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I N   A S S E M B L Y

March 10, 2016

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Introduced by M. of A. MAGNARELLI -- read once and referred to the  
Committee on Local Governments

AN ACT to amend the general municipal law, the public authorities law,  
and the tax law, in relation to certain recording taxes

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

1     Section 1. Subdivision 1 of section 874 of the general municipal law,  
2     as added by chapter 1030 of the laws of 1969, is amended to read as  
3     follows:  
4     (1) It is hereby determined that the creation of the agency and the  
5     carrying out of its corporate purposes is in all respects for the bene-  
6     fit of the people of the state of New York and is a public purpose, and  
7     the agency shall be regarded as performing a governmental function in  
8     the exercise of the powers conferred upon it by this title and shall be  
9     required to pay no taxes or assessments upon any of the property  
10    acquired by it or under its jurisdiction or control or supervision or  
11    upon its activities. PROVIDED, HOWEVER, IF THE AGENCY IS LOCATED WITHIN  
12    A TRANSPORTATION DISTRICT REFERENCED IN PARAGRAPH (A) OF SUBDIVISION TWO  
13    OF SECTION TWO HUNDRED FIFTY-THREE OF THE TAX LAW, IT SHALL NOT BE  
14    EXEMPT FROM THE ADDITIONAL TAX ON EACH MORTGAGE OF REAL PROPERTY SITU-  
15    ATED WITHIN THE STATE IMPOSED BY SUCH PARAGRAPH.  
16    S 2. Subdivision 1 of section 1963 of the public authorities law, as  
17    added by chapter 759 of the laws of 1967, is amended to read as follows:  
18    1. It is hereby determined that the creation of the authority and the  
19    carrying out of its corporate purposes is in all respects for the bene-  
20    fit of the people of the city and its environs, and is a public purpose,  
21    and the authority shall be regarded as performing a governmental func-  
22    tion in the exercise of the powers conferred upon it by this title and  
23    shall be required to pay no taxes or assessments upon any of the proper-  
24    ty acquired by it or under its jurisdiction or control or supervision or  
25    upon its activities. PROVIDED, HOWEVER, IF THE AUTHORITY IS LOCATED  
26    WITHIN A TRANSPORTATION DISTRICT REFERENCED IN PARAGRAPH (A) OF SUBDIVI-  
27    SION TWO OF SECTION TWO HUNDRED FIFTY-THREE OF THE TAX LAW, IT SHALL NOT

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

LBD14353-02-6

1 BE EXEMPT FROM THE ADDITIONAL TAX ON EACH MORTGAGE OF REAL PROPERTY  
2 SITUATED WITHIN THE STATE IMPOSED BY SUCH PARAGRAPH.

3 S 3. Subdivision 1 of section 2326 of the public authorities law, as  
4 added by chapter 915 of the laws of 1969, is amended to read as follows:

5 1. It is hereby determined that the creation of the authority and the  
6 carrying out of its corporate purposes is in all respects for the bene-  
7 fit of the people of the city and its environs, and is a public purpose,  
8 and the authority shall be regarded as performing a governmental func-  
9 tion in the exercise of the powers conferred upon it by this title and  
10 shall be required to pay no taxes or assessments upon any of the proper-  
11 ty acquired by it or under its jurisdiction or control or supervision or  
12 upon its activities. PROVIDED, HOWEVER, IF THE AUTHORITY IS LOCATED  
13 WITHIN A TRANSPORTATION DISTRICT REFERENCED IN PARAGRAPH (A) OF SUBDIVI-  
14 SION TWO OF SECTION TWO HUNDRED FIFTY-THREE OF THE TAX LAW, IT SHALL NOT  
15 BE EXEMPT FROM THE ADDITIONAL TAX ON EACH MORTGAGE OF REAL PROPERTY  
16 SITUATED WITHIN THE STATE IMPOSED BY SUCH PARAGRAPH.

