

STATE OF NEW YORK

355--A

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. BARRETT, GLICK, HYNDMAN, WOERNER, JONES, EACHUS, LUCAS, COLTON, SIMON, DAVILA, LUPARDO, BEEPHAN, SIMPSON -- read once and referred to the Committee on Real Property Taxation -- 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 partially exempting from taxation certain residential real property transferred to low-income households

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 457-a to read as follows:

3 § 457-a. Exemption for eligible residential property transferred to a
4 low-income household. 1. As used in this section:

5 (a) "Nonprofit housing organization" means a nonprofit organization
6 exempt from certain taxes pursuant to section 501(c)(3) or section
7 501(c)(4) of the United States internal revenue code and/or that is
8 incorporated under the not-for-profit corporation law whose primary
9 purpose is the construction or renovation of residential affordable
10 housing for conveyance to households that meet certain income require-
11 ments.

12 (b) "Community land trust" means a nonprofit organization exempt from
13 certain taxes pursuant to section 501(c)(3) or section 501(c)(4) of the
14 United States internal revenue code and/or that is incorporated under
15 the not-for-profit corporation law whose primary purpose is to provide
16 affordable housing by owning land and leasing or selling residential
17 housing situated on that land to households that meet certain income
18 requirements.

19 (c) "Land bank" means an entity created in accordance with article
20 sixteen of the not-for-profit corporation law.

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

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1 (d) "Qualified low-income household" means a household with an income
2 upon initial occupancy of the residential property of not more than
3 eighty percent of the area median income, as annually defined by the
4 United States department of housing and urban development, and which has
5 agreed to occupy such residential property as a primary residence. A
6 nonprofit housing organization, community land trust, land bank, or
7 appropriate governmental entity shall certify that a household meets the
8 income and residency criteria to be considered a qualified low-income
9 household and shall determine the income and assets that shall be used
10 to determine a household's income for eligibility purposes.

11 2. (a) Residential real property subject to a restrictive covenant or
12 declaration, legal requirement, regulatory agreement or other contractu-
13 al obligation with a governmental entity, nonprofit housing organiza-
14 tion, or land bank, and transferred to a qualified low-income household,
15 or where the land is transferred to a community land trust and the resi-
16 dential building situated on the land is or will be leased or sold to a
17 qualified low-income household, shall be exempt as provided in paragraph
18 (b) of this subdivision from taxation levied by or on behalf of any
19 county, city, town, village or school district in which such residential
20 real property is located, unless a legislative body or governing board
21 of such county, city, town or village, after public hearing, adopts a
22 local law, or a school district, other than a school district to which
23 article fifty-two of the education law applies, adopts a resolution
24 opting out of this subdivision.

25 (b) The real property tax exemption authorized pursuant to paragraph
26 (a) of this subdivision shall be an amount that is not less than twenty-
27 five percent nor more than seventy-five percent of the assessed value
28 of the residential real property.

29 (c) A copy of any local law or resolution adopted pursuant to para-
30 graph (a) of this subdivision shall be filed with the assessor of the
31 county, city, town, or village that prepares the assessment roll on
32 which the taxes of such county, city, town, village, or school district
33 are levied.

34 3. (a) The exemption granted pursuant to this section shall be discon-
35 tinued if the property granted such exemption:

36 (i) ceases to be used primarily for residential purposes; or

37 (ii) ceases to be used as a primary residence; or

38 (iii) is transferred to another person or entity, other than to any
39 heirs or distributees of the owner that meet the requirements of being a
40 qualified low-income household at the time of such transfer.

41 (b) Upon determining that an exemption granted pursuant to this
42 section should be discontinued, the assessor shall mail a notice so
43 stating to the owner or owners thereof at the time and in the manner
44 provided by section five hundred ten of this chapter. Such owner or
45 owners shall be entitled to seek administrative and judicial review of
46 such action in the manner provided by law, provided that the burden
47 shall be on such owner or owners to establish eligibility for the
48 exemption.

49 4. Such exemption shall be granted only upon application by the owner
50 or owners of such real property on a form prescribed by the commis-
51 sioner. The application shall be filed with the assessor of the county,
52 city, town, or village having the power to assess property for taxation
53 on or before the appropriate taxable status date of such county, city,
54 town, or village.

55 5. If satisfied that the applicant is entitled to an exemption pursu-
56 ant to this section, the assessor shall approve the application, and

1 such residential property shall thereafter be exempt from taxation and
2 special ad valorem levies as provided in this section commencing with
3 the assessment roll prepared on the basis of the taxable status date
4 referred to in subdivision four of this section. The assessed value of
5 any exemption granted pursuant to this section shall be entered by the
6 assessor on the assessment roll with the taxable property, with the
7 amount of the exemption shown in a separate column.

8 § 2. This act shall take effect immediately.