

STATE OF NEW YORK

1647

2017-2018 Regular Sessions

IN ASSEMBLY

January 12, 2017

Introduced by M. of A. GALEF, TITONE, OTIS, McKEVITT, RAIA, PALUMBO --
Multi-Sponsored by -- M. of A. AUBRY, COOK, CROUCH, GOODELL, McDONALD,
McDONOUGH, THIELE -- read once and referred to the Committee on Real
Property Taxation

AN ACT to amend the real property tax law, in relation to granting a
real property tax exemption to nonprofit organizations that purchase
real property after the taxable status date

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

1 Section 1. Subdivision 13 of section 420-a of the real property tax
2 law, as added by chapter 630 of the laws of 1997, is renumbered subdivi-
3 sion 15 and a new subdivision 16 is added to read as follows:

4 16. (a) (i) For the purposes of this subdivision, "municipal corpo-
5 ration" shall mean a county, city, town, village or school district
6 which, after public hearing, adopts a local law, ordinance or resol-
7 ution, providing that this subdivision shall be applicable to nonprofit
8 organizations within its jurisdiction. Such local law, ordinance or
9 resolution shall apply to property transfers occurring on or after the
10 effective date of such local law, ordinance or resolution. A copy of
11 such local law, ordinance or resolution shall be filed with the commis-
12 sioner.

13 (ii) Where a nonprofit organization that meets the requirements for an
14 exemption pursuant to this section, purchases property after the levy of
15 taxes, such nonprofit organization may, if permitted by a local law,
16 ordinance or resolution of the municipal corporation in which the
17 nonprofit organization is located, file an application for exemption
18 with the assessor no later than the time specified in such local law,
19 ordinance or resolution. The assessor shall make a determination of
20 whether the parcel would have qualified for exempt status on the tax
21 roll on which the taxes were levied, had title to the parcel been in the
22 name of the applicant on the taxable status date applicable to the tax

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

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1 roll. The application shall be on a form prescribed by the commissioner.
2 The assessor, no later than thirty days after receipt of such applica-
3 tion, shall notify both the applicant and the board of assessment
4 review, by first class mail, of the exempt amount, if any, and the right
5 of the owner to a review of the exempt amount upon the filing of a writ-
6 ten complaint. Such complaint shall be on a form prescribed by the
7 commissioner and shall be filed with the board of assessment review
8 within twenty days of the mailing of such notice. If no complaint is
9 received, the board of assessment review shall so notify the assessor
10 and the exempt amount determined by the assessor shall be final. If the
11 applicant files a complaint, the board of assessment review shall sched-
12 ule a time and place for a hearing with respect thereto no later than
13 thirty days after the mailing of the notice by the assessor. The board
14 of assessment review shall meet and determine the exempt amount, and
15 shall immediately notify the assessor and the applicant, by first class
16 mail, of its determination. The amount of exemption determined pursuant
17 to this paragraph shall be subject to review as provided in article
18 seven of this chapter. Such a proceeding shall be commenced within thir-
19 ty days of the mailing of the notice of the board of assessment review
20 to the new owner as provided in this paragraph.

21 (iii) Upon receipt of a determination of the exempt amount as provided
22 in subparagraph (ii) of this paragraph, the assessor shall determine the
23 pro rata exemption to be credited toward such property by multiplying
24 the tax rate or tax rates for each municipal corporation which levied
25 taxes, or for which taxes were levied, on the appropriate tax roll used
26 for the fiscal year or years during which the transfer occurred times
27 the exempt amount, as determined in subparagraph (ii) of this paragraph,
28 times the fraction of each fiscal year or years remaining subsequent to
29 the transfer of title. The assessor shall immediately transmit a state-
30 ment of the pro rata exemption credit due to each municipal corporation
31 which levied taxes or for which taxes were levied on the tax roll used
32 for the fiscal year or years during which the transfer occurred and to
33 the applicant.

