S T A T E O F N E W Y O R K

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2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sens. BONACIC, LARKIN -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law and the administrative code of the city of New York, in relation to the discretion of localities in granting exemptions for certain organizations and to repeal certain provisions of the real property tax law relating thereto

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

Section 1. Paragraph (a) of subdivision 1 of section 420-a of the real property tax law, as amended by chapter 920 of the laws of 1981, is amended to read as follows:

(a) Real property owned by a corporation or association organized or conducted exclusively for religious, charitable, hospital, educational, [or moral or mental improvement of men, women or children purposes,] or for two or more such purposes, and used exclusively for carrying out thereupon one or more of such purposes either by the owning corporation or association or by another such corporation or association as hereinafter provided shall be exempt from taxation as provided in this section.

S 2. Paragraph (a) of subdivision 1 of section 420-b of the real property tax law, as added by chapter 919 of the laws of 1981, is amended to read as follows:

(a) (I) Real property owned by a corporation or association which is organized exclusively for PURPOSES RELATED TO THE MORAL OR MENTAL IMPROVEMENT OF MEN, WOMEN, OR CHILDREN, OR FOR bible, tract, benevolent, missionary, infirmary, public playground, scientific, literary, bar association, medical society, library, patriotic or historical purposes, for the development of good sportsmanship for persons under the age of eighteen years through the conduct of supervised athletic games, for the enforcement of laws relating to children or animals, or for two or more

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

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such purposes, and used exclusively for carrying out thereupon one or more of such purposes either by the owning corporation or association, or by another such corporation or association as hereinafter provided, shall be exempt from taxation; provided, however, that such property shall be taxable by any municipal corporation within which it is located if the governing board of such municipal corporation, after public hearing, adopts a local law, ordinance or resolution so providing. None of the following subdivisions of this section providing that certain properties shall be exempt under circumstances or conditions set forth in such subdivisions shall exempt such property from taxation by a municipal corporation whose governing board has adopted a local law, ordinance or resolution providing that such property shall be taxable pursuant to this subdivision.

(II) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (B) OF THIS SUBDIVISION, ONCE A PROPERTY IS EXEMPTED FROM TAXATION PURSUANT TO LOCAL LAW, ORDINANCE, OR RESOLUTION, SUCH PROPERTY, SO LONG AS IT CONTINUES TO BE USED EXCLUSIVELY FOR PURPOSES OF EXEMPT ACTIVITIES, SHALL CONTINUE TO BE EXEMPT FROM TAXATION FOR NO MORE THAN THIRTY YEARS, UNLESS SUCH PROPERTY IS SOLD OR LEASED; PROVIDED, HOWEVER, THAT SUCH EXEMPTION SHALL BE LOST AFTER IT HAS BEEN ENJOYED FOR THIRTY YEARS IF A LOCAL LAW, ORDINANCE OR RESOLUTION HAS BEEN ENACTED PROVIDING FOR THE TAXATION OF ALL PROPERTIES IN THE SUB-CATEGORY THAT THE PARTICULAR PROPERTY IS IN, EXCEPT ANY OTHER WHICH IS ENJOYING AN EXEMPTION FOR THIRTY YEARS PURSUANT TO THIS PARAGRAPH. SUCH LOCAL LAW MAY SPECIFY A MINIMUM NUMBER OF DAYS EACH ACRE MUST ACTUALLY BE USED IN ORDER TO QUALIFY FOR THE EXEMPTION AUTHORIZED IN THIS SECTION, PROVIDED, HOWEVER, THE NUMBER OF DAYS SHALL NOT BE GREATER THAN NINETY.

