

STATE OF NEW YORK

1288

2023-2024 Regular Sessions

IN ASSEMBLY

January 17, 2023

Introduced by M. of A. WILLIAMS, OTIS, MILLER -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to property tax exemptions for nonprofit organizations

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

1 Section 1. Subdivision 16 of section 420-a of the real property tax
2 law, as added by chapter 358 of the laws of 2018, is amended to read as
3 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 resolu-~~
7 ~~tion, 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 but prior to the taxable status date applicable to the following
16 year's assessment roll, such nonprofit organization may~~[, if permitted~~
17 ~~by a local law, ordinance or resolution of the municipal corporation in~~
18 ~~which the nonprofit organization is located,~~ file an application for
19 exemption with the assessor no later than the ~~[time specified in such~~
20 ~~local law, ordinance or resolution]~~ taxable status date applicable to
21 the following year's assessment roll; provided that where a nonprofit
22 organization that meets the requirements for an exemption pursuant to
23 this section purchased property after the levy of taxes but prior to the
24 taxable status date applicable to the following year's assessment roll
25 in the years two thousand nineteen, two thousand twenty, two thousand

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

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twenty-one, two thousand twenty-two or two thousand twenty-three, such nonprofit organization may file an application for exemption with the assessor no later than the next taxable status date following the effective date of the chapter of the laws of two thousand twenty-three which amended this subdivision.

The assessor shall make a determination of whether the parcel would have qualified for exempt status on the ~~[tax]~~ assessment roll on which the taxes were levied, had title to the parcel been in the name of the applicant on the taxable status date applicable to the ~~[tax]~~ assessment roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a complaint, the board of assessment review shall schedule a time and place for a hearing with respect thereto no later than thirty days after the mailing of the notice by the assessor. The board of assessment review shall meet and determine the exempt amount, and shall immediately notify the assessor and the applicant, by first class mail, of its determination. The amount of exemption determined pursuant to this paragraph shall be subject to review as provided in article seven of this chapter. Such a proceeding shall be commenced within thirty days of the mailing of the notice of the board of assessment review to the new owner as provided in this paragraph.

(iii) Upon receipt of a determination of the exempt amount as provided in subparagraph (ii) of this paragraph, the assessor shall determine the pro rata exemption to be credited toward such property by multiplying the tax rate or tax rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate ~~[tax]~~ assessment roll used for the fiscal year or years during which the transfer occurred times the exempt amount, as determined in subparagraph (ii) of this paragraph, times the fraction of each fiscal year or years remaining subsequent to the transfer of title. The assessor shall immediately transmit a statement of the pro rata exemption credit due to each municipal corporation which levied taxes or for which taxes were levied on the ~~[tax]~~ assessment roll used for the fiscal year or years during which the transfer occurred and to the applicant.

(iv) Each municipal corporation which receives notice of pro rata exemption credits pursuant to this subdivision shall include an appropriation in its budget for the next fiscal year equal to the aggregate amount of such credits to be applied in that fiscal year. Where a parcel, the owner of which is entitled to a pro rata exemption credit, is subject to taxation in said next fiscal year, the receiver or collector shall apply the credit to reduce the amount of taxes owed for the parcel in such fiscal year. Pro rata exemption credits in excess of the amount of taxes, if any, owed for the parcel shall be paid by the treasurer of a municipal corporation which levies such taxes for or on behalf of the municipal corporation to all owners of property entitled to such credits within thirty days of the expiration of the warrant to collect taxes in said next fiscal year. Notwithstanding the foregoing, where the municipal corporation has been reimbursed by another municipal corpo-

ration for the tax credit to be paid to the owner pursuant to this subdivision, such credit shall be paid to such municipal corporation instead of such owner.

(b) (i) Notwithstanding the provisions of this section, where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the taxable status date but prior to the levy of taxes, such nonprofit organization may~~if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located,~~ file an application for an exemption with the assessor ~~[within thirty days of the transfer of title to such nonprofit organization]~~ no later than the taxable status date applicable to the following year's assessment roll; provided that where a nonprofit organization that meets the requirements for an exemption pursuant to this section purchased property after the taxable status date but prior to the levy of taxes in the years two thousand nineteen, two thousand twenty, two thousand twenty-one, two thousand twenty-two or two thousand twenty-three, such nonprofit organization may file an application for exemption with the assessor no later than the next taxable status date following the effective date of the chapter of the laws of two thousand twenty-three which amended this subdivision. The assessor shall make a determination within thirty days after receipt of such application of whether the applicant would qualify for an exemption pursuant to this section on the assessment roll if title had been in the name of the applicant on the taxable status date applicable to such assessment roll. The application shall be made on a form prescribed by the commissioner.

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

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

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

(d) If, for any reason, the pro rata tax credit as provided in paragraph (a) of this subdivision is not extended against the ~~[tax]~~ assessment roll immediately succeeding the fiscal year during which the transfer occurred, the assessor shall immediately notify the municipal corporation which levied the tax or for which the taxes were levied of the amount of pro rata exemption credits for the year in which such transfer occurred. Such municipal corporation shall proceed as provided in subparagraph (iv) of paragraph (a) of this subdivision.

(e) If, for any reason, a determination to exempt property from taxation as provided in paragraph (b) of this subdivision is not entered on the ~~[tax]~~ assessment roll for the year immediately succeeding the fiscal year during which the transfer occurred, the assessor shall determine the pro rata tax exemption credit for such ~~[tax]~~ assessment roll by multiplying the tax rate or tax rates for each municipal corporation which levied taxes or for which taxes were levied times the exempt amount and shall immediately notify such municipal corporation or corporations of the pro rata exemption credits for such ~~[tax]~~ assessment roll. Such municipal corporation shall add such pro rata exemption credits for such property to any outstanding pro rata exemption amounts and proceed as provided in subparagraph (iv) of paragraph (a) of this subdivision.

