

10540

I N A S S E M B L Y

April 2, 2010

Introduced by M. of A. TEDISCO -- Multi-Sponsored by -- M. of A. BACALLES, BURLING, BUTLER, CALHOUN, COOK, HAWLEY, KOLB, J. MILLER, MOLINARO, RAIA -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to establishing a city state-supported tax relief exemption and a county state-supported tax relief exemption

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 two new  
2 sections 425-b and 425-c to read as follows:  
3 S 425-B. CITY STATE-SUPPORTED TAX RELIEF (CITYSTAR) EXEMPTION. 1. REAL  
4 PROPERTY SITUATE IN A CITY AND OWNED BY AN OWNER OR OWNERS GRANTED THE  
5 SCHOOL TAX RELIEF EXEMPTION, PURSUANT TO SECTION FOUR HUNDRED  
6 TWENTY-FIVE OF THIS TITLE, SHALL ALSO BE ELIGIBLE FOR A CITY STATE-SUP-  
7 PORTED REAL PROPERTY TAX EXEMPTION PURSUANT TO THIS SECTION FOR CITY TAX  
8 YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, IF  
9 SUCH CITY MEETS THE FOLLOWING CRITERIA:  
10 (A) THE CITY HAS A POPULATION OF LESS THAN ONE MILLION, AS DETERMINED  
11 BY THE LATEST FEDERAL DECENNIAL CENSUS;  
12 (B) THE LEGISLATIVE BODY OF SUCH CITY APPROVES A RESOLUTION PROVIDING  
13 FOR SUCH CITY TAX RELIEF EXEMPTION;  
14 (C) (1) INCREASES IN TOTAL CITY EXPENDITURES DURING THE CURRENT YEAR  
15 DO NOT EXCEED THE LESSER OF (I) ONE HUNDRED TWENTY PER CENTUM OF THE  
16 TOTAL CITY EXPENDITURES FOR THE BASE YEAR MULTIPLIED BY THE CONSUMER  
17 PRICE INDEX, OR (II) FOUR PERCENT.  
18 (2) FOR THE PURPOSES OF SUBPARAGRAPH ONE OF THIS PARAGRAPH, TOTAL CITY  
19 EXPENDITURES SHALL NOT INCLUDE:  
20 (I) EXPENDITURES RESULTING FROM TAX CERTIORARI PROCEEDINGS,  
21 (II) EXPENDITURES RESULTING FROM COURT ORDERS OR JUDGMENTS AGAINST THE  
22 CITY,  
23 (III) EMERGENCY EXPENDITURES WHICH ARE CERTIFIED BY THE STATE COMP-  
24 TROLLER AS NECESSARY AS A RESULT OF DAMAGE TO OR DESTRUCTION OF A CITY  
25 BUILDING OR EQUIPMENT,

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

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1 (IV) CAPITAL EXPENDITURES FOR THE CONSTRUCTION, ACQUISITION, RECON-  
2 STRUCTION, REHABILITATION OR IMPROVEMENT OF CITY FACILITIES, INCLUDING  
3 DEBT SERVICE AND LEASE COSTS,

4 (V) EXPENDITURES ATTRIBUTABLE TO PROJECTED INCREASES IN CONSTRUCTION  
5 COSTS,

6 (VI) NONRECURRING EXPENDITURES IN A PRIOR CITY FISCAL YEAR, AND

7 (VII) EXPENDITURES INCURRED DUE TO MERGERS OR SERVICE CONSOLIDATIONS  
8 BETWEEN THE CITY AND ANY OTHER MUNICIPALITY DURING THE FISCAL YEAR IN  
9 WHICH SUCH MERGER OR CONSOLIDATION OCCURS;

10 (D) THE CITY BUDGET ADOPTED BY THE CITY LEGISLATIVE BODY INCLUDES A  
11 STATEMENT OF THE PROJECTED PERCENTAGE OF INCREASE OR DECREASE IN TOTAL  
12 SPENDING DURING THE FISCAL YEAR, AND STATING THE REASONS FOR EXCLUDING  
13 ANY INCREASE IN SPENDING IN FORMULATION OF THE CITY BUDGET; AND

14 (E) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE LEGISLA-  
15 TIVE BODY OF THE CITY SHALL NOT AMEND A FINAL BUDGET IF SUCH AMENDMENT  
16 RESULTS IN AN INCREASE IN EXCESS OF THE LIMITATION ESTABLISHED IN PARA-  
17 GRAPH (C) OF THIS SUBDIVISION; EXCEPT

