

STATE OF NEW YORK

8653

IN SENATE

January 7, 2026

Introduced by Sen. CLEARE -- 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 creating a vacant property classification

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

1 Section 1. Paragraph class four of subdivision 1 of section 1802 of
2 the real property tax law, as separately amended by chapters 123 and 529
3 of the laws of 1990, is amended and a new paragraph class five is added
4 to read as follows:

5 Class four: all other real property which is not designated as class
6 one, class two, [~~ex~~] class three[-], or class five;

7 Class five: (a) all real property which has remained vacant for a
8 period of ninety days or longer during a tax year and is not under
9 construction or rehabilitation; and (b) all vacant lots and blighted
10 properties in areas zoned for commercial and manufacturing or industrial
11 purposes. The following shall not be considered class five: (a) lots
12 designated as community gardens; (b) real property with active
13 construction; (c) real property which has an active building permit
14 application pending; (d) real property owned by a not-for-profit corpo-
15 ration or a non-profit organization; and (e) real property which has a
16 substantially completed application for the New York city department of
17 city planning. For the purposes of this class, the term "vacant lots"
18 shall mean all parcels of land upon which no permanent improvements have
19 been constructed or placed. For the purposes of this class, the term
20 "blighted properties" shall mean properties for which the assessed value
21 of improvements is fifteen percent or less of the land value.

22 § 2. Section 1802 of the real property tax law is amended by adding a
23 new subdivision 4 to read as follows:

24 4. Any real property classified as class five shall be redesignated
25 upon such property no longer qualifying as class five.

26 § 3. The real property tax law is amended by adding a new section
27 1805-c to read as follows:

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

LBD14105-01-5

1 § 1805-c. Assessment of class five real property in a city having a
2 population of one million or more. 1. Notwithstanding any provision of
3 any general, special or local law to the contrary, each city having a
4 population of one million or more is hereby authorized and empowered to,
5 for the two thousand twenty-seven real property tax year, impose an
6 additional three and a half percent tax against the market value of
7 class five real property. For all subsequent real property tax years,
8 each city having a population of one million or more is hereby author-
9 ized and empowered to set such additional tax rate.

10 2. Each city having a population of one million or more shall estab-
11 lish a homelessness improvement fund into which all additional real
12 property taxes collected under this section shall be deposited. Each
13 homelessness improvement fund shall only be used to address homelessness
14 within such city.

15 3. Any city having a population of one million or more is hereby
16 authorized and empowered to adopt and amend local laws in accordance
17 with this section.

18 § 4. This act shall take effect on the thirtieth day after it shall
19 have become a law.