

6832--A

I N S E N A T E

March 27, 2012

Introduced by Sen. LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to assessment ceilings for local public utility mass real property

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Paragraph (a) of subdivision 2 of section 200-a of the real
2 property tax law, as added by section 7 of part W of chapter 56 of the
3 laws of 2010, is amended to read as follows:
4 (a) The power to determine the final special franchise value, special
5 franchise assessment, railroad ceiling, state equalization rate or any
6 other equalization product established pursuant to this chapter for
7 which a complaint has been filed, as provided by sections four hundred
8 eighty-nine-o, four hundred eighty-nine-ll, FOUR HUNDRED
9 NINETY-NINE-PPPP, six hundred fourteen, twelve hundred ten, twelve
10 hundred fifty-three, and twelve hundred sixty-three of this chapter;
11 S 2. Article 4 of the real property tax law is amended by adding a new
12 title 5 to read as follows:

13 TITLE 5
14 ASSESSMENT CEILINGS FOR LOCAL PUBLIC
15 UTILITY MASS REAL PROPERTY
16 SECTION 499-HHHH. DEFINITIONS.
17 499-IIII. ANNUAL FEE.
18 499-JJJJ. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY.
19 499-KKKK. ASSESSMENT CEILING.
20 499-LLLL. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE.
21 499-MMMM. EQUITABLE RATIO OF ASSESSMENT.
22 499-NNNN. EQUALIZATION RATE.
23 499-OOOO. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE,
24 COMPLAINTS AND HEARING.
25 499-PPPP. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIF-
26 ICATE.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD15141-02-2

1 499-QQQQ. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF
2 EXEMPTION.

3 499-RRRR. REPORTS TO STATE BOARD.

4 499-SSSS. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILI-
5 TIES.

6 S 499-HHHH. DEFINITIONS. WHEN USED IN THIS TITLE:

7 1. "LOCAL PUBLIC UTILITY MASS REAL PROPERTY" MEANS PUBLIC UTILITY MASS
8 REAL PROPERTY THAT IS LOCATED IN A PARTICULAR TOWN, VILLAGE, CITY OR
9 COUNTY ASSESSING UNIT AND UNDER THE SAME OWNERSHIP.

10 2. "LOCAL ASSESSING JURISDICTION" MEANS THE TOWN, CITY, VILLAGE OR
11 COUNTY ASSESSING UNIT THAT ESTABLISHES THE ASSESSMENT ROLLS FOR SUCH
12 TOWN, CITY, VILLAGE OR COUNTY.

13 3. "PUBLIC UTILITY MASS REAL PROPERTY" MEANS REAL PROPERTY, INCLUDING
14 MAINS, PIPES, CONDUITS, CABLES, LINES, WIRES, POLES, SUPPORTS AND ENCL-
15 SURES FOR ELECTRICAL CONDUCTORS LOCATED ON, ABOVE AND BELOW REAL PROPER-
16 TY, WHICH IS USED IN THE TRANSMISSION AND DISTRIBUTION OF GAS, ELECTRIC-
17 ITY, STEAM, WATER, PETROLEUM AND ANY OTHER SUBSTANCE AS WELL AS
18 REFRIGERATION, HEAT, TELEPHONE OR TELEGRAPH SERVICE, AND ELECTROMAGNETIC
19 VOICE, VIDEO AND DATA SIGNALS. SUCH TERM SHALL INCLUDE ALL PROPERTY
20 DESCRIBED IN PARAGRAPHS (D), (E) AND (I) OF SUBDIVISION TWELVE OF
21 SECTION ONE HUNDRED TWO OF THIS CHAPTER. SPECIAL FRANCHISE PROPERTY AS
22 DESCRIBED IN SUBDIVISION SEVENTEEN OF SECTION ONE HUNDRED TWO OF THIS
23 CHAPTER AND ALL PROPERTY DESCRIBED IN SUBPARAGRAPHS (A), (B), (C) AND
24 (D) OF PARAGRAPH (I) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED TWO OF
25 THIS CHAPTER SHALL NOT BE CONSIDERED PUBLIC UTILITY MASS REAL PROPERTY
26 FOR PURPOSES OF THIS TITLE.