18 (1) THE INCREASED SPENDING IS THE RESULT OF AN ACTUAL INCREASE IN  
19 CONSTRUCTION COSTS ABOVE THE PROJECT COSTS THEREOF AT THE TIME THE BUDG-  
20 ET WAS ADOPTED; HOWEVER IF ACTUAL CONSTRUCTION COSTS ARE LESS THAN THE  
21 PROJECT COSTS, SUCH EXCESS FUNDS SHALL BE USED TO REDUCE TAXES, AND

22 (2) THE INCREASED SPENDING IS PAID FROM GIFTS OR GRANTS IN AID NOT  
23 INCLUDED IN THE BUDGET.

24 2. THE TAX RELIEF EXEMPTION PROVIDED BY THIS SECTION SHALL BE EQUAL TO  
25 THE EXEMPTION GRANTED TO THE OWNER OR OWNERS PURSUANT TO SECTION FOUR  
26 HUNDRED TWENTY-FIVE OF THIS TITLE FOR THE TWO THOUSAND FIFTEEN--TWO  
27 THOUSAND SIXTEEN SCHOOL YEAR.

28 3. NOT LATER THAN SEVEN DAYS AFTER THE ADOPTION OF A BUDGET, EACH CITY  
29 SHALL TRANSMIT A STATEMENT TO THE STATE COMPTROLLER, DESCRIBING THE TAX  
30 REVENUE LOST DURING THAT FISCAL YEAR DUE TO THE IMPLEMENTATION OF THE  
31 PROVISIONS OF THIS SECTION. THE STATE COMPTROLLER SHALL CERTIFY THE  
32 VALIDITY OF SUCH LOSSES WITHIN THIRTY DAYS OF RECEIPT OF SUCH STATEMENT.  
33 UPON SUCH VALIDATION THE STATE COMPTROLLER SHALL PROVIDE FUNDS TO THE  
34 CITY WITHIN THIRTY DAYS.

35 4. THE STATE SHALL APPROPRIATE AN AMOUNT EQUAL TO FORTY-FIVE AND ONE-  
36 HALF PERCENT OF THE FUND APPROPRIATED BY THE STATE FOR THE IMPLEMENTA-  
37 TION OF THE PROVISIONS OF THIS SECTION, WHICH SHALL BE PAID TO CITIES  
38 HAVING A POPULATION OF ONE MILLION OR MORE ACCORDING TO THE LATEST  
39 DECENNIAL FEDERAL CENSUS, AND SUCH AMOUNT SHALL BE USED TO REDUCE INCOME  
40 OR REAL PROPERTY TAXES IN SUCH CITIES AT THE CITIES' DISCRETION.

41 5. FOR THE PURPOSES OF THIS SECTION:

42 (A) "BASE YEAR" SHALL MEAN THE CITY FISCAL YEAR IMMEDIATELY PRECEDING  
43 THE COUNTY FISCAL YEAR FOR WHICH THE CITY BUDGET IS PREPARED.

44 (B) "CONSUMER PRICE INDEX" SHALL MEAN THE PERCENTAGE THAT REPRESENTS  
45 THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE  
46 UNITED STATES DEPARTMENT OF LABOR, FOR THE TWELVE MONTH PERIOD PRECEDING  
47 JANUARY FIRST OF THE CURRENT YEAR.

48 (C) "CURRENT YEAR" SHALL MEAN THE CALENDAR YEAR IN WHICH THE CITY  
49 BUDGET IS SUBMITTED FOR A VOTE BY THE CITY'S LEGISLATIVE BODY.

50 6. THE STATE SHALL APPROPRIATE ALL FUNDS NECESSARY TO MUNICIPALITIES  
51 TO ADMINISTER THE PROVISIONS OF THIS SECTION AND TO IMPLEMENT ANY LAW,  
52 REGULATION, OR RULE ADOPTED AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN  
53 WHICH WOULD REQUIRE A MUNICIPALITY TO EXPEND ANY OF ITS AVAILABLE FUNDS.

