STATE OF NEW YORK

3985--A

2019-2020 Regular Sessions

IN SENATE

February 22, 2019

Introduced by Sens. STAVISKY, LIU -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to increasing the average assessed value threshold and to eligibility for J-51 tax abatements

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

Section 1. The opening paragraph of paragraph (a) of subdivision 1 of section 489 of the real property tax law, as amended by section 19 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

Any city to which the multiple dwelling law is applicable, acting through its local legislative body or other governing agency, is hereby authorized and empowered, to and including January first, two thousand [~~nineteen~~] **twenty-three**, to adopt and amend local laws or ordinances providing that any increase in assessed valuation of real property shall be exempt from taxation for local purposes, as provided herein, to the extent such increase results from:

§ 2. The closing paragraph of subparagraph 6 of paragraph (a) of subdivision 1 of section 489 of the real property tax law, as amended by section 20 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

Such conversion, alterations or improvements shall be completed within thirty months after the date on which same shall be started except that such thirty month limitation shall not apply to conversions of residential units which are registered with the loft board in accordance with article seven-C of the multiple dwelling law pursuant to subparagraph one of this paragraph. Notwithstanding the foregoing, a sixty month period for completion shall be available for alterations or improvements undertaken by a housing development fund company organized pursuant to

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

LBD02925-07-9

article eleven of the private housing finance law, which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from such city if alterations and improvements are completed within seven years after the date of transfer. In addition, the local housing agency is hereby empowered to grant an extension of the period of completion for any project carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality, if such alterations or improvements are completed within sixty months from commencement of construction. Provided, further, that such conversion, alterations or improvements shall in any event be completed prior to June thirtieth, two thousand [~~nineteen~~] **twenty-three**. Exemption for conversions, alterations or improvements pursuant to subparagraph one, two, three or four of this paragraph shall continue for a period not to exceed fourteen years and begin no sooner than the first quarterly tax bill immediately following the completion of such conversion, alterations or improvements. Exemption for alterations or improvements pursuant to this subparagraph or subparagraph five of this paragraph shall continue for a period not to exceed thirty-four years and shall begin no sooner than the first quarterly tax bill immediately following the completion of such alterations or improvements. Such exemption shall be equal to the increase in the valuation which is subject to exemption in full or proportionally under this subdivision for ten or thirty years, whichever is applicable. After such period of time, the amount of such exempted assessed valuation of such improvements shall be reduced by twenty percent in each succeeding year until the assessed value of the improvements are fully taxable. Provided, however, exemption for any conversion, alterations or improvements which are aided by a loan or grant under article eight, eight-A, eleven, twelve, fifteen or twenty-two of the private housing finance law, section six hundred ninety-six-a or section ninety-nine-h of the general municipal law, or section three hundred twelve of the housing act of nineteen hundred sixty-four (42 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing act (42 U.S.C.A. 12701 et. seq.), or started after July first, nineteen hundred eighty-three by a housing development fund company organized pursuant to article eleven of the private housing finance law which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from any city and where alterations and improvements are completed within seven years after the date of transfer may commence at the beginning of any tax quarter subsequent to the start of such conversion, alterations or improvements and prior to the completion of such conversion, alterations or improvements.

§ 3. Subparagraph (iv) of paragraph (c) of subdivision 17 of section 489 of the real property tax law, as added by chapter 388 of the laws of 2016, is amended to read as follows:

(iv) Notwithstanding anything to the contrary contained herein, the assessed value limitation shall not at any time exceed [~~thirty-five~~] **fifty** thousand dollars.

§ 4. This act shall take effect immediately.