27 4. "COMMISSIONER" MEANS THE COMMISSIONER OF TAXATION AND FINANCE OR
28 HIS OR HER DESIGNEE.

29 5. "TAXATION" MEANS AN AD VALOREM LEVY OR SPECIAL ASSESSMENT FOR WHICH
30 PUBLIC UTILITY MASS REAL PROPERTY IS OTHERWISE LIABLE PURSUANT TO THIS
31 CHAPTER.

32 S 499-IIII. ANNUAL FEE. ANY COSTS AND EXPENSES INCURRED BY THE
33 COMMISSIONER IN THE ESTABLISHMENT OF ASSESSMENT CEILINGS FOR LOCAL
34 PUBLIC UTILITY MASS REAL PROPERTY SHALL BE PAID FROM THE COLLECTION OF
35 AN ANNUAL CHARGE UPON THE OWNERS OF LOCAL PUBLIC UTILITY MASS REAL PROP-
36 erty. THE COMMISSIONER SHALL PROVIDE BY RULE FOR COMPUTATION OF SUCH
37 CHARGE THROUGH THE APPORTIONMENT OF THESE COSTS AND EXPENSES TO OWNERS
38 OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN RELATION TO THE TOTAL FULL
39 VALUE OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY ELIGIBLE FOR AN
40 ASSESSMENT CEILING PURSUANT TO THIS TITLE. PRIOR TO COLLECTING PAYMENT
41 OF SUCH CHARGES, THE COMMISSIONER SHALL ANNUALLY PROVIDE A DETAILED
42 REPORT TO EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IDENTI-
43 FYING COSTS RELATED TO ESTABLISHMENT OF ASSESSMENT CEILINGS, INCLUDING,
44 BUT NOT LIMITED TO, EXPENDITURES, REVENUE SOURCES AND ANY ALLOCATIONS.
45 THE CHARGES ESTABLISHED PURSUANT TO THIS SECTION SHALL BE SUBJECT TO THE
46 APPROVAL OF THE DIRECTOR OF THE BUDGET. EACH OWNER OF LOCAL PUBLIC UTIL-
47 ITY MASS REAL PROPERTY SHALL BE AUTHORIZED TO CHALLENGE ANY SUCH CHARGES
48 PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

49 S 499-JJJJ. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY.
50 SUBJECT TO THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-NINE-QQQQ OF
51 THIS TITLE, THE ASSESSOR IN EACH CITY, TOWN AND VILLAGE, AND IN EACH
52 COUNTY HAVING A COUNTY DEPARTMENT OF ASSESSMENT, SHALL ANNUALLY ASSESS
53 ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SITUATED IN SUCH CITY, TOWN,
54 VILLAGE OR COUNTY, AS THE CASE MAY BE. WHERE A VILLAGE HAS ENACTED A
55 LOCAL LAW AS PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED
56 TWO OF THIS CHAPTER, THE TOWN OR COUNTY ASSESSOR SHALL APPORTION THAT

PART OF THE ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN THE TOWN OR COUNTY TO THE VILLAGE FOR VILLAGE TAX PURPOSES.

S 499-KKKK. ASSESSMENT CEILING. 1. TO DETERMINE THE EXTENT TO WHICH LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE EXEMPT UNDER THIS TITLE, AN ASSESSMENT CEILING FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE ESTABLISHED ANNUALLY BY THE COMMISSIONER AS FOLLOWS:

(A) DETERMINE: (I) THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE IN ACCORDANCE WITH THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-NINE-MMMM OF THIS TITLE; AND (II) THE EQUALIZATION RATE FACTOR FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-NINE-NNNN OF THIS TITLE.

(B) MULTIPLY THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE BY THE EQUALIZATION RATE FACTOR.

THE RESULT SHALL BE THE ASSESSMENT CEILING.

2. THE VALUATION DATE FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE JANUARY FIRST OF THE YEAR PRECEDING THE YEAR IN WHICH THE ASSESSMENT ROLL ON WHICH SUCH PROPERTY IS TO BE ASSESSED, COMPLETED AND FILED IN THE OFFICE OF THE CITY OR TOWN CLERK. THE TAXABLE STATUS FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE BASED UPON ITS CONDITION AND OWNERSHIP AS OF THE TAXABLE STATUS DATE APPLICABLE TO THE ASSESSMENT ROLL ON WHICH IT IS TO APPEAR.

