

3370

2015-2016 Regular Sessions

I N S E N A T E

February 5, 2015

Introduced by Sen. HOYLMAN -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

AN ACT to amend the real property tax law, in relation to allowing for increases in the amount of income property owners may earn for purposes of qualification for certain tax exemptions

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

1 Section 1. Paragraph (a) of subdivision 3 of section 467 of the real
2 property tax law, as amended by chapter 259 of the laws of 2009, is
3 amended to read as follows:
4 (a) if the income of the owner or the combined income of the owners of
5 the property for the income tax year immediately preceding the date of
6 making application for exemption exceeds the sum of three thousand
7 dollars, or such other sum not less than three thousand dollars [nor
8 more than twenty-six thousand dollars beginning July first, two thousand
9 six, twenty-seven thousand dollars beginning July first, two thousand
10 seven, twenty-eight thousand dollars beginning July first, two thousand
11 eight, and twenty-nine], FIFTY thousand dollars beginning July first,
12 two thousand [nine] FIFTEEN, as may be provided by the local law, ordi-
13 nance or resolution adopted pursuant to this section; PROVIDED, HOWEVER,
14 BEGINNING JULY FIRST, TWO THOUSAND SEVENTEEN AND EVERY TWO YEARS THERE-
15 AFTER, THE MAXIMUM ALLOWABLE INCOME SHALL INCREASE BY THE PRODUCT OF THE
16 AVERAGE ANNUAL PERCENTAGE CHANGES IN THE CONSUMER PRICE INDEX FOR ALL
17 URBAN CONSUMERS (CPI-U) AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF
18 LABOR BUREAU OF LABOR STATISTICS FOR THE TWO YEAR PERIOD ROUNDED TO THE
19 NEAREST ONE THOUSAND DOLLARS. Income tax year shall mean the twelve
20 month period for which the owner or owners filed a federal personal
21 income tax return, or if no such return is filed, the calendar year.
22 Where title is vested in either the husband or the wife, their combined
23 income may not exceed such sum, except where the husband or wife, or
24 ex-husband or ex-wife is absent from the property as provided in subpar-

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

LBD01947-02-5

1 agraph (ii) of paragraph (d) of this subdivision, then only the income
2 of the spouse or ex-spouse residing on the property shall be considered
3 and may not exceed such sum. Such income shall include social security
4 and retirement benefits, interest, dividends, total gain from the sale
5 or exchange of a capital asset which may be offset by a loss from the
6 sale or exchange of a capital asset in the same income tax year, net
7 rental income, salary or earnings, and net income from self-employment,
8 but shall not include a return of capital, gifts, inheritances, payments
9 made to individuals because of their status as victims of Nazi perse-
10 cution, as defined in P.L. 103-286 or monies earned through employment
11 in the federal foster grandparent program and any such income shall be
12 offset by all medical and prescription drug expenses actually paid which
13 were not reimbursed or paid for by insurance, if the governing board of
14 a municipality, after a public hearing, adopts a local law, ordinance or
15 resolution providing therefor. Furthermore, such income shall not
16 include the proceeds of a reverse mortgage, as authorized by section
17 six-h of the banking law, and sections two hundred eighty and two
18 hundred eighty-a of the real property law; provided, however, that
19 monies used to repay a reverse mortgage may not be deducted from income,
20 and provided additionally that any interest or dividends realized from
21 the investment of reverse mortgage proceeds shall be considered income.
22 The provisions of this paragraph notwithstanding, such income shall not
23 include veterans disability compensation, as defined in Title 38 of the
24 United States Code provided the governing board of such municipality,
25 after public hearing, adopts a local law, ordinance or resolution
26 providing therefor. In computing net rental income and net income from
27 self-employment no depreciation deduction shall be allowed for the
28 exhaustion, wear and tear of real or personal property held for the
29 production of income;

30 S 2. This act shall take effect immediately.