

# STATE OF NEW YORK

3853

2025-2026 Regular Sessions

## IN ASSEMBLY

January 30, 2025

Introduced by M. of A. WILLIAMS -- 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 assessment roll three years subsequent to the purchase of such prop-  
22 erty. The assessor shall make a determination of whether the parcel  
23 would have qualified for exempt status on the [~~tax~~] assessment roll on  
24 which the taxes were levied, had title to the parcel been in the name of  
25 the applicant on the taxable status date applicable to the [~~tax~~] assess-

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

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1 ment roll. The application shall be on a form prescribed by the commis-  
2 sioner. The assessor, no later than thirty days after receipt of such  
3 application, shall notify both the applicant and the board of assessment  
4 review, by first class mail, of the exempt amount, if any, and the right  
5 of the owner to a review of the exempt amount upon the filing of a writ-  
6 ten complaint. Such complaint shall be on a form prescribed by the  
7 commissioner and shall be filed with the board of assessment review  
8 within twenty days of the mailing of such notice. If no complaint is  
9 received, the board of assessment review shall so notify the assessor  
10 and the exempt amount determined by the assessor shall be final. If the  
11 applicant files a complaint, the board of assessment review shall sched-  
12 ule a time and place for a hearing with respect thereto no later than  
13 thirty days after the mailing of the notice by the assessor. The board  
14 of assessment review shall meet and determine the exempt amount, and  
15 shall immediately notify the assessor and the applicant, by first class  
16 mail, of its determination. The amount of exemption determined pursuant  
17 to this paragraph shall be subject to review as provided in article  
18 seven of this chapter. Such a proceeding shall be commenced within thir-  
19 ty days of the mailing of the notice of the board of assessment review  
20 to the new owner as provided in this paragraph.

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

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

51 (b) (i) Notwithstanding the provisions of this section, where a  
52 nonprofit organization that meets the requirements for an exemption  
53 pursuant to this section, purchases property after the taxable status  
54 date but prior to the levy of taxes, such nonprofit organization may[  
55 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
56 ~~corporation in which the nonprofit organization is located,~~] file an

1 application for an exemption with the assessor [~~within thirty days of~~  
2 ~~the transfer of title to such nonprofit organization~~] no later than the  
3 taxable status date applicable to the assessment roll three years subse-  
4 quent to the purchase of such property. The assessor shall make a deter-  
5 mination within thirty days after receipt of such application of whether  
6 the applicant would qualify for an exemption pursuant to this section on  
7 the assessment roll if title had been in the name of the applicant on  
8 the taxable status date applicable to such assessment roll. The applica-  
9 tion shall be made on a form prescribed by the commissioner.

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

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

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

32 (d) If, for any reason, the pro rata tax credit as provided in para-  
33 graph (a) of this subdivision is not extended against the [~~tax~~] assess-  
34 ment roll immediately succeeding the fiscal year during which the trans-  
35 fer occurred, the assessor shall immediately notify the municipal  
36 corporation which levied the tax or for which the taxes were levied of  
37 the amount of pro rata exemption credits for the year in which such  
38 transfer occurred. Such municipal corporation shall proceed as provided  
39 in subparagraph (iv) of paragraph (a) of this subdivision.

40 (e) If, for any reason, a determination to exempt property from taxa-  
41 tion as provided in paragraph (b) of this subdivision is not entered on  
42 the [~~tax~~] assessment roll for the year immediately succeeding the fiscal  
43 year during which the transfer occurred, the assessor shall determine  
44 the pro rata tax exemption credit for such [~~tax~~] assessment roll by  
45 multiplying the tax rate or tax rates for each municipal corporation  
46 which levied taxes or for which taxes were levied times the exempt  
47 amount and shall immediately notify such municipal corporation or corpo-  
48 rations of the pro rata exemption credits for such [~~tax~~] assessment  
49 roll. Such municipal corporation shall add such pro rata exemption cred-  
50 its for such property to any outstanding pro rata exemption amounts and  
51 proceed as provided in subparagraph (iv) of paragraph (a) of this subdivi-  
52 sion.

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

55 8. (a) (i) For the purposes of this subdivision, "municipal corpo-  
56 ration" shall mean a county, city, town, village or school district

1 [~~which, after public hearing, adopts a local law, ordinance or resolu-~~  
2 ~~tion, providing that this subdivision shall be applicable to nonprofit~~  
3 ~~organizations within its jurisdiction. Such local law, ordinance or~~  
4 ~~resolution shall apply to property transfers occurring on or after the~~  
5 ~~effective date of such local law, ordinance or resolution. A copy of~~  
6 ~~such local law, ordinance or resolution shall be filed with the commis-~~  
7 ~~sioner~~].