S 3. Subdivision 1 of section 420-b of the real property tax law is amended by adding a new paragraph (d) to read as follows:

(D) PROPERTY ORGANIZED EXCLUSIVELY FOR PURPOSES RELATED TO THE MORAL OR MENTAL IMPROVEMENT OF MEN, WOMEN, OR CHILDREN SHALL INCLUDE EACH OF THE FOLLOWING CATEGORIES OF REAL PROPERTY. SUCH PROPERTY SHALL BE OWNED BY A CORPORATION CLASSIFIED AS TAX EXEMPT OR NOT-FOR-PROFIT UNDER THE FEDERAL INTERNAL REVENUE CODE. ANY SUCH CATEGORY MAY BE SUBJECT TO TAXATION PROVIDED A LOCAL LAW, ORDINANCE, OR RESOLUTION IS PASSED CONSISTENT WITH THIS SECTION:

(I) ARTS. REAL PROPERTY PRIMARILY USED TO FACILITATE OR ENHANCE THE ARTS;

(II) SCIENCES. REAL PROPERTY PRIMARILY USED IN THE STUDY OF SCIENCES, BIOLOGY, AND HORTICULTURE;

(III) BENEFIT OF ANIMALS. REAL PROPERTY PRIMARILY USED FOR THE BENEFIT OF NON-HUMAN ANIMALS;

(IV) OPEN SPACE. REAL PROPERTY WHICH IS OPEN TO THE PUBLIC, IS PRIMARILY UNIMPROVED, AND IS KEPT OPEN FOR HIKING, WALKING, OR FORMS OF EXERCISE WHICH DO NOT COMMONLY USE MECHANIZED DEVICES EXCEPT BY THOSE PERSONS WHO ARE DISABLED OR OTHERWISE UNABLE TO WALK WITHOUT MECHANIZED ASSISTANCE. SUCH OPEN SPACE MAY BE OPEN TO THE PUBLIC UPON THE PAYMENT OF A FEE WHICH IS DIRECTLY RELATED TO THE COSTS OF MAINTAINING AND IMPROVING THE PROPERTY. OPEN SPACE SHALL NOT INCLUDE ANY PROPERTY OR PORTION OF PROPERTY FROM WHICH THE PUBLIC IS EXCLUDED EXCEPT FOR EXCLUSIONS SOLELY FOR PUBLIC HEALTH PURPOSES AS DETERMINED BY A GOVERNMENTAL AGENCY OR FOR PUBLIC SAFETY AS DETERMINED BY THE PROPERTY OWNER, WITH SUCH DETERMINATION TO BE REVIEWABLE IN ANY COURT OF EQUITY JURISDICTION; PROVIDED, HOWEVER A PRESUMPTION SHALL ATTACH THAT THE PROPERTY OWNER'S DETERMINATION IS REASONABLE. ATTORNEYS FEES MAY BE AWARDED, AT THE DISCRETION OF THE COURT, FOR ANY PREVAILING PARTY WHO COMMENCES OR

DEFINES A CIVIL ACTION BASED ON THE PUBLIC SAFETY EXCLUSIONS PERMISSIBLE BY THIS SUBPARAGRAPH;

