

STATE OF NEW YORK

4230

2019-2020 Regular Sessions

IN SENATE

March 5, 2019

Introduced by Sens. KAMINSKY, GAUGHRAN, HARCKHAM, MAYER -- read twice
and ordered printed, and when printed to be committed to the Committee
on Local Government

AN ACT to amend the real property tax law, in relation to excluding
water system property owned by water-works corporations from special
franchise tax

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

1 Section 1. Subdivision 17 of section 102 of the real property tax law,
2 as amended by chapter 569 of the laws of 1996, is amended to read as
3 follows:
4 17. "Special franchise" means the franchise, right, authority or
5 permission to construct, maintain or operate in, under, above, upon or
6 through any public street, highway, water or other public place mains,
7 pipes, tanks, conduits, wires or transformers, with their appurtenances,
8 for conducting [~~water,~~ excluding water] steam, light, power, electricity, gas or other
9 substance. For purposes of assessment and taxation a
10 special franchise shall include the value of the tangible property situ-
11 ated in, under, above, upon or through any public street, highway, water
12 or other public place in connection therewith. The term special fran-
13 chise shall not include central office equipment or station equipment
14 (except public telephone terminal equipment) which first appears on
15 assessment rolls prepared on the basis of taxable status dates occurring
16 on or after October first, nineteen hundred ninety-five and which is
17 owned by a telephone company as defined in paragraph (d) of subdivision
18 twelve of this section, or owned by a telephone corporation as defined
19 in subdivision seventeen of section two of the public service law and
20 certified by the public service commission under section ninety-nine of
21 such law, nor shall it include property of a municipal corporation,
22 public benefit corporation or special district, nor shall it include a
23 crossing less than two hundred fifty feet in length of a public street,

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

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1 highway, water or other public place outside a city or village, unless
2 such crossing be the continuation of an occupancy of another public
3 street, highway, water or other public place. The term special fran-
4 chise shall also not include any water system property owned by a
5 water-works corporation as such terms are defined in section two of the
6 public service law.

7 § 2. The taxable assessed valuation of any water system special fran-
8 chise property, as defined in subdivision 17 of section 102 of the real
9 property tax law, owned by a water-works corporation that is used for
10 conducting water on assessment rolls required by law to be completed and
11 filed on or after January first, two thousand nineteen shall not exceed
12 the taxable assessed valuation of such real property on final assessment
13 rolls completed and filed on or after January first, two thousand eigh-
14 teen; the taxable assessed valuation of such property on assessment
15 rolls required by law to be completed and filed on or after January
16 first, two thousand twenty shall not exceed eighty percent of the taxa-
17 ble assessed valuation of such real property on final assessment rolls
18 completed and filed on or after January first, two thousand eighteen;
19 the taxable assessed valuation of such property on assessment rolls
20 required by law to be completed and filed on or after January first, two
21 thousand twenty-one shall not exceed sixty percent of the taxable
22 assessed valuation of such real property on final assessment rolls
23 completed and filed on or after January first, two thousand eighteen;
24 the taxable assessed valuation of such property on assessment rolls
25 required by law to be completed and filed on or after January first, two
26 thousand twenty-two shall not exceed forty percent of the taxable
27 assessed valuation of such real property on final assessment rolls
28 completed and filed on or after January first, two thousand eighteen;
29 and the taxable assessed valuation of such property on assessment rolls
30 required by law to be completed and filed on or after January first, two
31 thousand twenty-three shall not exceed twenty percent of the taxable
32 assessed valuation of such real property on final assessment rolls
33 completed and filed on or after January first, two thousand eighteen.

34 § 3. For purposes of this act, any tax relief realized by a water-
35 works corporation shall be used to reduce current water rates and offset
36 future water rate increases.

37 § 4. This act shall take effect immediately; provided, however, that
38 section one of this act shall take effect January 1, 2024.