3. FOR ASSESSMENT ROLLS WITH TAXABLE STATUS DATES IN EACH OF THE THREE CALENDAR YEARS INCLUDING AND FOLLOWING THE YEAR IN WHICH THIS SECTION SHALL TAKE EFFECT, THE COMMISSIONER SHALL ESTABLISH NO ASSESSMENT CEILING THAT IS LESS THAN NINETY PERCENT OR MORE THAN ONE HUNDRED TEN PERCENT OF THE ASSESSMENT OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY APPEARING ON THE MUNICIPAL ASSESSMENT ROLL WITH A TAXABLE STATUS DATE OCCURRING IN THE SECOND PRECEDING CALENDAR YEAR FROM WHEN THIS SECTION SHALL TAKE EFFECT, EXCEPT THAT THE COMMISSIONER MAY ESTABLISH ASSESSMENT CEILINGS BELOW THE NINETY PERCENT LEVEL OR ABOVE THE ONE HUNDRED TEN PERCENT LEVEL TO TAKE INTO ACCOUNT ANY CHANGE IN LEVEL OF ASSESSMENT AND/OR TO TAKE INTO ACCOUNT ANY ADDITIONS OR RETIREMENTS TO PUBLIC UTILITY MASS REAL PROPERTY OR LITIGATION AFFECTING THE VALUE OR TAXABLE STATUS OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY INITIATED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION.

S 499-LLLL. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE. THE COMMISSIONER SHALL COMPUTE THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE AS FOLLOWS:

1. APPLY A COMMONLY ACCEPTED AND RECOGNIZED APPRAISAL METHODOLOGY TO COMPUTE THE REPRODUCTION COST; AND

2. GIVE CONSIDERATION TO PHYSICAL DEPRECIATION AND FUNCTIONAL AND ECONOMIC OBSOLESCENCE, IN ACCORDANCE WITH PARAGRAPHS (A) AND (B) OF THIS SUBDIVISION.

(A) IN COMPUTING PHYSICAL DEPRECIATION, THE COMMISSIONER SHALL GIVE CONSIDERATION TO THE AGE, PHYSICAL CONDITION, AVERAGE SERVICE LIVES OF ASSETS AND OTHER RELEVANT FACTORS. AVERAGE SERVICE LIVES SHALL BE DETERMINED BY TAKING INTO CONSIDERATION ALL NATIONAL, REGIONAL AND NEW YORK STATE REPORTED AVERAGE SERVICE LIVES AND NET SALVAGE FACTORS, AND ANY OTHER RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN DETERMINING NET SALVAGE FACTORS, THE COMMISSIONER SHALL CONSIDER ALL NATIONAL, REGIONAL AND NEW YORK STATE REPORTED NET SALVAGE FACTORS AND ANY OTHER RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN COMPUTING PHYSICAL DEPRECIATION, THE COMMISSIONER SHALL APPLY STRAIGHT-LINE DEPRECIATION AS COMPUTED FOR SPECIAL FRANCHISE PROPERTY.

(B) IN DETERMINING ECONOMIC OR FUNCTIONAL OBSOLESCENCE FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE COMMISSIONER SHALL CONSIDER INDI-

VIDUAL APPLICATIONS FOR ADJUSTMENTS PARTICULAR TO SPECIFIC PUBLIC UTILITY MASS REAL PROPERTY FOR CLAIMED ECONOMIC OR FUNCTIONAL OBSOLESCENCE BY A PUBLIC UTILITY MASS REAL PROPERTY OWNER. SUCH APPLICATION SHALL BE SUBMITTED WITH THE ANNUAL REPORT REQUIRED BY SECTION FOUR HUNDRED NINE-TY-NINE-RRRR OF THIS TITLE. THE COMMISSIONER SHALL MAKE A DETERMINATION ON INDIVIDUAL APPLICATIONS AND INCORPORATE ANY ADJUSTMENTS INTO THE CERTIFICATE OF VALUE FOR THE YEAR IN WHICH THE APPLICATION IS FILED.