17 S 4. Section 252 of the tax law, as amended by chapter 671 of the laws  
18 of 1989, is amended to read as follows:

19 S 252. Exemptions. (1) No mortgage of real property situated within  
20 this state shall be exempt, and no person or corporation owning any debt  
21 or obligation secured by mortgage of real property situated within this  
22 state shall be exempt, from the taxes imposed by this article by reason  
23 of anything contained in any other statute, except as provided in  
24 section three hundred thirty-nine-ee of the real property law, or by  
25 reason of any provision in any private act or charter which is subject  
26 to amendment or repeal by the legislature, or by reason of non-residence  
27 within this state or for any other cause, except that mortgages of real  
28 property situated within this state transferred, assigned or made to  
29 Home Owners' Loan Corporation, a corporation created under an act of  
30 congress, known as home owners' loan act of nineteen hundred and thir-  
31 ty-three, or to a agricultural credit association or federal home loan  
32 bank, shall be exempt, and said corporation or institution owning any  
33 debt or obligation secured by mortgage of real property situated within  
34 this state, shall be exempt from the taxes imposed by this article and  
35 except that mortgages of real property situated within this state  
36 executed, given or made prior to June first, nineteen hundred thirty-  
37 four by any public benefit corporation created under the laws of this  
38 state for the purpose of maintaining and operating a public park and  
39 public recreation center shall be exempt, and any person or corporation  
40 owning any debt or obligation of any such public benefit corporation  
41 secured by such a mortgage of its real property situated within this  
42 state, shall be exempt from the taxes imposed by this article, and  
43 except that mortgages of real property situated within this state which  
44 are executed, given or made subsequent to June seventh, nineteen hundred  
45 thirty-four and which are substituted for other mortgages as a part of  
46 and in compliance with a plan of reorganization pursuant to the  
47 provisions of section seventy-seven-b of the federal bankruptcy act, are  
48 and shall be exempt from taxes imposed by this article to an amount not  
49 exceeding the amount of such mortgage indebtedness outstanding at the  
50 time of the consummation of such reorganization, and any person or  
51 corporation owning any debt or obligation secured by such a mortgage of  
52 real property situated within this state is and shall be exempt from the  
53 taxes imposed by this article, and except that mortgages of real proper-  
54 ty situated within this state which are executed, given or made by a  
55 railroad redevelopment corporation during the first nine years of its  
56 existence as such are and shall be exempt from the taxes imposed by this

1 article and any person or corporation owning any debt or obligation  
2 secured by such a mortgage of real property situated within this state  
3 is and shall be exempt from the taxes imposed by this article.

4 (2) NOTWITHSTANDING ARTICLE EIGHTEEN-A OF THE GENERAL MUNICIPAL LAW  
5 AND TITLES ELEVEN AND FIFTEEN OF ARTICLE EIGHT OF THE PUBLIC AUTHORITIES  
6 LAW, NO MORTGAGE OF REAL PROPERTY SITUATED WITHIN THE STATE IN COUNTIES  
7 LOCATED WITHIN THE METROPOLITAN COMMUTER TRANSPORTATION DISTRICT, THE  
8 NIAGARA FRONTIER TRANSPORTATION DISTRICT, THE ROCHESTER-GENESEE TRANS-  
9 PORTATION DISTRICT, THE CAPITAL DISTRICT TRANSPORTATION DISTRICT, AND  
10 THE CENTRAL NEW YORK REGIONAL TRANSPORTATION DISTRICT EXECUTED, GIVEN,  
11 MADE, OR TRANSFERRED OR ASSIGNED BY OR TO AN AGENCY CREATED UNDER ARTI-  
12 CLE EIGHTEEN-A OF THE GENERAL MUNICIPAL LAW, AN AUTHORITY CREATED UNDER  
13 TITLE ELEVEN OR FIFTEEN OF ARTICLE EIGHT OF THE PUBLIC AUTHORITIES LAW,  
14 AN AGENT OR AGENT OF SUCH AGENT OF SUCH AGENCY OR AUTHORITY, A PROJECT  
15 OPERATOR RECEIVING FINANCIAL ASSISTANCE FROM SUCH AGENCY OR AUTHORITY, A  
16 PROJECT OCCUPANT OF SUCH AGENCY OR AUTHORITY, OR AN OWNER OF A PROJECT  
17 RECEIVING FINANCIAL ASSISTANCE FROM SUCH AGENCY OR AUTHORITY SHALL BE  
18 EXEMPT FROM THE ADDITIONAL TAX IMPOSED BY PARAGRAPH (A) OF SUBDIVISION  
19 TWO OF SECTION TWO HUNDRED FIFTY-THREE OF THIS ARTICLE. FOR THE PURPOSES  
20 OF THIS SUBDIVISION THE TERM "FINANCIAL ASSISTANCE" SHALL HAVE THE SAME  
21 MEANING AS DEFINED IN SECTION EIGHT HUNDRED FIFTY-FOUR OF THE GENERAL  
22 MUNICIPAL LAW.