(V) LAND TRUST. REAL PROPERTY WHICH IS PRIMARILY UNIMPROVED AND IS OWNED BY A NOT-FOR-PROFIT CORPORATION AND ALL OF THE FOLLOWING CRITERIA ARE MET: (1) THE NOT-FOR-PROFIT CORPORATION ENTERS INTO A CONTRACT WITH THE ASSESSING UNIT PROVIDING THAT THE LAND IN THE LAND TRUST MAY NOT BE SOLD OR ENCUMBERED EXCEPT BY MORTGAGE OR CONSERVATION EASEMENT, UNLESS THE NOT-FOR-PROFIT CORPORATION, WITHIN THIRTY DAYS OF SUCH SALE OR ENCUMBRANCE, ENTERS INTO A VALID CONTRACT TO PURCHASE LAND IN NEW YORK STATE OF AT LEAST AN EQUAL VALUE TO BE PLACED IN A LAND TRUST, AND THE NOT-FOR-PROFIT CORPORATION DOES SO PURCHASE SUCH LAND WITHIN ONE YEAR OF ENTERING INTO SUCH PURCHASE AND SALE CONTRACT; (2) THE REAL PROPERTY IS INCLUDED AS PART OF A LAWFULLY ENACTED COMPREHENSIVE PLAN BY THE COUNTY, CITY, TOWN, OR VILLAGE IN WHICH SUCH REAL PROPERTY IS IN; OR IS IDENTIFIED IN AN OFFICIAL OPEN SPACE OR NATURAL RESOURCES PROTECTION PLAN DULY ADOPTED BY A FEDERAL, STATE, OR LOCAL GOVERNMENT OR AGENCY THEREOF. UNLESS THE GOVERNING BOARD OF THE COUNTY, CITY, TOWN OR VILLAGE IN WHICH THE PROPERTY IS SITUATED PASSES A RESOLUTION TO THE CONTRARY, IF THE PURCHASE, REFERRED TO IN CLAUSE ONE OF THIS SUBPARAGRAPH DOES NOT OCCUR WITHIN THE TIME LIMITATIONS THEREUNDER, THE LAND TRUST SHALL BE LIABLE FOR ALL TAX PAYMENTS WHICH IT WOULD HAVE PAID ON THE PROPERTY IT SOLD FOR THE PERIOD OF TIME WHICH IT WOULD HAVE OWED SUCH TAX PAYMENTS TO ALL LAWFUL TAXING JURISDICTIONS, UNLESS THE TITLE TO THE EQUALLY VALUED LAND UNDER CONTRACT FOR PURCHASE AND SALE WAS DEEMED UNMARKETABLE, OR THE SELLER OF SUCH PROPERTY WITHDREW THE OFFER TO SELL, IN WHICH CASE THE LAND TRUST SHALL HAVE AN ADDITIONAL THREE HUNDRED SIXTY-FIVE DAYS TO PURCHASE AND CLOSE TITLE ON ANOTHER PROPERTY IN NEW YORK STATE PURSUANT TO THE PROVISIONS OF CLAUSE ONE OF THIS SUBPARAGRAPH;

(VI) NON-SCHOLASTIC EDUCATIONAL. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND WHICH IS PRIMARILY USED TO IMPROVE THE INTELLECTUAL CAPABILITIES OF PERSONS, AND WHICH DOES NOT QUALIFY FOR TAX EXEMPTION PURSUANT TO SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PRECEDING PORTION OF THIS SUBPARAGRAPH, A PROPERTY SHALL CONTINUE TO BE EXEMPT FROM TAXATION PURSUANT TO SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE WHEN SUCH PROPERTY IS OWNED BY A TAX EXEMPT ENTITY AND IS: (1) USED FOR EDUCATIONAL PURPOSES IN THAT IT IS USED AT LEAST ONE HUNDRED TWENTY DAYS A YEAR IN A MANNER WHICH SATISFIES THE COMPULSORY EDUCATION REQUIREMENTS OF THE EDUCATION LAW; OR (2) IS USED FOR EDUCATIONAL PURPOSES BY A TAX EXEMPT ORGANIZATION WHICH HOLDS A CERTIFICATE OF REGISTRATION FROM THE BOARD OF REGENTS; OR (3) EACH ACRE OF WHICH IS USED AT LEAST ONE HUNDRED TWENTY DAYS A YEAR TO INCREASE KNOWLEDGE OF PERSONS AND SUCH PROPERTY IS OWNED BY AN INSTITUTION OF HIGHER LEARNING OR A SCHOOL OF MEDICINE, DENTISTRY OR OSTEOPATHY CREATED BY LAW OR OTHERWISE AUTHORIZED BY THE BOARD OF REGENTS OF THE STATE UNIVERSITY OF NEW YORK TO CONFER DEGREES AND WHICH MEETS STANDARDS OF EDUCATIONAL QUALITY COMPARABLE TO THOSE AS MAY BE ESTABLISHED FROM TIME TO TIME BY THE BOARD OF REGENTS OF THE STATE UNIVERSITY OF NEW YORK; SUCH TERMS SHALL ALSO INCLUDE PROPERTY OWNED BY AN ORGANIZATION CLAIMING AN EXEMPTION FROM TAXATION FOR EDUCATIONAL PURPOSES WHICH IS USED TO HOUSE INDIVIDUALS WHO ARE ACTIVELY ENGAGED AT LEAST ONE HUNDRED TWENTY DAYS PER YEAR IN SEEKING TO SATISFY THE COMPULSORY EDUCATION REQUIREMENTS OF THE EDUCATION LAW OR WHO ARE SEEKING A DEGREE, CERTIFICATE, OR DIPLOMA, THROUGH A PROPERTY OWNER WHICH HOLDS A CERTIFICATE OF REGISTRATION ISSUED BY THE BOARD OF REGENTS OR HOLDS A CHARTER GRANTED BY THE NEW YORK STATE EDUCATION DEPARTMENT; OR (4) IS USED ACTIVELY AND EXCLU-