S 499-MMMM. EQUITABLE RATIO OF ASSESSMENT. THE COMMISSIONER AND ANY ASSESSING AUTHORITY SHALL BE PROHIBITED FROM:

1. ASSESSING LOCAL PUBLIC UTILITY MASS REAL PROPERTY AT A VALUE THAT HAS A HIGHER RATIO TO THE FULL VALUE OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY THAN THE RATIO OF ASSESSED VALUE OF OTHER REAL PROPERTY IN THE SAME ASSESSMENT JURISDICTION TO ITS FULL VALUE, AS PROVIDED IN SECTION THREE HUNDRED FIVE OF THIS CHAPTER.

2. LEVYING OR COLLECTING A TAX ON AN ASSESSMENT THAT MAY NOT BE MADE UNDER SUBDIVISION ONE OF THIS SECTION.

3. LEVYING OR COLLECTING AN AD VALOREM PROPERTY TAX ON LOCAL PUBLIC UTILITY MASS REAL PROPERTY AT A TAX RATE THAT EXCEEDS THE TAX RATE APPLICABLE TO OTHER REAL PROPERTY IN THE SAME ASSESSMENT JURISDICTION.

S 499-NNNN. EQUALIZATION RATE. IN DETERMINING ASSESSMENT CEILINGS, THE COMMISSIONER SHALL APPLY THE FINAL STATE EQUALIZATION RATE FOR THE ASSESSMENT ROLL OF THE LOCAL ASSESSING JURISDICTION FOR WHICH THE CEILING IS ESTABLISHED. IF THAT FINAL RATE IS NOT AVAILABLE, THE COMMISSIONER SHALL APPLY THE MOST RECENT FINAL STATE EQUALIZATION RATE FOR THE LOCAL ASSESSING JURISDICTION, EXCEPT THAT IF A SPECIAL EQUALIZATION RATE HAS BEEN ESTABLISHED AS PROVIDED IN TITLE TWO OF ARTICLE TWELVE OF THIS CHAPTER, SUCH RATE SHALL BE APPLIED. IN THE CASE OF A SPECIAL ASSESSING UNIT AS DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE EQUALIZATION RATE TO BE APPLIED SHALL BE THE APPLICABLE CLASS EQUALIZATION RATE.

S 499-OOOO. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE, COMPLAINTS AND HEARING. 1. EACH YEAR THE COMMISSIONER SHALL MAKE A TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY. THEREAFTER, THE COMMISSIONER SHALL GIVE NOTICE, IN WRITING OR ELECTRONICALLY, TO EACH ASSESSING UNIT AND EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR WHICH SUCH TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING SHALL HAVE BEEN MADE, SPECIFYING THE AMOUNT OF SUCH CEILING, AND MAKING AVAILABLE FOR INSPECTION AND COPYING THE COMPUTATIONS USED TO ESTABLISH THE TENTATIVE ASSESSMENT CEILING AMOUNT PURSUANT TO THE PUBLIC OFFICERS LAW, AND SETTING FORTH THE TIME AND PLACE WHERE THE COMMISSIONER OR HIS OR HER DESIGNEE WILL MEET TO HEAR ANY COMPLAINT CONCERNING SUCH TENTATIVE DETERMINATION. SUCH NOTICE SHALL BE SENT ELECTRONICALLY AND SERVED IN WRITING AT LEAST FORTY-FIVE DAYS PRIOR TO THE DATE SPECIFIED FOR SUCH HEARING.

2. A TENTATIVE ASSESSMENT CEILING MAY BE CHALLENGED BEFORE THE COMMISSIONER AS FOLLOWS:

(A) AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR THE LOCAL ASSESSING JURISDICTION OBJECTING TO A TENTATIVE CEILING MUST SERVE A COMPLAINT UPON THE COMMISSIONER, IN WRITING, AND A COPY THEREOF UPON THE ASSESSING UNIT OR OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AS THE CASE MAY BE, AT LEAST TEN DAYS BEFORE THE DATE SPECIFIED FOR THE HEARING. THE COMPLAINT SHALL SPECIFY THE OBJECTIONS TO SUCH TENTATIVE DETERMINATION. SERVICE MAY BE MADE EITHER IN PERSON OR BY MAIL.