34 (iv) Each municipal corporation which receives notice of pro rata
35 exemption credits pursuant to this subdivision shall include an appro-
36 priation in its budget for the next fiscal year equal to the aggregate
37 amount of such credits to be applied in that fiscal year. Where a
38 parcel, the owner of which is entitled to a pro rata exemption credit,
39 is subject to taxation in said next fiscal year, the receiver or collec-
40 tor shall apply the credit to reduce the amount of taxes owed for the
41 parcel in such fiscal year. Pro rata exemption credits in excess of the
42 amount of taxes, if any, owed for the parcel shall be paid by the treas-
43 urer of a municipal corporation which levies such taxes for or on behalf
44 of the municipal corporation to all owners of property entitled to such
45 credits within thirty days of the expiration of the warrant to collect
46 taxes in said next fiscal year. Notwithstanding the foregoing, where
47 the municipal corporation has been reimbursed by another municipal
48 corporation for the tax credit to be paid to the owner pursuant to this
49 subdivision, such credit shall be paid to such municipal corporation
50 instead of such owner.

51 (b) (i) Notwithstanding the provisions of this section, where a
52 nonprofit organization that meets the requirements for an exemption
53 pursuant to this section, purchases property after the taxable status
54 date but prior to the levy of taxes, such nonprofit organization may, if
55 permitted by a local law, ordinance or resolution of the municipal
56 corporation in which the nonprofit organization is located, file an

1 application for an exemption with the assessor within thirty days of the
2 transfer of title to such nonprofit organization. The assessor shall
3 make a determination within thirty days after receipt of such applica-
4 tion of whether the applicant would qualify for an exemption pursuant to
5 this section on the assessment roll if title had been in the name of the
6 applicant on the taxable status date applicable to such assessment roll.
7 The application shall be made on a form prescribed by the commissioner.

8 (ii) If the assessor's determination is made prior to the filing of
9 the tentative assessment roll, the assessor shall enter the exempt
10 amount, if any, on the tentative assessment roll and, within ten days
11 after filing such roll, notify the applicant of the approval or denial
12 of such exemption, the exempt amount, if any, and the applicant's right
13 to review by the board of assessment review.

14 (iii) If the assessor's determination is made after the filing of the
15 tentative assessment roll, the assessor shall petition the board of
16 assessment review to correct the tentative or final assessment roll in
17 the manner provided in title three of article five of this chapter, with
18 respect to unlawful entries, in the case of wholly exempt parcels, and
19 with respect of clerical errors, in the case of partially exempt
20 parcels, if the assessor determines that an exemption should be granted
21 and, within ten days of petitioning the board of assessment review,
22 notify the applicant of the approval or denial of such exemption, the
23 amount of such exemption, if any, and the applicant's right to adminis-
24 trative or judicial review of such determination pursuant to article
25 five or seven of this chapter, respectively.

26 (c) If, for any reason, a determination to exempt property from taxa-
27 tion as provided in paragraph (b) of this subdivision is not entered on
28 the final assessment roll, the assessor shall petition the board of
29 assessment review to correct the final assessment roll.

30 (d) If, for any reason, the pro rata tax credit as provided in para-
31 graph (a) of this subdivision is not extended against the tax roll imme-
32 diately succeeding the fiscal year during which the transfer occurred,
33 the assessor shall immediately notify the municipal corporation which
34 levied the tax or for which the taxes were levied of the amount of pro
35 rata exemption credits for the year in which such transfer occurred.
36 Such municipal corporation shall proceed as provided in subparagraph
37 (iv) of paragraph (a) of this subdivision.

38 (e) If, for any reason, a determination to exempt property from taxa-
39 tion as provided in paragraph (b) of this subdivision is not entered on
40 the tax roll for the year immediately succeeding the fiscal year during
41 which the transfer occurred, the assessor shall determine the pro rata
42 tax exemption credit for such tax roll by multiplying the tax rate or
43 tax rates for each municipal corporation which levied taxes or for which
44 taxes were levied times the exempt amount and shall immediately notify
45 such municipal corporation or corporations of the pro rata exemption
46 credits for such tax roll. Such municipal corporation shall add such pro
47 rata exemption credits for such property to any outstanding pro rata
48 exemption amounts and proceed as provided in subparagraph (iv) of para-
49 graph (a) of this subdivision.