54 NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS SECTION, THE  
55 PROVISIONS OF PARAGRAPH (C) OF SUBDIVISION ONE OF THIS SECTION SHALL NOT

1 APPLY TO ANY COUNTY WHICH DOES NOT INCREASE ITS PROPERTY TAX RATE, SALES  
2 TAX RATE, OR THE RATE OF ANY OTHER TAX, DURING ITS CURRENT BUDGET YEAR.  
3 S 425-C. COUNTY STATE-SUPPORTED TAX RELIEF (COUNTYSTAR) EXEMPTION. 1.  
4 REAL PROPERTY SITUATE IN A COUNTY AND OWNED BY AN OWNER OR OWNERS GRANT-  
5 ED THE SCHOOL TAX RELIEF EXEMPTION, PURSUANT TO SECTION FOUR HUNDRED  
6 TWENTY-FIVE OF THIS TITLE, AND NOT RECEIVING THE TAX EXEMPTION ESTAB-  
7 LISHED BY SECTION FOUR HUNDRED TWENTY-FIVE-B OF THIS TITLE SHALL ALSO BE  
8 ELIGIBLE FOR A COUNTY REAL PROPERTY TAX EXEMPTION PURSUANT TO THIS  
9 SECTION FOR COUNTY TAX YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO  
10 THOUSAND FOURTEEN, IF SUCH COUNTY MEETS THE FOLLOWING CRITERIA:

11 (A) THE LEGISLATIVE BODY OF SUCH COUNTY APPROVES A RESOLUTION PROVID-  
12 ING FOR SUCH TAX RELIEF EXEMPTION;

13 (B) (1) INCREASES IN TOTAL COUNTY EXPENDITURES DURING THE CURRENT YEAR  
14 DO NOT EXCEED THE LESSER OF (I) ONE HUNDRED TWENTY PER CENTUM OF THE  
15 TOTAL COUNTY EXPENDITURES FOR THE BASE YEAR MULTIPLIED BY THE CONSUMER  
16 PRICE INDEX, OR (II) FOUR PERCENT.

17 (2) FOR THE PURPOSES OF SUBPARAGRAPH ONE OF THIS PARAGRAPH, TOTAL  
18 COUNTY EXPENDITURES SHALL NOT INCLUDE:

19 (I) EXPENDITURES RESULTING FROM TAX CERTIORARI PROCEEDINGS,

20 (II) EXPENDITURES RESULTING FROM COURT ORDERS OR JUDGMENTS AGAINST THE  
21 COUNTY,

22 (III) EMERGENCY EXPENDITURES WHICH ARE CERTIFIED BY THE STATE COMP-  
23 TROLLER AS NECESSARY AS A RESULT OF DAMAGE TO OR DESTRUCTION OF A COUNTY  
24 BUILDING OR EQUIPMENT,

25 (IV) CAPITAL EXPENDITURES FOR THE CONSTRUCTION, ACQUISITION, RECON-  
26 STRUCTION, REHABILITATION OR IMPROVEMENT OF COUNTY FACILITIES, INCLUDING  
27 DEBT SERVICE AND LEASE COSTS,

28 (V) EXPENDITURES ATTRIBUTABLE TO PROJECTED INCREASES IN CONSTRUCTION  
29 COSTS,

30 (VI) NONRECURRING EXPENDITURES IN A PRIOR COUNTY FISCAL YEAR, AND

31 (VII) EXPENDITURES INCURRED DUE TO MERGERS OR SERVICE CONSOLIDATIONS  
32 BETWEEN THE COUNTY AND ANY OTHER MUNICIPALITY DURING THE FISCAL YEAR IN  
33 WHICH SUCH MERGER OR CONSOLIDATION OCCURS;

34 (C) THE COUNTY BUDGET ADOPTED BY THE COUNTY LEGISLATIVE BODY INCLUDES  
35 A STATEMENT OF THE PROJECTED PERCENTAGE OF INCREASE OR DECREASE IN TOTAL  
36 SPENDING DURING THE FISCAL YEAR, AND STATING THE REASONS FOR EXCLUDING  
37 ANY INCREASE IN SPENDING IN FORMULATION OF THE COUNTY BUDGET; AND

38 (D) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE LEGISLA-  
39 TIVE BODY OF THE COUNTY SHALL NOT AMEND A FINAL BUDGET IF SUCH AMENDMENT  
40 RESULTS IN AN INCREASE IN EXCESS OF THE LIMITATION ESTABLISHED IN PARA-  
41 GRAPH (B) OF THIS SUBDIVISION; EXCEPT