8 (ii) Where a nonprofit organization that meets the requirements for an  
9 exemption pursuant to this section, purchases property after the levy of  
10 taxes but prior to the taxable status date applicable to the following  
11 year's assessment roll, such nonprofit organization may file~~[, if~~  
12 ~~permitted by a local law, ordinance or resolution of the municipal~~  
13 ~~corporation in which the nonprofit organization is located,~~] an applica-  
14 tion for exemption with the assessor no later than the [~~time specified~~  
15 ~~in such local law, ordinance or resolution~~] taxable status date applica-  
16 ble to the assessment roll three years subsequent to the purchase of  
17 such property. The assessor shall make a determination of whether the  
18 parcel would have qualified for exempt status on the [~~tax~~] assessment  
19 roll on which the taxes were levied, had title to the parcel been in the  
20 name of the applicant on the taxable status date applicable to the [~~tax~~]  
21 assessment roll. The application shall be on a form prescribed by the  
22 commissioner. The assessor, no later than thirty days after receipt of  
23 such application, shall notify both the applicant and the board of  
24 assessment review, by first class mail, of the exempt amount, if any,  
25 and the right of the owner to a review of the exempt amount upon the  
26 filing of a written complaint. Such complaint shall be on a form  
27 prescribed by the commissioner and shall be filed with the board of  
28 assessment review within twenty days of the mailing of such notice. If  
29 no complaint is received, the board of assessment review shall so notify  
30 the assessor and the exempt amount determined by the assessor shall be  
31 final. If the applicant files a complaint, the board of assessment  
32 review shall schedule a time and place for a hearing with respect there-  
33 to no later than thirty days after the mailing of the notice by the  
34 assessor. The board of assessment review shall meet and determine the  
35 exempt amount, and shall immediately notify the assessor and the appli-  
36 cant, by first class mail, of its determination. The amount of exemption  
37 determined pursuant to this paragraph shall be subject to review as  
38 provided in article seven of this chapter. Such a proceeding shall be  
39 commenced within thirty days of the mailing of the notice of the board  
40 of assessment review to the new owner as provided in this paragraph.

41 (iii) Upon receipt of a determination of the exempt amount as provided  
42 in subparagraph (ii) of this paragraph, the assessor shall determine the  
43 pro rata exemption to be credited toward such property by multiplying  
44 the tax rate or tax rates for each municipal corporation which levied  
45 taxes, or for which taxes were levied, on the appropriate [~~tax~~] assess-  
46 ment roll used for the fiscal year or years during which the transfer  
47 occurred times the exempt amount, as determined in subparagraph (ii) of  
48 this paragraph, times the fraction of each fiscal year or years remain-  
49 ing subsequent to the transfer of title. The assessor shall immediately  
50 transmit a statement of the pro rata exemption credit due to each munic-  
51 ipal corporation which levied taxes or for which taxes were levied on  
52 the [~~tax~~] assessment roll used for the fiscal year or years during which  
53 the transfer occurred and to the applicant.

54 (iv) Each municipal corporation which receives notice of pro rata  
55 exemption credits pursuant to this subdivision shall include an appro-  
56 priation in its budget for the next fiscal year equal to the aggregate

1 amount of such credits to be applied in that fiscal year. Where a  
2 parcel, the owner of which is entitled to a pro rata exemption credit,  
3 is subject to taxation in said next fiscal year, the receiver or collec-  
4 tor shall apply the credit to reduce the amount of taxes owed for the  
5 parcel in such fiscal year. Pro rata exemption credits in excess of the  
6 amount of taxes, if any, owed for the parcel shall be paid by the treas-  
7 urer of a municipal corporation which levies such taxes for or on behalf  
8 of the municipal corporation to all owners of property entitled to such  
9 credits within thirty days of the expiration of the warrant to collect  
10 taxes in said next fiscal year. Notwithstanding the foregoing, where the  
11 municipal corporation has been reimbursed by another municipal corpo-  
12 ration for the tax credit to be paid to the owner pursuant to this  
13 subdivision, such credit shall be paid to such municipal corporation  
14 instead of such owner.

15 (b) (i) Notwithstanding the provisions of this section, where a  
16 nonprofit organization that meets the requirements for an exemption  
17 pursuant to this section, purchases property after the taxable status  
18 date but prior to the levy of taxes, such nonprofit organization may[  
19 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
20 ~~corporation in which the nonprofit organization is located,~~] file an  
21 application for an exemption with the assessor [~~within thirty days of~~  
22 ~~the transfer of title to such nonprofit organization~~] no later than the  
23 taxable status date applicable to the assessment roll three years subse-  
24 quent to the purchase of such property. The assessor shall make a deter-  
25 mination within thirty days after receipt of such application of whether  
26 the applicant would qualify for an exemption pursuant to this section on  
27 the assessment roll if title had been in the name of the applicant on  
28 the taxable status date applicable to such assessment roll. The applica-  
29 tion shall be made on a form prescribed by the commissioner.

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

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

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

52 (d) If, for any reason, the pro rata tax credit as provided in para-  
53 graph (a) of this subdivision is not extended against the [~~tax~~] assess-  
54 ment roll immediately succeeding the fiscal year during which the trans-  
55 fer occurred, the assessor shall immediately notify the municipal  
56 corporation which levied the tax or for which the taxes were levied of

1 the amount of pro rata exemption credits for the year in which such  
2 transfer occurred. Such municipal corporation shall proceed as provided  
3 in subparagraph (iv) of paragraph (a) of this subdivision.

4 (e) If, for any reason, a determination to exempt property from taxa-  
5 tion as provided in paragraph (b) of this subdivision is not entered on  
6 the [~~tax~~] assessment roll for the year immediately succeeding the fiscal  
7 year during which the transfer occurred, the assessor shall determine  
8 the pro rata tax exemption credit for such [~~tax~~] assessment roll by  
9 multiplying the tax rate or tax rates for each municipal corporation  
10 which levied taxes or for which taxes were levied times the exempt  
11 amount and shall immediately notify such municipal corporation or corpo-  
12 rations of the pro rata exemption credits for such [~~tax~~] assessment  
13 roll. Such municipal corporation shall add such pro rata exemption cred-  
14 its for such property to any outstanding pro rata exemption amounts and  
15 proceed as provided in subparagraph (iv) of paragraph (a) of this subdi-  
16 vision.

17 § 3. This act shall take effect immediately.