50 § 2. Section 420-b of the real property tax law is amended by adding
51 a new subdivision 8 to read as follows:

52 8. (a) (i) For the purposes of this subdivision, "municipal corpo-
53 ration" shall mean a county, city, town, village or school district
54 which, after public hearing, adopts a local law, ordinance or resol-
55 ution, providing that this subdivision shall be applicable to nonprofit
56 organizations within its jurisdiction. Such local law, ordinance or

1 resolution shall apply to property transfers occurring on or after the
2 effective date of such local law, ordinance or resolution. A copy of
3 such local law, ordinance or resolution shall be filed with the commis-
4 sioner.

5 (ii) Where a nonprofit organization that meets the requirements for an
6 exemption pursuant to this section, purchases property after the levy of
7 taxes, such nonprofit organization may file, if permitted by a local
8 law, ordinance or resolution of the municipal corporation in which the
9 nonprofit organization is located, an application for exemption with the
10 assessor no later than the time specified in such local law, ordinance
11 or resolution. The assessor shall make a determination of whether the
12 parcel would have qualified for exempt status on the tax roll on which
13 the taxes were levied, had title to the parcel been in the name of the
14 applicant on the taxable status date applicable to the tax roll. The
15 application shall be on a form prescribed by the commissioner. The
16 assessor, no later than thirty days after receipt of such application,
17 shall notify both the applicant and the board of assessment review, by
18 first class mail, of the exempt amount, if any, and the right of the
19 owner to a review of the exempt amount upon the filing of a written
20 complaint. Such complaint shall be on a form prescribed by the commis-
21 sioner and shall be filed with the board of assessment review within
22 twenty days of the mailing of such notice. If no complaint is received,
23 the board of assessment review shall so notify the assessor and the
24 exempt amount determined by the assessor shall be final. If the appli-
25 cant files a complaint, the board of assessment review shall schedule a
26 time and place for a hearing with respect thereto no later than thirty
27 days after the mailing of the notice by the assessor. The board of
28 assessment review shall meet and determine the exempt amount, and shall
29 immediately notify the assessor and the applicant, by first class mail,
30 of its determination. The amount of exemption determined pursuant to
31 this paragraph shall be subject to review as provided in article seven
32 of this chapter. Such a proceeding shall be commenced within thirty days
33 of the mailing of the notice of the board of assessment review to the
34 new owner as provided in this paragraph.

35 (iii) Upon receipt of a determination of the exempt amount as provided
36 in subparagraph (ii) of this paragraph, the assessor shall determine the
37 pro rata exemption to be credited toward such property by multiplying
38 the tax rate or tax rates for each municipal corporation which levied
39 taxes, or for which taxes were levied, on the appropriate tax roll used
40 for the fiscal year or years during which the transfer occurred times
41 the exempt amount, as determined in subparagraph (ii) of this paragraph,
42 times the fraction of each fiscal year or years remaining subsequent to
43 the transfer of title. The assessor shall immediately transmit a state-
44 ment of the pro rata exemption credit due to each municipal corporation
45 which levied taxes or for which taxes were levied on the tax roll used
46 for the fiscal year or years during which the transfer occurred and to
47 the applicant.

