

STATE OF NEW YORK

6796

2017-2018 Regular Sessions

IN SENATE

June 18, 2017

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and
when printed to be committed to the Committee on Rules

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 Assem-
bly, do enact as follows:

1 Section 1. Subdivision 1 of section 874 of the general municipal law,
2 as amended by chapter 394 of the laws of 2016, 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; provided, further,
16 that, notwithstanding the foregoing, the agency shall be exempt from any
17 taxes on the execution and/or recordation of a mortgage of real property
18 situated within the state within a transportation district referenced in
19 paragraph (a) of subdivision two of section two hundred fifty-three of
20 the tax law that secures an obligation to make payments in lieu of taxes
21 where the primary purpose of recording the mortgage is for such mortgage
22 to act as the priority of a real property tax lien.

23 § 2. Subdivision 1 of section 1963 of the public authorities law, as
24 amended by chapter 394 of the laws of 2016, is amended to read as
25 follows:

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

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1 1. It is hereby determined that the creation of the authority and the
2 carrying out of its corporate purposes is in all respects for the bene-
3 fit of the people of the city and its environs, and is a public purpose,
4 and the authority shall be regarded as performing a governmental func-
5 tion in the exercise of the powers conferred upon it by this title and
6 shall be required to pay no taxes or assessments upon any of the proper-
7 ty acquired by it or under its jurisdiction or control or supervision or
8 upon its activities. Provided, however, if the authority is located
9 within a transportation district referenced in paragraph (a) of subdivi-
10 sion two of section two hundred fifty-three of the tax law, it shall not
11 be exempt from the additional tax on each mortgage of real property
12 situated within the state imposed by such paragraph; provided, further,
13 that, notwithstanding the foregoing, the authority shall be exempt from
14 the additional tax imposed by paragraph (a) of subdivision two of
15 section two hundred fifty-three of the tax law on the execution and/or
16 recordation of a mortgage of real property situated within the state
17 within a transportation district referenced in paragraph (a) of subdivi-
18 sion two of section two hundred fifty-three of the tax law that secures
19 an obligation to make payments in lieu of taxes where the primary
20 purpose of recording the mortgage is for such mortgage to act as the
21 priority of a real property tax lien.

22 § 3. Subdivision 1 of section 2326 of the public authorities law, as
23 amended by chapter 394 of the laws of 2016, is amended to read as
24 follows:

25 1. It is hereby determined that the creation of the authority and the
26 carrying out of its corporate purposes is in all respects for the bene-
27 fit of the people of the city and its environs, and is a public purpose,
28 and the authority shall be regarded as performing a governmental func-
29 tion in the exercise of the powers conferred upon it by this title and
30 shall be required to pay no taxes or assessments upon any of the proper-
31 ty acquired by it or under its jurisdiction or control or supervision or
32 upon its activities. Provided, however, if the authority is located
33 within a transportation district referenced in paragraph (a) of subdivi-
34 sion two of section two hundred fifty-three of the tax law, it shall not
35 be exempt from the additional tax on each mortgage of real property
36 situated within the state imposed by such paragraph; provided, further,
37 that, notwithstanding the foregoing, the authority shall be exempt from
38 the additional tax imposed by paragraph (a) of subdivision two of
39 section two hundred fifty-three of the tax law on the execution and/or
40 recordation of a mortgage of real property situated within the state
41 within a transportation district referenced in paragraph (a) of subdivi-
42 sion two of section two hundred fifty-three of the tax law that secures
43 an obligation to make payments in lieu of taxes where the primary
44 purpose of recording the mortgage is for such mortgage to act as the
45 priority of a real property tax lien.