SIVELY AT LEAST SIXTY DAYS PER YEAR BY PERSONS UNDER THE AGE OF TWENTY-ONE WHO ARE LEARNING SKILLS RELATED TO NATURE, THE OUTDOORS AND/OR PERSONAL AND CIVIC RESPONSIBILITIES, PROVIDED, HOWEVER, THAT THE PROPERTY MAY ALSO BE USED FOR COMMUNITY MEETINGS OR OTHER EXEMPT PURPOSES WHEN NO MORE THAN THE ACTUAL EXPENSES OF UTILIZING THE FACILITY ARE CHARGED TO THE ORGANIZATION OR INDIVIDUAL; OR (5) IS USED FOR THE CARRYING OUT OF EDUCATIONAL PURPOSES, INCLUDING PROPERTY NECESSARY FOR TRANSPORTATION FACILITIES, ATHLETIC FACILITIES, PARKING FACILITIES, OR ADMINISTRATIVE OFFICES IF OWNED BY AN ORGANIZATION WHICH QUALIFIES AS EXEMPT FOR EDUCATIONAL PURPOSES UNDER SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE.

(VII) RECREATIONAL. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND WHICH PROVIDES RECREATIONAL OPPORTUNITY FOR PERSONS REGARDLESS OF ABILITY TO PAY. RECREATIONAL OPPORTUNITIES MAY BE EITHER INDOORS OR OUTDOORS AND MAY INCLUDE OVERNIGHT OPPORTUNITIES PRIMARILY FOR PERSONS UNDER THE AGE OF TWENTY-ONE;

(VIII) MEDICAL PURPOSES. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND WHICH IS NOT A HOSPITAL AS DEFINED BY SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE, BUT WHICH QUALIFIES AS A HOSPITAL AS DEFINED IN ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW;

(IX) HOME CARE SERVICES. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND IS A HOME CARE SERVICES AGENCY AS DEFINED IN ARTICLE THIRTY-SIX OF THE PUBLIC HEALTH LAW;

(X) RESIDENTIAL HEALTH CARE FACILITY. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT AS A RESIDENTIAL HEALTH CARE FACILITY AS DEFINED IN ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW;

