

STATE OF NEW YORK

6255

2023-2024 Regular Sessions

IN SENATE

April 10, 2023

Introduced by Sen. HINCHEY -- 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 the assessment of residential real property transferred from a charitable nonprofit housing organization to low-income persons

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

1 Section 1. The real property tax law is amended by adding a new
2 section 581-c to read as follows:

3 § 581-c. Assessment of residential real property transferred from a
4 charitable nonprofit housing organization to a low-income person. 1. As
5 used in this section:

6 (a) "Charitable nonprofit housing organization" means a charitable
7 nonprofit organization whose primary purpose is the construction or
8 renovation of residential housing for conveyance to a low-income person.

9 (b) "Eligible nonprofit housing property" or "property" means property
10 owned by a charitable nonprofit housing organization, the ownership of
11 which the charitable nonprofit housing organization intends to transfer
12 to a low-income person after construction or renovation of the property
13 is completed.

14 (c) "Low-income person" means a person with a household income of not
15 more than eighty percent of the area median income (AMI) as annually
16 defined by the United States department of housing and urban develop-
17 ment, who is eligible to participate in the charitable nonprofit housing
18 organization's program based on criteria established by the charitable
19 nonprofit housing organization.

20 (d) "Initial taxable value" and "initial assessed value" means, for a
21 transfer of eligible nonprofit housing property from a charitable
22 nonprofit housing organization to a low-income person that occurs on or
23 after January first, two thousand twenty-four, the initial taxable value
24 and initial assessed value of the property shall be the subsidized

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

LBD08607-02-3

1 purchase price as defined by the first mortgage amount filed with the
2 county clerk, plus the cash down payment paid by the purchaser, as docu-
3 mented by closing statement or sworn affidavit filed with the county
4 clerk or local assessor's office by the seller's attorney, and shall
5 become fair market value for that property on the assessment rolls.

6 (e) "Subsequent taxable value" and "subsequent assessed value" means,
7 in years subsequent to the calendar year of the transfer, the property's
8 assessed value shall remain based on the initial taxable value and
9 initial assessed value plus the actual costs of capital improvements
10 made, if any, until the property is transferred from the initial
11 purchaser. Receipts for the costs of capital improvement made, if any,
12 shall be substantiated by receipts of same. In the absence of such
13 receipts, an assessed value of the property shall be used.

14 2. For a transfer of each eligible nonprofit housing property from a
15 charitable nonprofit housing organization to a low-income person that
16 occurs on or after January first, two thousand twenty-four, the initial
17 taxable value and initial assessed value, as defined in subdivision one
18 of this section, shall be the presumptive true cash value of the proper-
19 ty. In the year immediately succeeding the year in which the transfer of
20 the property occurs and each year thereafter, the presumptive cash value
21 of the property shall be the subsequent taxable value and subsequent
22 assessed value, as defined in subdivision one of this section. Any
23 reassessment of the property shall be consistent with the initial tax-
24 able value and initial assessed value or the subsequent taxable value and
25 the subsequent assessed value, as defined in subdivision one of this
26 section.

27 § 2. This act shall take effect immediately.