42 (1) THE INCREASED SPENDING IS THE RESULT OF AN ACTUAL INCREASE IN  
43 CONSTRUCTION COSTS ABOVE THE PROJECT COSTS THEREOF AT THE TIME THE BUDG-  
44 ET WAS ADOPTED; HOWEVER IF ACTUAL CONSTRUCTION COSTS ARE LESS THAN THE  
45 PROJECT COSTS, SUCH EXCESS FUNDS SHALL BE USED TO REDUCE TAXES, AND

46 (2) THE INCREASED SPENDING IS PAID FROM GIFTS OR GRANTS IN AID NOT  
47 INCLUDED IN THE BUDGET.

48 2. THE TAX RELIEF EXEMPTION PROVIDED BY THIS SECTION SHALL BE EQUAL TO  
49 TWO-THIRDS OF THE EXEMPTION GRANTED TO THE OWNER OR OWNERS PURSUANT TO  
50 SECTION FOUR HUNDRED TWENTY-FIVE OF THIS TITLE FOR THE TWO THOUSAND  
51 FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR BUT IN NO CASE SHALL THE VALUE  
52 OF THE EXEMPTION BE LESS THAN ONE-HALF OF ONE PERCENT OF THE TWO-THIRDS  
53 OF THE EXEMPTION GRANTED TO THE OWNER OR OWNERS PURSUANT TO SECTION FOUR  
54 HUNDRED TWENTY-FIVE OF THIS TITLE FOR THE TWO THOUSAND FIFTEEN--TWO  
55 THOUSAND SIXTEEN SCHOOL YEAR.

1 3. NOT LATER THAN SEVEN DAYS AFTER THE ADOPTION OF A BUDGET, EACH  
2 COUNTY SHALL TRANSMIT A STATEMENT TO THE STATE COMPTROLLER DESCRIBING  
3 THE TAX REVENUE LOST DURING THAT FISCAL YEAR DUE TO THE IMPLEMENTATION  
4 OF THE PROVISIONS OF THIS SECTION. THE STATE COMPTROLLER SHALL CERTIFY  
5 THE VALIDITY OF SUCH LOSSES WITHIN THIRTY DAYS OF RECEIPT OF SUCH STATE-  
6 MENT. UPON SUCH VALIDATION THE STATE COMPTROLLER SHALL PROVIDE FUNDS TO  
7 THE COUNTY WITHIN THIRTY DAYS.

8 4. FOR THE PURPOSES OF THIS SECTION:

9 (A) "BASE YEAR" SHALL MEAN THE COUNTY FISCAL YEAR IMMEDIATELY PRECED-  
10 ING THE COUNTY FISCAL YEAR FOR WHICH THE COUNTY BUDGET IS PREPARED;

11 (B) "CONSUMER PRICE INDEX" SHALL MEAN THE PERCENTAGE THAT REPRESENTS  
12 THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE  
13 UNITED STATES DEPARTMENT OF LABOR, FOR THE TWELVE MONTH PERIOD PRECEDING  
14 JANUARY FIRST OF THE CURRENT YEAR; AND

15 (C) "CURRENT YEAR" SHALL MEAN THE CALENDAR YEAR IN WHICH THE COUNTY  
16 BUDGET IS SUBMITTED FOR A VOTE BY THE COUNTY'S LEGISLATIVE BODY.

17 5. THE STATE SHALL APPROPRIATE ALL FUNDS NECESSARY TO MUNICIPALITIES  
18 TO ADMINISTER THE PROVISIONS OF THIS SECTION AND TO IMPLEMENT ANY LAW,  
19 REGULATION, OR RULE ADOPTED AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN  
20 WHICH WOULD REQUIRE A MUNICIPALITY TO EXPEND ANY OF ITS AVAILABLE FUNDS.

21 NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS SECTION, THE  
22 PROVISIONS OF PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION FOUR HUNDRED  
23 TWENTY-FIVE-B OF THIS TITLE SHALL NOT APPLY TO ANY COUNTY WHICH DOES NOT  
24 INCREASE ITS PROPERTY TAX RATE, SALES TAX RATE, OR THE RATE OF ANY OTHER  
25 TAX, DURING ITS CURRENT BUDGET YEAR.

26 S 2. This act shall take effect on the first of January next succeed-  
27 ing the date on which it shall have become a law.