(XI) OTHER MEDICAL PURPOSES. REAL PROPERTY WHICH IS OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND IS USED TO PROVIDE MEDICAL SERVICES TO PERSONS WITH LIMITED ECONOMIC MEANS; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PRECEDING PORTION OF THIS SUBPARAGRAPH, A PROPERTY SHALL CONTINUE TO BE EXEMPT FROM TAXATION PURSUANT TO SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE WHEN SUCH PROPERTY IS OWNED BY A TAX EXEMPT ENTITY AND IS A HOSPICE FACILITY AS DEFINED IN ARTICLE FORTY OF THE PUBLIC HEALTH LAW AS WELL AS A HOSPITAL FACILITY OR INSTITUTION ENGAGED PRINCIPALLY IN PROVIDING SERVICES BY OR UNDER THE SUPERVISION OF A PHYSICIAN FOR THE PREVENTION, DIAGNOSIS, OR TREATMENT OF HUMAN DISEASE, PAIN, INJURY, DEFORMITY OR PHYSICAL CONDITION AND WHICH IS CERTIFIED OR LICENSED PURSUANT TO ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW, AND WHICH ON AN ONGOING AND CONSTANT BASIS PROVIDES OR OFFERS OVERNIGHT ACCOMMODATIONS TO THOSE IN NEED OF SUCH MEDICAL SERVICES. IT SHALL ALSO INCLUDE FACILITIES OWNED BY A HOSPITAL FACILITY OR CORPORATION RELATED THERETO WHICH PROVIDES MEDICAL CARE, EVEN IF NOT ON A CONSTANT BASIS. IT SHALL ALSO INCLUDE RELATED PARKING FACILITIES WHICH ARE OWNED BY THE HOSPITAL FACILITY OR HOSPICE FACILITY OR A CORPORATION RELATED THERETO WHICH IS EXEMPT FROM TAXATION AND GENERALLY USED ON AN ONGOING BASIS PRIMARILY BY HOSPITAL FACILITY OR HOSPICE FACILITY EMPLOYEES, PATIENTS, AND VISITORS. IT SHALL NOT INCLUDE LIVING ACCOMMODATION FOR HOSPITAL PERSONNEL OR THEIR FAMILIES;

(XII) INTERDENOMINATIONAL CENTERS. (1) REAL PROPERTY OWNED BY A CORPORATION ORGANIZED FOR THE PURPOSES OF ESTABLISHING AN INTERDENOMINATIONAL CENTER TO ASSIST IN THE WORK OF, AND TO PROMOTE COOPERATION AMONG, VARIOUS RELIGIOUS DENOMINATIONS, AND TO ACQUIRE OR ERECT A BUILDING OR BUILDINGS FOR SUCH CENTER, AND TO LEASE A PORTION OR PORTIONS FOR USE BY RELIGIOUS, EDUCATIONAL, MISSIONARY AND CHARITABLE CORPORATIONS OR ASSO-

CIATIONS; OR REAL PROPERTY LEASED TO CORPORATIONS ORGANIZED FOR SUCH PURPOSES BY A CORPORATION ORGANIZED FOR PURPOSES WHICH ARE EXEMPT UNDER THIS SECTION, OR SECTION FOUR HUNDRED TWENTY-A, FOUR HUNDRED TWENTY-TWO, FOUR HUNDRED TWENTY-FOUR, FOUR HUNDRED TWENTY-SIX OR FOUR HUNDRED TWENTY-EIGHT OF THIS TITLE, SHALL BE EXEMPT FROM TAXATION AND EXEMPT FROM SPECIAL AD VALOREM LEVIES AND SPECIAL ASSESSMENTS TO THE EXTENT PROVIDED IN SECTION FOUR HUNDRED NINETY OF THIS ARTICLE, TO THE SAME EXTENT AND SUBJECT TO THE SAME CONDITIONS AND EXCEPTIONS AS PROPERTY OF A CORPORATION ORGANIZED EXCLUSIVELY FOR RELIGIOUS, EDUCATIONAL, MISSIONARY OR CHARITABLE PURPOSES.

(2) IN ADDITION TO ANY OTHER RENTAL FEES CHARGED FOR SUCH USE, WITH THE CONSENT OF EACH CORPORATION OR ASSOCIATION LEASING A PORTION OF SUCH REAL PROPERTY, THE INTERDENOMINATIONAL CENTER MAY REQUIRE EACH LESSEE TO MAKE ANNUAL PAYMENTS INTO A CAPITAL IMPROVEMENT FUND TO BE USED EXCLUSIVELY FOR CAPITAL IMPROVEMENTS, IN ACCORDANCE WITH A CAPITAL IMPROVEMENT PLAN ADOPTED OR UPDATED ANNUALLY BY THE INTERDENOMINATIONAL CENTER. FOR PURPOSES OF THIS SUBPARAGRAPH, "CAPITAL IMPROVEMENT" SHALL MEAN ANY ADDITION TO, REPLACEMENT OF, OR REMODELING OF PHYSICAL PLANT, STRUCTURES, OR EQUIPMENT NOW OR HEREAFTER OWNED BY AN INTERDENOMINATIONAL CENTER, WHICH IS USED OR IS TO BE USED IN CONNECTION WITH THE OPERATION OF THE INTERDENOMINATIONAL CENTER, AND WHICH SHALL INCLUDE IMPROVEMENTS TO LAND, BUT NOT LAND ITSELF;

