

11356

I N A S S E M B L Y

June 4, 2010

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Burling) --
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
residential-commercial exemption program in certain counties; and
providing for the repeal of such provisions upon the expiration there-
of

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The real property tax law is amended by adding a new
2 section 485-n to read as follows:
3 S 485-N. RESIDENTIAL-COMMERCIAL EXEMPTION PROGRAM. 1. DEFINITIONS. AS
4 USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEAN-
5 INGS:
6 (A) "APPLICANT" MEANS ANY PERSON OBLIGATED TO PAY REAL PROPERTY TAXES
7 ON REAL PROPERTY FOR WHICH AN EXEMPTION FROM TAXES UNDER THIS SECTION IS
8 SOUGHT.
9 (B) "BENEFIT AREA" MEANS THE AREA WITHIN A MUNICIPALITY, DESIGNATED BY
10 LOCAL LAW, TO WHICH AN EXEMPTION, ESTABLISHED PURSUANT TO THIS SECTION,
11 APPLIES.
12 (C) "COMMERCIAL CONSTRUCTION WORK" MEANS THE MODERNIZATION, REHABILI-
13 TATION, EXPANSION OR OTHER IMPROVEMENT OF COMMERCIAL USE PROPERTY OR THE
14 PORTION OF MIXED-USE PROPERTY TO BE USED FOR COMMERCIAL PURPOSES.
15 (D) "COMMERCIAL PURPOSE OR USE" MEANS THE BUYING, SELLING OR OTHERWISE
16 PROVIDING OF GOODS OR SERVICES, INCLUDING HOTEL SERVICES, OR OTHER
17 LAWFUL BUSINESS OR COMMERCIAL ACTIVITIES PERMITTED UPON MIXED-USE PROP-
18 ERTY.
19 (E) "COMMERCIAL USE PROPERTY" MEANS REAL PROPERTY ON WHICH WILL EXIST,
20 AFTER COMPLETION OF COMMERCIAL CONSTRUCTION WORK, A BUILDING USED FOR
21 COMMERCIAL PURPOSES OR USE.
22 (F) "MIXED-USE PROPERTY" MEANS REAL PROPERTY ON WHICH WILL EXIST,
23 AFTER COMPLETION OF RESIDENTIAL CONSTRUCTION WORK OR A COMBINATION OF
24 RESIDENTIAL CONSTRUCTION WORK AND COMMERCIAL CONSTRUCTION WORK, A BUILD-
25 ING OR STRUCTURE USED FOR BOTH RESIDENTIAL AND COMMERCIAL PURPOSES.

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

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1 (G) "MUNICIPALITY" MEANS ANY TOWN, CITY, VILLAGE OR OTHER TAXING ENTI-
2 TY LOCATED IN A COUNTY HAVING A POPULATION OF NOT LESS THAN SIXTY-FOUR
3 THOUSAND THREE HUNDRED AND NOT MORE THAN SIXTY-FOUR THOUSAND FOUR
4 HUNDRED AS DETERMINED BY THE FEDERAL DECENNIAL CENSUS FOR THE YEAR TWO
5 THOUSAND.

6 (H) "RESIDENTIAL CONSTRUCTION WORK" MEANS THE CREATION, MODERNIZATION,
7 REHABILITATION, EXPANSION OR OTHER IMPROVEMENT OF DWELLING UNITS, OTHER
8 THAN DWELLING UNITS IN A HOTEL, IN THE PORTION OF MIXED-USE PROPERTY TO
9 BE USED FOR RESIDENTIAL PURPOSES.

10 2. A MUNICIPALITY MAY, BY LOCAL LAW, PROVIDE FOR THE EXEMPTION OF REAL
11 PROPERTY IN A DESIGNATED BENEFIT AREA FROM TAXATION AS PROVIDED IN THIS
12 SECTION. UPON THE ADOPTION OF SUCH A LOCAL LAW, THE COUNTY IN WHICH SUCH
13 MUNICIPALITY IS LOCATED MAY, BY LOCAL LAW, AND ANY SCHOOL DISTRICT, ALL
14 OR PART OF WHICH IS LOCATED IN SUCH MUNICIPALITY, MAY, BY RESOLUTION,
15 EXEMPT SUCH PROPERTY FROM ITS TAXATION IN THE SAME MANNER AND TO THE
16 SAME EXTENT AS SUCH MUNICIPALITY HAS DONE.