46 § 4. Subdivision 2 of section 252 of the tax law, as added by chapter
47 394 of the laws of 2016, is amended to read as follows:

48 (2) Notwithstanding article eighteen-A of the general municipal law
49 and titles eleven and fifteen of article eight of the public authorities
50 law, but except as set forth in this subdivision, no mortgage of real
51 property situated within the state in counties located within the metro-
52 politan commuter transportation district, the Niagara Frontier transpor-
53 tation district, the Rochester-Genesee transportation district, the
54 capital district transportation district, and the central New York
55 regional transportation district executed, given, made, or transferred
56 or assigned by or to an agency created under article eighteen-A of the

1 general municipal law, an authority created under title eleven or
2 fifteen of article eight of the public authorities law, an agent or
3 agent of such agent of such agency or authority, a project operator
4 receiving financial assistance from such agency or authority, a project
5 occupant of such agency or authority, or an owner of a project receiving
6 financial assistance from such agency or authority shall be exempt from
7 the additional tax imposed by paragraph (a) of subdivision two of
8 section two hundred fifty-three of this article, except when the
9 execution and/or recordation of a mortgage of real property situated
10 within the state within a transportation district referenced in para-
11 graph (a) of subdivision two of section two hundred fifty-three of the
12 tax law that secures an obligation to make payments in lieu of taxes
13 where the primary purpose of recording the mortgage is for such mortgage
14 to act as the priority of a real property tax lien. For the purposes of
15 this subdivision the term "financial assistance" shall have the same
16 meaning as defined in section eight hundred fifty-four of the general
17 municipal law.

18 § 5. Paragraph (a) of subdivision 2 of section 253 of the tax law, as
19 amended by chapter 394 of the laws of 2016, is amended to read as
20 follows:

21 (a) In addition to the taxes imposed by subdivisions one and one-a of
22 this section, there shall be imposed on each mortgage of real property
23 situated within the state recorded on or after the first day of July,
24 nineteen hundred sixty-nine, an additional tax of twenty-five cents for
25 counties outside of the metropolitan commuter transportation district,
26 as defined pursuant to section twelve hundred sixty-two of the public
27 authorities law, and thirty cents for counties within such metropolitan
28 commuter transportation district for each one hundred dollars and each
29 remaining major fraction thereof of principal debt or obligation which
30 is, or under any contingency may be secured at the date of execution
31 thereof or at any time thereafter by such mortgage, saving and excepting
32 the first ten thousand dollars of such principal debt or obligation in
33 any case in which the related mortgage is of real property principally
34 improved or to be improved by a one or two family residence or dwelling.
35 All the provisions of this article shall apply with respect to the addi-
36 tional tax imposed by this subdivision to the same extent as if it were
37 imposed by the said subdivision one of this section, except as otherwise
38 expressly provided in this article. Notwithstanding article eighteen-A
39 of the general municipal law and titles eleven and fifteen of article
40 eight of the public authorities law, but except as set forth in this
41 paragraph, no mortgage of real property situated within the state in
42 counties located within the metropolitan commuter transportation
43 district, the Niagara Frontier transportation district, the Rochester-
44 Genesee transportation district, the capital district transportation
45 district, and the central New York regional transportation district
46 executed, given, made, or transferred or assigned by or to an agency
47 created under article eighteen-A of the general municipal law, an
48 authority created under title eleven or fifteen of article eight of the
49 public authorities law, an agent or agent of such agent of such agency
50 or authority, a project operator receiving financial assistance from
51 such agency or authority, a project occupant of such agency or authori-
52 ty, or an owner of a project receiving financial assistance from such
53 agency or authority shall be exempt from the additional tax imposed by
54 this subdivision, except when the execution and/or recordation of a
55 mortgage of real property situated within the state within a transporta-
56 tion district referenced in paragraph (a) of subdivision two of section

1 two hundred fifty-three of tax law that secures an obligation to make
2 payments in lieu of taxes where the primary purpose of recording the
3 mortgage is for such mortgage to act as the priority of a real property
4 tax lien. For the purposes of this [~~subdivision~~] paragraph the term
5 "financial assistance" shall have the same meaning as defined in section
6 eight hundred fifty-four of the general municipal law. The imposition of
7 this additional tax on mortgages recorded in a county outside the city
8 of New York, other than one of the counties from time to time comprising
9 the metropolitan commuter transportation district, the Niagara Frontier
10 transportation district, the Rochester-Genesee transportation district,
11 the capital district transportation district or the central New York
12 regional transportation district may be suspended for a specified period
13 of time or without limitation as to time by a local law, ordinance or
14 resolution duly adopted by the local legislative body of such county.
15 § 6. This act shall take effect on the same date and in the same
16 manner as chapter 394 of the laws of 2016, takes effect.