(XIII) PRIMARILY CHARITABLE PURPOSES. AN ACTIVITY CONDUCTED ON REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE, AND WHICH ACTIVITY ACTUALLY AND PRIMARILY ALLEVIATES THE CONDITION OF POOR, OR PHYSICALLY OR MENTALLY DISABLED PERSONS; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PRECEDING PORTION OF THIS SUBPARAGRAPH, A PROPERTY SHALL CONTINUE TO BE EXEMPT FROM TAXATION PURSUANT TO SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE WHEN SUCH PROPERTY IS OWNED BY A TAX EXEMPT ENTITY AND EITHER (1) UNDERTAKES SIGNIFICANT BLOOD DONATION INITIATIVES AS WELL AS OTHER HEALTH RELATED INITIATIVES, INCLUDING, BUT NOT LIMITED TO THE TEACHING OF CLASSES, AND ALSO RESPONDS TO DISASTERS; OR (2) WHICH ACTIVELY AND EXCLUSIVELY ALLEVIATES THE CONDITION OF THE POOR OR PHYSICALLY OR MENTALLY DISABLED HUMANS, PROVIDED, HOWEVER, THAT THE INTENDED BENEFICIARIES SHALL NOT BE SPECIFIED INDIVIDUALS AND THE SERVICES PROVIDED BY AN ORGANIZATION CLAIMING A CHARITABLE EXEMPTION UNDER SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE SHALL BE OPEN TO THE PUBLIC BASED ON ECONOMIC OR PHYSICAL CRITERIA AND SUCH ORGANIZATION SHALL ACTIVELY USE EACH ACRE EXEMPTED PURSUANT TO SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE AT LEAST ONE HUNDRED TWENTY DAYS PER YEAR FOR SUCH PURPOSES IN ORDER TO MAINTAIN AN EXEMPTION FROM PROPERTY TAXATION PURSUANT TO THIS SUBPARAGRAPH; FURTHER, PROVIDED HOWEVER, THAT NO PERSON SHALL BE DETERMINED TO BE POOR OR ABLE TO ACCEPT CHARITABLE SERVICES BECAUSE SUCH PERSON OR HIS OR HER FAMILY GIVES AS MUCH OR MORE OF THEIR INCOME TO THE CHARITABLE ENTITY OR ANOTHER ENTITY WHICH IS TAX EXEMPT PURSUANT TO THE INTERNAL REVENUE CODE OR EXEMPT FROM REAL PROPERTY TAXATION UNDER SECTION FOUR HUNDRED TWENTY-A OF THIS TITLE AS WOULD BE REQUIRED TO MAKE A DETERMINATION THAT SUCH A PERSON OR HIS OR HER SPOUSE OR CHILD IS POOR; AND

(XIV) OTHER MORAL OR MENTAL IMPROVEMENT. REAL PROPERTY OWNED BY AN ORGANIZATION WHICH IS TAX EXEMPT UNDER THE FEDERAL INTERNAL REVENUE CODE AND WHICH IS DEDICATED, IN A MANNER OTHER THAN AS PROVIDED IN THIS PARAGRAPH, TO THE MORAL OR MENTAL IMPROVEMENT OF MEN, WOMEN, OR CHILDREN.

S 4. Section 430 of the real property tax law is REPEALED.

