its statutory goal of conserving 30 percent of lands in the state by 2030.[5] State law currently provides real property tax reductions for landowners who manage fifty or more acres of their land for timber production pursuant to a timber management plan approved by the Department of Environmental Conservation (DEC). Landowners who meet these criteria are eligible for a real property tax exemption of up to 80 percent of the assessed valuation of the lands subject to the

---

[1] Dept. of Environmental Conservation, *2024 Statewide GHG Emissions Report* at 7, https://dec.ny.gov/sites/default/files/2024-12/summaryreportnysghgemissionsreport.pdf.

[2] New York State Climate Action Council, *New York State Climate Action Council Scoping Plan* at 275-76 (Dec. 2022), https://climate.ny.gov/Resources/Scoping-Plan.

[3] *Id*. at 281.

[4] *Id.* at 283.

[5] Environmental Conservation Law § 49-0113.

approved timber management plan. This bill expands the existing real property tax incentive to landowners who place at least ten acres of forested property under a conservation easement that ensures that the land will be permanently conserved as wild forest and prohibits the cutting, removal or destruction of trees on the tract (with certain exemptions such as DEC-approved actions to address invasive species).

The bill also addresses a longstanding issue surrounding the existing Section 480-a program by authorizing State assistance to municipalities that lose real property tax revenues as a result of landowners enrolling in the Section 480-a timber management or conservation easement tax relief programs. The bill taps State revenues generated by the real property transfer tax to offset lost real property tax revenues. The State assistance will secure the statewide benefits of forest conservation and responsible timber management while simultaneously safeguarding local municipalities and non-enrolled taxpayers from being unfairly burdened by the Section 480-a tax incentives.

For all of these reasons, the above-named groups strongly support S.5603 and A.7550.

For more information:

Jamie Brown, New York Program Manager, Land Trust Alliance
Peter Lehner, Managing Attorney, Earthjustice
Rich Schrader, New York Government Affairs Director, NRDC
Christopher Amato, Conservation Dir. & Counsel, Protect the Adirondacks 518-860-3696 (c)
Marcie Craig, Executive Director, NOFA-NY 315-988-4000 (o)