(B) ON OR BEFORE THE DATE SPECIFIED FOR THE HEARING, AN AFFIDAVIT OF SERVICE SHALL BE FILED WITH THE COMMISSIONER STATING THAT SERVICE HAS BEEN MADE IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

1 3. THE COMMISSIONER OR HIS OR HER DESIGNEE SHALL MEET AT THE TIME AND
2 PLACE SPECIFIED IN SUCH NOTICE SET FORTH IN SUBDIVISION ONE OF THIS
3 SECTION TO HEAR COMPLAINTS IN RELATION TO THE TENTATIVE DETERMINATION OF
4 THE ASSESSMENT CEILING. THE PROVISIONS OF SECTION FIVE HUNDRED TWELVE OF
5 THIS CHAPTER SHALL APPLY SO FAR AS MAY BE PRACTICABLE TO A HEARING UNDER
6 THIS SECTION.

7 S 499-PPPP. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIFICATE. 1.
8 AFTER THE HEARING PROVIDED IN SECTION FOUR HUNDRED NINETY-NINE-0000 OF
9 THIS TITLE, THE COMMISSIONER SHALL FINALLY DETERMINE THE ASSESSMENT
10 CEILING FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY OF EACH LOCAL
11 PUBLIC UTILITY MASS REAL PROPERTY OWNER SITUATED IN EACH ASSESSING UNIT.
12 WHENEVER, UPON COMPLAINT, THE COMMISSIONER SHALL REVISE THE LOCAL PUBLIC
13 UTILITY MASS REAL PROPERTY VALUATION IN AN ASSESSING UNIT, THE COMMIS-
14 SIONER SHALL REVISE THE ASSESSMENT CEILING THEREFOR TO REFLECT SUCH
15 REVISION, AND ON ACCOUNT OF SUCH REVISION, THE COMMISSIONER SHALL, TO
16 THE EXTENT APPLICABLE, MODIFY ANY OTHER DETERMINATION WITH RESPECT TO
17 THE ASSESSMENT CEILINGS FOR OTHER LOCAL PUBLIC UTILITY MASS REAL PROPER-
18 TY OWNED BY SUCH OWNER FOR SUCH YEAR EVEN IF NO COMPLAINT WAS FILED.

19 2. NOTWITHSTANDING THAT A COMPLAINT MAY NOT HAVE BEEN FILED WITH
20 RESPECT TO A TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING, THE
21 COMMISSIONER SHALL GIVE EFFECT TO ANY SPECIAL EQUALIZATION RATE ESTAB-
22 LISHED PURSUANT TO SECTION TWELVE HUNDRED TWENTY-FOUR OF THIS CHAPTER OR
23 THE FINAL STATE EQUALIZATION RATE FOR THE ASSESSMENT ROLL FOR WHICH THE
24 CEILING IS ESTABLISHED AS PROVIDED IN SECTION FOUR HUNDRED NINETY-NINE-
25 NNNN OF THIS TITLE PRIOR TO THE DATE FOR THE FINAL DETERMINATION OF THE
26 ASSESSMENT CEILING.

27 3. NO LATER THAN TEN DAYS BEFORE THE LAST DATE PRESCRIBED BY LAW FOR
28 THE LEVY OF TAXES, THE COMMISSIONER SHALL FILE A CERTIFICATE SETTING
29 FORTH EACH ASSESSMENT CEILING AS FINALLY DETERMINED WITH THE ASSESSOR OF
30 THE APPROPRIATE ASSESSING UNIT OR THE TOWN OR COUNTY ASSESSOR WHO
31 PREPARES A COPY OF THE APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT
32 ROLL FOR VILLAGE TAX PURPOSES AS PROVIDED IN SUBDIVISION THREE OF
33 SECTION FOURTEEN HUNDRED TWO OF THIS CHAPTER. THE COMMISSIONER SHALL, AT
34 THE SAME TIME, TRANSMIT TO EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL
35 PROPERTY FOR WHICH SUCH CEILING HAS BEEN DETERMINED A DUPLICATE COPY OF
36 SUCH CERTIFICATE.