S 5. Subdivision 2 of section 420-a of the real property tax law, as amended by chapter 534 of the laws of 2003, is amended to read as follows:

2. If any portion of such real property is not so used exclusively to carry out thereupon one or more of such purposes but is leased or otherwise used for other purposes, such portion shall be subject to taxation and the remaining portion only shall be exempt; provided, however, that such real property shall be fully exempt from taxation although it or a portion thereof is used (a) for purposes which are exempt pursuant to this section or [sections] SECTION four hundred twenty-b, four hundred twenty-two, four hundred twenty-four, four hundred twenty-six, four hundred twenty-eight[, four hundred thirty] or four hundred fifty of this [chapter] TITLE by another corporation which owns real property exempt from taxation pursuant to such sections or whose real property if it owned any would be exempt from taxation pursuant to such sections, (b) for purposes which are exempt pursuant to section four hundred six or section four hundred eight of this [chapter] ARTICLE by a corporation which owns real property exempt from taxation pursuant to such section or if it owned any would be exempt from taxation pursuant to such section, (c) for purposes which are exempt pursuant to section four hundred sixteen of this [chapter] ARTICLE by an organization which owns real property exempt from taxation pursuant to such section or whose real property if it owned any would be exempt from taxation pursuant to such section or (d) for purposes relating to civil defense pursuant to the New York state defense emergency act, including but not limited to activities in preparation for anticipated attack, during attack, or following attack or false warning thereof, or in connection with drill or test ordered or directed by civil defense authorities; and provided further that such real property shall be exempt from taxation only so long as it or a portion thereof, as the case may be, is devoted to such exempt purposes and so long as any moneys paid for such use do not exceed the amount of the carrying, maintenance and depreciation charges of the property or portion thereof, as the case may be.

S 6. Subdivision 2 of section 420-b of the real property tax law, as amended by chapter 534 of the laws of 2003, is amended to read as follows:

2. If any portion of such real property is not so used exclusively to carry out thereupon one or more of the purposes listed in subdivision one of this section, but is (a) leased or (b) otherwise used for other purposes, such portion shall be subject to taxation and the remaining portion only shall be exempt; provided, however, that such real property shall be fully exempt from taxation although it or a portion thereof is used (a) for purposes which are exempt pursuant to this section or [sections] SECTION four hundred twenty-a, four hundred twenty-two, four hundred twenty-four, four hundred twenty-six, four hundred twenty-eight[, four hundred thirty] or four hundred fifty of this [article] TITLE by another corporation which owns real property exempt from taxation pursuant to such sections or whose real property if it owned any would be exempt from taxation pursuant to such sections, (b) for purposes which are exempt pursuant to section four hundred six or section four hundred eight of this [chapter] ARTICLE by a corporation which owns real property exempt from taxation pursuant to such section, (c) for purposes which are exempt pursuant to section four hundred sixteen of this [chapter] ARTICLE by an organization which owns real property exempt from taxation pursuant to such section or whose real property if it owned any would be exempt from taxation pursuant to such

section or (d) for purposes relating to civil defense pursuant to the New York state defense emergency act, including but not limited to activities in preparation for anticipated attack, during attack, or following attack or false warning thereof, or in connection with drill or test ordered or directed by civil defense authorities; and provided further that such real property shall be exempt from taxation only so long as it or a portion thereof, as the case may be, is devoted to such exempt purposes and so long as any moneys paid for such use do not exceed the amount of carrying, maintenance and depreciation charges of the property or portion thereof, as the case may be.

S 7. Subdivision 2 of section 432 of the real property tax law, as amended by chapter 620 of the laws of 1982, is amended to read as follows:

2. Such real property shall be fully exempt although (a) it or a portion thereof is leased or otherwise used by another corporation, organized for purposes which are exempt pursuant to section four hundred twenty-a, four hundred twenty-b, four hundred twenty-two, four hundred twenty-four, four hundred twenty-six[,] OR four hundred twenty-eight [or four hundred thirty] of this [article] TITLE and for one or more of the purposes for which the owner corporation is organized, as long as such real property or portion thereof as the case may be is devoted to such uses and as long as any moneys paid for such use do not exceed the amount of carrying, maintenance and depreciation charges of the property or portion thereof as the case may be or (b) the auditorium located thereon is leased or otherwise used for public performances, theatrical presentations, opera, ballet, concerts, lectures, meetings, graduation exercises and educational non-commercial uses for the purposes of income, if such income is necessary for and actually applied to the maintenance and support of such owner corporation and such is not used for the acquisition of additional real property in this state.