§ 2. Subdivision 8 of section 420-b of the real property tax law, as added by chapter 358 of the laws of 2018, is amended to read as follows:

8. (a) (i) For the purposes of this subdivision, "municipal corporation" shall mean a county, city, town, village or school district ~~[which, after public hearing, adopts a local law, ordinance or resolution, providing that this subdivision shall be applicable to nonprofit organizations within its jurisdiction. Such local law, ordinance or resolution shall apply to property transfers occurring on or after the effective date of such local law, ordinance or resolution. A copy of such local law, ordinance or resolution shall be filed with the commissioner].~~

(ii) Where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the levy of taxes but prior to the taxable status date applicable to the following year's assessment roll, such nonprofit organization may file~~[, if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located,]~~ an application for exemption with the assessor no later than the ~~[time specified in such local law, ordinance or resolution]~~ taxable status date applicable to the following year's assessment roll; provided that where a nonprofit organization that meets the requirements for an exemption pursuant to this section purchased property after the levy of taxes but prior to the taxable status date applicable to the following year's assessment roll in the years two thousand nineteen, two thousand twenty, two thousand twenty-one, two thousand twenty-two or two thousand twenty-three, such nonprofit organization may file an application for exemption with the assessor no later than the next taxable status date following the effective date of the chapter of the laws of two thousand twenty-three which amended this subdivision. The assessor shall make a determination of whether the parcel would have qualified for exempt status on the ~~[tax]~~ assessment roll on which the taxes were levied, had title to the parcel been in the name of the applicant on the taxable status date applicable to the ~~[tax]~~ assessment roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a

1 complaint, the board of assessment review shall schedule a time and
2 place for a hearing with respect thereto no later than thirty days after
3 the mailing of the notice by the assessor. The board of assessment
4 review shall meet and determine the exempt amount, and shall immediately
5 notify the assessor and the applicant, by first class mail, of its
6 determination. The amount of exemption determined pursuant to this para-
7 graph shall be subject to review as provided in article seven of this
8 chapter. Such a proceeding shall be commenced within thirty days of the
9 mailing of the notice of the board of assessment review to the new owner
10 as provided in this paragraph.

11 (iii) Upon receipt of a determination of the exempt amount as provided
12 in subparagraph (ii) of this paragraph, the assessor shall determine the
13 pro rata exemption to be credited toward such property by multiplying
14 the tax rate or tax rates for each municipal corporation which levied
15 taxes, or for which taxes were levied, on the appropriate ~~[tax]~~ assess-
16 ment roll used for the fiscal year or years during which the transfer
17 occurred times the exempt amount, as determined in subparagraph (ii) of
18 this paragraph, times the fraction of each fiscal year or years remain-
19 ing subsequent to the transfer of title. The assessor shall immediately
20 transmit a statement of the pro rata exemption credit due to each munic-
21 ipal corporation which levied taxes or for which taxes were levied on
22 the ~~[tax]~~ assessment roll used for the fiscal year or years during which
23 the transfer occurred and to the applicant.

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

41 (b) (i) Notwithstanding the provisions of this section, where a
42 nonprofit organization that meets the requirements for an exemption
43 pursuant to this section, purchases property after the taxable status
44 date but prior to the levy of taxes, such nonprofit organization may~~[,~~
45 ~~if permitted by a local law, ordinance or resolution of the municipal~~
46 ~~corporation in which the nonprofit organization is located,~~ file an
47 application for an exemption with the assessor ~~[within thirty days of~~
48 ~~the transfer of title to such nonprofit organization]~~ no later than the
49 taxable status date applicable to the following year's assessment roll;
50 provided that where a nonprofit organization that meets the requirements
51 for an exemption pursuant to this section purchased property after the
52 taxable status date but prior to the levy of taxes in the years two
53 thousand nineteen, two thousand twenty, two thousand twenty-one, two
54 thousand twenty-two or two thousand twenty-three, such nonprofit organ-
55 ization may file an application for exemption with the assessor no later
56 than the next taxable status date following the effective date of the

1 chapter of the laws of two thousand twenty-three which amended this
2 subdivision. The assessor shall make a determination within thirty days
3 after receipt of such application of whether the applicant would qualify
4 for an exemption pursuant to this section on the assessment roll if
5 title had been in the name of the applicant on the taxable status date
6 applicable to such assessment roll. The application shall be made on a
7 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~~] assessment
32 ment roll immediately succeeding the fiscal year during which the trans-
33 fer occurred, the assessor shall immediately notify the municipal
34 corporation which levied the tax or for which the taxes were levied of
35 the amount of pro rata exemption credits for the year in which such
36 transfer occurred. Such municipal corporation shall proceed as provided
37 in subparagraph (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~~] assessment roll for the year immediately succeeding the fiscal
41 year during which the transfer occurred, the assessor shall determine
42 the pro rata tax exemption credit for such [~~tax~~] assessment
43 multiplying the tax rate or tax rates for each municipal corporation
44 which levied taxes or for which taxes were levied times the exempt
45 amount and shall immediately notify such municipal corporation or corpo-
46 rations of the pro rata exemption credits for such [~~tax~~] assessment
47 roll. Such municipal corporation shall add such pro rata exemption cred-
48 its for such property to any outstanding pro rata exemption amounts and
49 proceed as provided in subparagraph (iv) of paragraph (a) of this subdi-
50 vision.

51 § 3. This act shall take effect immediately.