37 4. ANY FINAL DETERMINATION OF AN ASSESSMENT CEILING BY THE COMMISSION-
38 ER PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL BE SUBJECT TO JUDI-
39 CIAL CHALLENGE BY AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR
40 A LOCAL ASSESSING JURISDICTION IN A PROCEEDING UNDER ARTICLE SEVEN OF
41 THIS CHAPTER; PROVIDED HOWEVER, THE TIME TO COMMENCE SUCH PROCEEDING
42 SHALL BE WITHIN SIXTY DAYS OF THE ISSUANCE OF THE FINAL ASSESSMENT CEIL-
43 ING CERTIFICATE AND ALL QUESTIONS OF FACT AND LAW SHALL BE DETERMINED DE
44 NOVO; PROVIDED FURTHER, ANY EXPENSES INCURRED IN SUCH CHALLENGE AND UPON
45 ANY APPEAL THEREIN SHALL NOT BE A CHARGE UPON THE ASSESSING UNIT OR
46 UNITS UPON WHOSE ROLLS THE ASSESSMENT CEILING WOULD BE APPLICABLE. ANY
47 JUDICIAL PROCEEDING SHALL BE COMMENCED IN THE SUPREME COURT IN THE COUN-
48 TY IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY HAS ITS PRINCI-
49 PAL OFFICE OR THE COUNTY IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL
50 PROPERTY IS LOCATED. NOTHING IN THIS SECTION SHALL PRECLUDE A CHALLENGE
51 OF THE ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDICTION WITH
52 RESPECT TO LOCAL PUBLIC UTILITY MASS REAL PROPERTY AS OTHERWISE PROVIDED
53 IN ARTICLE SEVEN OF THIS CHAPTER. IN ANY PROCEEDING CHALLENGING AN
54 ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDICTION FOR LOCAL
55 PUBLIC UTILITY MASS REAL PROPERTY, THE FINAL CERTIFIED ASSESSMENT CEIL-

1 ING ESTABLISHED PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL NOT BE
2 CONSIDERED BY THE COURT.

3 S 499-QQQQ. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF
4 EXEMPTION. 1. UPON RECEIPT OF A CERTIFICATE SETTING FORTH THE FINAL
5 CERTIFIED ASSESSMENT CEILING FOR LOCAL PUBLIC UTILITY MASS REAL PROPER-
6 TY, THE ASSESSOR SHALL COMPARE THE ASSESSED VALUATIONS BY PARCEL ATTRIB-
7 UTABLE TO THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR EACH OWNER OF
8 LOCAL PUBLIC UTILITY MASS REAL PROPERTY INCLUDED IN THE ASSESSMENT CEIL-
9 ING. WHERE THE OWNER OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY
10 REPORTS INFORMATION BY SPECIFIC PROPERTY IDENTIFICATION TO THE COMMIS-
11 SIONER OR THE LOCAL ASSESSING JURISDICTION HAS IMPLEMENTED A SYSTEM BY
12 THE COMMISSIONER STANDARDIZING THE IDENTITY OF PUBLIC UTILITY MASS REAL
13 PROPERTY ON ASSESSMENT ROLLS, SUCH CERTIFIED ASSESSMENT CEILINGS SHALL
14 BE PROVIDED BY THE COMMISSIONER BY PARCEL, AS SET FORTH ON THE LOCAL
15 ASSESSING JURISDICTION'S ASSESSMENT ROLLS. WHERE THE ASSESSED VALUATION
16 DOES NOT EXCEED THE FINAL CERTIFIED ASSESSMENT CEILING, AS SET FORTH IN
17 THE CERTIFICATE FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE
18 ASSESSOR NEED NOT MAKE ANY ADJUSTMENT IN SUCH ASSESSED VALUATION.
19 PROVIDED, HOWEVER, THE ASSESSED VALUATION EXCEEDS THE FINAL CERTIFIED
20 ASSESSMENT CEILING, AS SET FORTH IN THE CERTIFICATE, SUCH LOCAL PUBLIC
21 UTILITY MASS REAL PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT
22 OF SUCH EXCESS AND THE ASSESSOR SHALL FORTHWITH REDUCE THE ASSESSMENTS
23 OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY, SO THAT THE TAXABLE
24 ASSESSED VALUATION OF SUCH PROPERTY SHALL NOT EXCEED THE CERTIFIED
25 ASSESSMENT CEILING. ALL CERTIFICATES OF ASSESSMENT CEILINGS SHALL BE
26 ATTACHED TO THE ASSESSMENT ROLL OR FILED THEREWITH AS PROVIDED IN ARTI-
27 CLE FIFTEEN-C OF THIS CHAPTER.