S 8. Section 490 of the real property tax law, as amended by chapter 87 of the laws of 2001, is amended to read as follows:

S 490. Exemption from special ad valorem levies and special assessments. Real property exempt from taxation pursuant to subdivision two of section four hundred, subdivision one of section four hundred four, subdivision one of section four hundred six, sections four hundred eight, four hundred ten, four hundred ten-a, four hundred ten-b, four hundred eighteen, four hundred twenty-a, four hundred twenty-b, four hundred twenty-two, four hundred twenty-six, four hundred twenty-seven, four hundred twenty-eight, [four hundred thirty,] four hundred thirty-two, four hundred thirty-four, four hundred thirty-six, four hundred thirty-eight, four hundred fifty, four hundred fifty-two, four hundred fifty-four, four hundred fifty-six, four hundred sixty-four, four hundred seventy-two, four hundred seventy-four and four hundred eighty-five of this [chapter] ARTICLE shall also be exempt from special ad valorem levies and special assessments against real property located outside cities and villages for a special improvement or service or a special district improvement or service and special ad valorem levies and special assessments imposed by a county improvement district or district corporation except (1) those levied to pay for the costs, including interest and incidental and preliminary costs, of the acquisition, installation, construction, reconstruction and enlargement of or additions to the following improvements, including original equipment, furnishings, machinery or apparatus, and the replacements thereof: water supply and distribution systems; sewer systems (either sanitary or surface drainage or both, including purification, treatment or disposal

plants or buildings); waterways and drainage improvements; street, highway, road and parkway improvements (including sidewalks, curbs, gutters, drainage, landscaping, grading or improving the right of way) and (2) special assessments payable in installments on an indebtedness including interest contracted prior to July first, nineteen hundred fifty-three, pursuant to section two hundred forty-two of the town law or pursuant to any other comparable provision of law.

S 9. Section 492 of the real property tax law, as amended by chapter 620 of the laws of 1982, is amended to read as follows:

S 492. Ascertainment of amount of special assessment in certain cases. If a portion of a parcel of real property is subject to taxation pursuant to section four hundred twenty-a, four hundred twenty-b, four hundred twenty-four, four hundred twenty-six, [four hundred thirty,] four hundred thirty-six or four hundred thirty-eight of this article, the amount of any special assessment to be levied on such portion shall be ascertained by considering the benefit to the property to be in the same proportion as the assessed valuation of the taxable portion of the property bears to the assessed valuation of the property.

S 10. The opening paragraph of paragraph 2 of subdivision a of section 25-309 of the administrative code of the city of New York is amended to read as follows:

In any case where any application and request for a certificate of appropriateness mentioned in paragraph one of this subdivision [a] is filed with the commission with respect to an improvement, the provisions of this section shall not apply to such request if the improvement parcel which includes such improvement has received, for three years next preceding the filing of such request, and at the time of such filing continues to receive, under any provision of law (other than this chapter or section four hundred fifty-eight, four hundred sixty or four hundred seventy-nine of the real property tax law), exemption in whole or in part from real property taxation; provided, however, that the provisions of this section shall nevertheless apply to such request if such exemption is and has been received pursuant to section four hundred twenty-a, four hundred twenty-two, four hundred twenty-four, four hundred twenty-five, four hundred twenty-six, four hundred twenty-seven, four hundred twenty-eight, [four hundred thirty,] four hundred thirty-two, four hundred thirty-four, four hundred thirty-six, four hundred thirty-eight, four hundred forty, four hundred forty-two, four hundred forty-four, four hundred fifty, four hundred fifty-two, four hundred sixty-two, four hundred sixty-four, four hundred sixty-eight, four hundred seventy, four hundred seventy-two or four hundred seventy-four of the real property tax law and the applicant establishes to the satisfaction of the commission, in lieu of the requirements set forth in paragraph one of this subdivision [a], that:

S 11. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to assessment rolls on and after such date.