48 (iv) Each municipal corporation which receives notice of pro rata
49 exemption credits pursuant to this subdivision shall include an appro-
50 priation in its budget for the next fiscal year equal to the aggregate
51 amount of such credits to be applied in that fiscal year. Where a
52 parcel, the owner of which is entitled to a pro rata exemption credit,
53 is subject to taxation in said next fiscal year, the receiver or collec-
54 tor shall apply the credit to reduce the amount of taxes owed for the
55 parcel in such fiscal year. Pro rata exemption credits in excess of the
56 amount of taxes, if any, owed for the parcel shall be paid by the treas-

1 urer of a municipal corporation which levies such taxes for or on behalf
2 of the municipal corporation to all owners of property entitled to such
3 credits within thirty days of the expiration of the warrant to collect
4 taxes in said next fiscal year. Notwithstanding the foregoing, where
5 the municipal corporation has been reimbursed by another municipal
6 corporation for the tax credit to be paid to the owner pursuant to this
7 subdivision, such credit shall be paid to such municipal corporation
8 instead of such owner.

9 (b) (i) Notwithstanding the provisions of this section, where a
10 nonprofit organization that meets the requirements for an exemption
11 pursuant to this section, purchases property after the taxable status
12 date but prior to the levy of taxes, such nonprofit organization may, if
13 permitted by a local law, ordinance or resolution of the municipal
14 corporation in which the nonprofit organization is located, file an
15 application for an exemption with the assessor within thirty days of the
16 transfer of title to such nonprofit organization. The assessor shall
17 make a determination within thirty days after receipt of such applica-
18 tion of whether the applicant would qualify for an exemption pursuant to
19 this section on the assessment roll if title had been in the name of the
20 applicant on the taxable status date applicable to such assessment roll.
21 The application shall be made on a form prescribed by the commissioner.

22 (ii) If the assessor's determination is made prior to the filing of
23 the tentative assessment roll, the assessor shall enter the exempt
24 amount, if any, on the tentative assessment roll and, within ten days
25 after filing such roll, notify the applicant of the approval or denial
26 of such exemption, the exempt amount, if any, and the applicant's right
27 to review by the board of assessment review.

28 (iii) If the assessor's determination is made after the filing of the
29 tentative assessment roll, the assessor shall petition the board of
30 assessment review to correct the tentative or final assessment roll in
31 the manner provided in title three of article five of this chapter, with
32 respect to unlawful entries, in the case of wholly exempt parcels, and
33 with respect of clerical errors, in the case of partially exempt
34 parcels, if the assessor determines that an exemption should be granted
35 and, within ten days of petitioning the board of assessment review,
36 notify the applicant of the approval or denial of such exemption, the
37 amount of such exemption, if any, and the applicant's right to adminis-
38 trative or judicial review of such determination pursuant to article
39 five or seven of this chapter, respectively.

40 (c) If, for any reason, a determination to exempt property from taxa-
41 tion as provided in paragraph (b) of this subdivision is not entered on
42 the final assessment roll, the assessor shall petition the board of
43 assessment review to correct the final assessment roll.

44 (d) If, for any reason, the pro rata tax credit as provided in para-
45 graph (a) of this subdivision is not extended against the tax roll imme-
46 diately succeeding the fiscal year during which the transfer occurred,
47 the assessor shall immediately notify the municipal corporation which
48 levied the tax or for which the taxes were levied of the amount of pro
49 rata exemption credits for the year in which such transfer occurred.
50 Such municipal corporation shall proceed as provided in subparagraph
51 (iv) of paragraph (a) of this subdivision.

52 (e) If, for any reason, a determination to exempt property from taxa-
53 tion as provided in paragraph (b) of this subdivision is not entered on
54 the tax roll for the year immediately succeeding the fiscal year during
55 which the transfer occurred, the assessor shall determine the pro rata
56 tax exemption credit for such tax roll by multiplying the tax rate or

1 tax rates for each municipal corporation which levied taxes or for which
2 taxes were levied times the exempt amount and shall immediately notify
3 such municipal corporation or corporations of the pro rata exemption
4 credits for such tax roll. Such municipal corporation shall add such pro
5 rata exemption credits for such property to any outstanding pro rata
6 exemption amounts and proceed as provided in subparagraph (iv) of para-
7 graph (a) of this subdivision.

8 § 3. This act shall take effect on the ninetieth day after it shall
9 have become a law.