28 2. THE ASSESSOR IS HEREBY AUTHORIZED AND DIRECTED TO MAKE THE
29 REDUCTIONS, IF ANY, PROVIDED FOR IN THIS SECTION ON THE ASSESSMENT ROLL
30 OF THE LOCAL ASSESSING JURISDICTION IN WHICH THE LOCAL PUBLIC UTILITY
31 MASS REAL PROPERTY IS LOCATED, NOTWITHSTANDING THE FACT THAT HE OR SHE
32 MAY RECEIVE THE CERTIFICATE OF THE ASSESSMENT CEILING AFTER THE FINAL
33 COMPLETION, VERIFICATION AND FILING OF SUCH ASSESSMENT ROLL. OTHER LOCAL
34 OFFICERS, INCLUDING SCHOOL AUTHORITIES, APPLYING SUCH FINAL ASSESSMENT
35 ROLL, ARE HEREBY AUTHORIZED AND DIRECTED, ON THE BASIS OF INFORMATION
36 WHICH SHALL BE PROVIDED BY THE ASSESSOR, TO MAKE THE REDUCTIONS PROVIDED
37 FOR IN THIS SECTION ON THEIR RESPECTIVE TAX ROLLS PRIOR TO LEVY OF TAX
38 OR, IF RECEIVED AFTER THE TAX ROLLS HAVE BEEN ESTABLISHED, TO CORRECT
39 ANY TAX LEVY OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY TO REFLECT SUCH
40 REDUCTION. IF THE REDUCTION IS MADE AFTER THE TAX LEVY AND PAYMENT OF
41 SAME BY THE OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THEN SUCH
42 OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE ENTITLED TO A
43 REFUND IN ACCORDANCE WITH SECTION SEVEN HUNDRED TWENTY-SIX OF THIS CHAP-
44 TER.

45 3. IN ASSESSING UNITS FOR WHICH HE OR SHE IS REQUIRED BY LAW TO
46 PREPARE AN ASSESSMENT ROLL, THE ASSESSOR OF A COUNTY HAVING A COUNTY
47 DEPARTMENT OF ASSESSMENT SHALL PERFORM ALL THE ACTS PRESCRIBED FOR AN
48 ASSESSOR BY THIS TITLE. WHERE A VILLAGE HAS ENACTED A LOCAL LAW AS
49 PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED TWO OF THIS
50 CHAPTER, THE ASSESSOR OF THE TOWN OR COUNTY WHO PREPARES A COPY OF THIS
51 APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT ROLL FOR VILLAGE TAX
52 PURPOSES SHALL ALSO PERFORM THE ACTS PRESCRIBED FOR ASSESSORS BY THIS
53 TITLE ON BEHALF OF THE VILLAGE.

54 S 499-RRRR. REPORTS TO STATE BOARD. 1. THE COMMISSIONER MAY REQUIRE
55 FROM AN OWNER OF A LOCAL PUBLIC UTILITY MASS REAL PROPERTY AN ANNUAL
56 REPORT THAT SHALL INCLUDE SUCH INFORMATION AND DATA THAT IS PRESCRIBED

1 IN REGULATION BY THE COMMISSIONER AND IS REASONABLE AND NECESSARILY
2 RELATED TO THE ESTABLISHMENT OF A CEILING ASSESSMENT BY THE COMMISSIONER
3 FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AND WHICH SHALL BE IN
4 THE SAME FORMAT AND SUBSTANCE AS REQUIRED FOR SPECIAL FRANCHISE PROPERTY
5 PURSUANT TO ARTICLE SIX OF THIS CHAPTER. SUCH REPORTS SHALL BE THE SAME
6 FOR SIMILARLY SITUATED LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNERS.

7 2. EVERY REPORT REQUIRED BY OR PURSUANT TO THIS SECTION SHALL BE MADE
8 BY A PERSON AUTHORIZED TO PREPARE SUCH REPORTS AND HAVING KNOWLEDGE OF
9 THE CONTENTS THEREOF, OR WHO IS AUTHORIZED TO OBTAIN SUCH INFORMATION.
10 THE COMMISSIONER MAY PREPARE AND REQUIRE THE USE OF FORMS FOR MAKING
11 SUCH REPORTS.