23 S 5. Paragraph (a) of subdivision 2 of section 253 of the tax law, as  
24 amended by section 2 of part A of chapter 63 of the laws of 2005, is  
25 amended to read as follows:

26 (a) In addition to the taxes imposed by subdivisions one and one-a of  
27 this section, there shall be imposed on each mortgage of real property  
28 situated within the state recorded on or after the first day of July,  
29 nineteen hundred sixty-nine, an additional tax of twenty-five cents for  
30 counties outside of the metropolitan commuter transportation district,  
31 as defined pursuant to section twelve hundred sixty-two of the public  
32 authorities law, and thirty cents for counties within such metropolitan  
33 commuter transportation district for each one hundred dollars and each  
34 remaining major fraction thereof of principal debt or obligation which  
35 is, or under any contingency may be secured at the date of execution  
36 thereof or at any time thereafter by such mortgage, saving and excepting  
37 the first ten thousand dollars of such principal debt or obligation in  
38 any case in which the related mortgage is of real property principally  
39 improved or to be improved by a one or two family residence or dwelling.  
40 All the provisions of this article shall apply with respect to the addi-  
41 tional tax imposed by this subdivision to the same extent as if it were  
42 imposed by the said subdivision one of this section, except as otherwise  
43 expressly provided in this article. NOTWITHSTANDING ARTICLE EIGHTEEN-A  
44 OF THE GENERAL MUNICIPAL LAW AND TITLES ELEVEN AND FIFTEEN OF ARTICLE  
45 EIGHT OF THE PUBLIC AUTHORITIES LAW, NO MORTGAGE OF REAL PROPERTY SITU-  
46 ATED WITHIN THE STATE IN COUNTIES LOCATED WITHIN THE METROPOLITAN COMMU-  
47 TER TRANSPORTATION DISTRICT, THE NIAGARA FRONTIER TRANSPORTATION  
48 DISTRICT, THE ROCHESTER-GENESEE TRANSPORTATION DISTRICT, THE CAPITAL  
49 DISTRICT TRANSPORTATION DISTRICT, AND THE CENTRAL NEW YORK REGIONAL  
50 TRANSPORTATION DISTRICT EXECUTED, GIVEN, MADE, OR TRANSFERRED OR  
51 ASSIGNED BY OR TO AN AGENCY CREATED UNDER ARTICLE EIGHTEEN-A OF THE  
52 GENERAL MUNICIPAL LAW, AN AUTHORITY CREATED UNDER TITLE ELEVEN OR  
53 FIFTEEN OF ARTICLE EIGHT OF THE PUBLIC AUTHORITIES LAW, AN AGENT OR  
54 AGENT OF SUCH AGENT OF SUCH AGENCY OR AUTHORITY, A PROJECT OPERATOR  
55 RECEIVING FINANCIAL ASSISTANCE FROM SUCH AGENCY OR AUTHORITY, A PROJECT  
56 OCCUPANT OF SUCH AGENCY OR AUTHORITY, OR AN OWNER OF A PROJECT RECEIVING

1 FINANCIAL ASSISTANCE FROM SUCH AGENCY OR AUTHORITY SHALL BE EXEMPT FROM  
2 THE ADDITIONAL TAX IMPOSED BY THIS SUBDIVISION. FOR THE PURPOSES OF THIS  
3 SUBDIVISION THE TERM "FINANCIAL ASSISTANCE" SHALL HAVE THE SAME MEANING  
4 AS DEFINED IN SECTION EIGHT HUNDRED FIFTY-FOUR OF THE GENERAL MUNICIPAL  
5 LAW. The imposition of this additional tax on mortgages recorded in a  
6 county outside the city of New York, other than one of the counties from  
7 time to time comprising the metropolitan commuter transportation  
8 district, the Niagara Frontier transportation district, the Rochester-  
9 Genesee transportation district, the capital district transportation  
10 district or the central New York regional transportation district may be  
11 suspended for a specified period of time or without limitation as to  
12 time by a local law, ordinance or resolution duly adopted by the local  
13 legislative body of such county.  
14 S 6. This act shall take effect immediately.