

STATE OF NEW YORK

335

2023-2024 Regular Sessions

IN SENATE

(Prefiled)

January 4, 2023

Introduced by Sens. JACKSON, RAMOS, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1

AN ACT to amend the real property tax law, in relation to exemptions from local real property taxation of certain low income housing accommodations in a city with a population of one million or more

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

1 Section 1. Subdivision 1 of section 420-c of the real property tax
2 law, as amended by chapter 104 of the laws of 1999, is amended to read
3 as follows:

4 1. In a city having a population of one million or more, real property
5 owned by a corporation, partnership or limited liability company formed
6 for the purpose of providing housing accommodations for persons and
7 families of low income as defined in section two of the private housing
8 finance law and used for such purpose, shall be exempt from local real
9 property taxation, provided that such corporation, partnership or limited
10 liability company: (a) is organized as a non-profit housing develop-
11 ment fund company pursuant to article eleven of the private housing
12 finance law and is not established or controlled by a for-profit entity,
13 or is a non-profit housing corporation as defined in article eleven of
14 the private housing finance law which is not incorporated as a housing
15 development fund company as defined in article eleven of the private
16 housing finance law and is not established or controlled by a for-profit
17 entity, or is a wholly-owned subsidiary of such a company or is a part-
18 nership or limited liability company the controlling interest of which
19 is held by such a company or corporation or by a wholly owned subsidiary
20 of such a company or by a corporation sponsored or formed by such a
21 company or corporation; and (b) has received a loan from a municipality,
22 the state or the housing trust fund corporation established pursuant to
23 section forty-five-a of the private housing finance law or any successor

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

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1 corporation; and (c) enters into a regulatory agreement with the municipi-
2 pality, the state or the housing trust fund corporation established
3 pursuant to section forty-five-a of the private housing finance law or
4 any successor corporation guaranteeing the provision of housing accommo-
5 dations for persons and families of low income; and (d) is a participant
6 in the federal low income housing tax credit program established pursu-
7 ant to section forty-two of the internal revenue code of nineteen
8 hundred eighty-six, as amended. Any exemption pursuant to this section
9 shall expire upon the expiration or termination of the regulatory agree-
10 ment.

11 § 2. Subparagraphs 4 and 5 of paragraph (a) of subdivision 4 of
12 section 420-c of the real property tax law, subparagraph 4 as added by
13 chapter 522 of the laws of 2004 and subparagraph 5 as amended by chapter
14 526 of the laws of 2004, are amended to read as follows:

15 (4) The term "charitable organization" shall mean (i) an entity, not
16 established or controlled by a for-profit entity, formed for purposes
17 that include providing housing accommodations for persons and families
18 of low income and that has received written recognition of exemption
19 pursuant to section 501(c)(3) or section 501(c)(4) of the internal
20 revenue code of nineteen hundred eighty-six, as amended, or any succes-
21 sor statute, from the United States Internal Revenue Service, or any
22 successor agency, or (ii) a corporation, partnership or limited liabil-
23 ity company wholly owned and wholly controlled by an entity, not estab-
24 lished or controlled by a for-profit entity, formed for purposes that
25 include providing housing accommodations for persons and families of low
26 income and that has received written recognition of exemption pursuant
27 to section 501(c)(3) or section 501(c)(4) of the internal revenue code
28 of nineteen hundred eighty-six, as amended, or any successor statute,
29 from the United States Internal Revenue Service, or any successor agen-
30 cy.

31 (5) The term "eligible entity" shall mean a corporation, partnership
32 or limited liability company at least [~~fifty~~] fifty-one percent of the
33 controlling interest of which is held by a charitable organization.

34 § 3. This act shall take effect immediately and shall apply to all
35 projects approved on or after the date on which this act shall have
36 become a law.