12 3. ANY OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILING TO
13 FILE THE ANNUAL REPORT PURSUANT TO THIS SECTION WITHIN THE TIME SPECI-
14 FIED BY THE COMMISSIONER SHALL BE SUBJECT TO A FINE OF ONE HUNDRED
15 DOLLARS FOR EACH DAY UNTIL SUCH REPORT IS FILED IN ACCORDANCE WITH THIS
16 SECTION; PROVIDED, HOWEVER, SUCH FINE SHALL NOT BE APPLIED AS A TAX
17 LIEN; AND PROVIDED, FURTHER, SUCH OWNER OF LOCAL PUBLIC UTILITY MASS
18 REAL PROPERTY SHALL NOT BE SUBJECT TO ANY OTHER FINE OR PENALTY FOR A
19 VIOLATION OF THIS SECTION.

20 4. IN ADDITION TO THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION,
21 IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO FURNISH
22 A REPORT REQUIRED BY THIS SECTION WITHIN THE REQUIRED TIME FRAME, THE
23 COMMISSIONER MAY COMMENCE A SPECIAL PROCEEDING IN THE SUPREME COURT TO
24 COMPEL SUCH OWNER TO FURNISH THE REPORT.

25 5. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO
26 SUBMIT AN ANNUAL REPORT AS REQUIRED BY THIS SECTION, THE ASSESSMENT
27 CEILING ON THE NEXT ANNUAL ASSESSMENT ROLL SHALL BE CALCULATED USING THE
28 BEST INFORMATION AVAILABLE TO THE STATE BOARD.

29 6. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY MAKES
30 REASONABLE EFFORTS TO FILE AN ANNUAL REPORT, SUCH OWNER SHALL NOT BE
31 SUBJECT TO ANY CHARGE OR FINE PURSUANT TO THIS SECTION.

32 S 499-SSSS. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILITIES.
33 1. THE COMMISSIONER SHALL, UPON REASONABLE PRIOR NOTICE, HAVE ACCESS AT
34 REASONABLE TIMES TO REASONABLE DISCLOSURE OF ACCOUNTS AND RECORDS ESTAB-
35 LISHED AND MAINTAINED BY A LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNER
36 RELATING TO ITS LOCAL PUBLIC UTILITY MASS REAL PROPERTY.

37 2. THE COMMISSIONER SHALL, AT REASONABLE TIMES IN THE NORMAL BUSINESS
38 OPERATIONS OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNER, AND
39 WITH PRIOR NOTICE AND APPOINTMENT, AND NOT OTHERWISE LIMITED BY FEDERAL
40 LAW OR REGULATIONS, HAVE ACCESS TO INSPECT LOCATIONS WHERE THE LOCAL
41 PUBLIC UTILITY MASS REAL PROPERTY IS SITUATED.

42 S 3. (a) Within two years of the effective date of this act and bien-
43 nially thereafter, the commissioner of taxation and finance, in consul-
44 tation with owners of public utility mass real property, shall examine
45 and evaluate whether public utility mass real property continues to
46 constitute a "specialty" and, if not, such commissioner shall examine
47 and evaluate alternative valuation methodologies to the reproduction
48 cost less depreciation methodology to compute the value of local public
49 utility mass real property, including, but not limited to, the three
50 valuation methodologies (income, sales comparison and cost approaches),
51 with reconciliation in accordance with nationally recognized profes-
52 sional appraisal practice standards;

53 (b) The commissioner of taxation and finance shall report to the
54 governor, the temporary president of the senate and the speaker of the
55 assembly his or her findings and recommendations, including any amend-
56 ment of statute or regulation, related to the examination and evaluation

1 pursuant to subdivision (a) of this section, no later than December
2 thirty-first of the second year of such biennial period.
3 S 4. This act shall take effect on the first of January of the second
4 calendar year commencing after this act shall have become a law and
5 shall apply to assessment rolls with taxable status dates on or after
6 such date; provided however, that no assessment of local public utility
7 mass real property appearing on the municipal assessment roll with a
8 taxable status date occurring in the first calendar year after this act
9 shall have become a law shall be less than ninety percent or more than
10 one hundred ten percent of the assessment of the same property on the
11 date this act shall have become a law.