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

7442

I N S E N A T E

May 2, 2016

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

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:

Section 1. Subdivision 1 of section 874 of the general municipal law, as added by chapter 1030 of the laws of 1969, is amended to read as follows:

(1) It is hereby determined that the creation of the agency and the carrying out of its corporate purposes is in all respects for the benefit of the people of the state of New York and is a public purpose, and the agency shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall be required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or control or supervision or upon its activities. PROVIDED, HOWEVER, IF THE AGENCY IS LOCATED WITHIN A TRANSPORTATION DISTRICT REFERENCED IN PARAGRAPH (A) OF SUBDIVISION TWO OF SECTION TWO HUNDRED FIFTY-THREE OF THE TAX LAW, IT SHALL NOT BE EXEMPT FROM THE ADDITIONAL TAX ON EACH MORTGAGE OF REAL PROPERTY SITUATED WITHIN THE STATE IMPOSED BY SUCH PARAGRAPH.

S 2. Subdivision 1 of section 1963 of the public authorities law, as added by chapter 759 of the laws of 1967, is amended to read as follows:

1. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the city and its environs, and is a public purpose, and the authority shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall be required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or control or supervision or upon its activities. PROVIDED, HOWEVER, IF THE AUTHORITY IS LOCATED WITHIN A TRANSPORTATION DISTRICT REFERENCED IN PARAGRAPH (A) OF SUBDIVISION 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.

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

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

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

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

S 252. Exemptions. (1) No mortgage of real property situated within this state shall be exempt, and no person or corporation owning any debt or obligation secured by mortgage of real property situated within this state shall be exempt, from the taxes imposed by this article by reason of anything contained in any other statute, except as provided in section three hundred thirty-nine-ee of the real property law, or by reason of any provision in any private act or charter which is subject to amendment or repeal by the legislature, or by reason of non-residence within this state or for any other cause, except that mortgages of real property situated within this state transferred, assigned or made to Home Owners' Loan Corporation, a corporation created under an act of congress, known as home owners' loan act of nineteen hundred and thirty-three, or to a agricultural credit association or federal home loan bank, shall be exempt, and said corporation or institution owning any debt or obligation secured by mortgage of real property situated within this state, shall be exempt from the taxes imposed by this article and except that mortgages of real property situated within this state executed, given or made prior to June first, nineteen hundred thirty-four by any public benefit corporation created under the laws of this state for the purpose of maintaining and operating a public park and public recreation center shall be exempt, and any person or corporation owning any debt or obligation of any such public benefit corporation secured by such a mortgage of its real property situated within this state, shall be exempt from the taxes imposed by this article, and except that mortgages of real property situated within this state which are executed, given or made subsequent to June seventh, nineteen hundred thirty-four and which are substituted for other mortgages as a part of and in compliance with a plan of reorganization pursuant to the provisions of section seventy-seven-b of the federal bankruptcy act, are and shall be exempt from taxes imposed by this article to an amount not exceeding the amount of such mortgage indebtedness outstanding at the time of the consummation of such reorganization, and any person or corporation owning any debt or obligation secured by such a mortgage of real property situated within this state is and shall be exempt from the taxes imposed by this article, and except that mortgages of real property situated within this state which are executed, given or made by a railroad redevelopment corporation during the first nine years of its existence as such are and shall be exempt from the taxes imposed by this

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

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

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

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

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

S 6. This act shall take effect immediately.