17 3. UPON THE ADOPTION OF SUCH A LOCAL LAW THE COMMERCIAL USE PROPERTY
18 OR MIXED-USE PROPERTY THAT WAS CONVERTED, CREATED, MODERNIZED, REHABILI-
19 TATED, EXPANDED OR OTHERWISE IMPROVED, SHALL BE EXEMPT FROM TAXATION AND
20 SPECIAL AD VALOREM LEVIES AS PROVIDED FOR IN SUBDIVISION FOUR OF THIS
21 SECTION.

22 4. (A) (I) FOR A PERIOD OF TWELVE YEARS FOLLOWING THE APPROVAL OF AN
23 APPLICATION, THE INCREASE IN ASSESSED VALUE OF SUCH PROPERTY ATTRIBUT-
24 ABLE TO SUCH CONVERSION, CREATION, MODERNIZATION, REHABILITATION, EXPAN-
25 SION OR OTHER IMPROVEMENT SHALL BE EXEMPT AS PROVIDED IN SUBPARAGRAPH
26 (II) OF THIS PARAGRAPH. SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO
27 THE "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE DETERMINED FOR EACH
28 YEAR IN WHICH THERE IS AN INCREASE IN ASSESSED VALUE SO ATTRIBUTABLE
29 FROM THAT OF THE PREVIOUS YEAR'S ASSESSED VALUE.

30 (II) THE FOLLOWING SHALL DETERMINE THE COMPUTATION OF THE TAX
31 EXEMPTION:

32 YEAR OF EXEMPTION	PERCENTAGE OF EXEMPTION
33 1 THROUGH 8	100% OF EXEMPTION BASE
34 9	80% OF EXEMPTION BASE
35 10	60% OF EXEMPTION BASE
36 11	40% OF EXEMPTION BASE
37 12	20% OF EXEMPTION BASE

38 (B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

39 (I) SUCH CONVERSION, CREATION, MODERNIZATION, REHABILITATION, EXPAN-
40 SION OR OTHER IMPROVEMENT WAS COMMENCED SUBSEQUENT TO THE DATE ON WHICH
41 THE MUNICIPALITY'S LOCAL LAW TOOK EFFECT; AND

42 (II) THE COST OF SUCH CONVERSION EXCEEDS THE SUM OF TEN THOUSAND
43 DOLLARS OR SUCH GREATER AMOUNT AS MAY BE SPECIFIED BY LOCAL LAW.

44 (C) FOR PURPOSES OF THIS SECTION THE TERM "CONVERSION, CREATION,
45 MODERNIZATION, REHABILITATION, EXPANSION OR OTHER IMPROVEMENT" SHALL NOT
46 INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

47 (D) NO SUCH EXEMPTION SHALL BE GRANTED CONCURRENT WITH OR SUBSEQUENT
48 TO ANY OTHER REAL PROPERTY TAX EXEMPTION GRANTED TO THE SAME IMPROVE-
49 MENTS TO REAL PROPERTY, EXCEPT, WHERE DURING THE PERIOD OF SUCH PREVIOUS
50 EXEMPTION, PAYMENTS IN LIEU OF TAXES OR OTHER PAYMENTS WERE MADE TO THE
51 MUNICIPALITY IN AN AMOUNT THAT WOULD HAVE BEEN EQUAL TO OR GREATER THAN
52 THE AMOUNT OF REAL PROPERTY TAXES THAT WOULD HAVE BEEN PAID ON SUCH
53 IMPROVEMENTS HAD SUCH PROPERTY BEEN GRANTED AN EXEMPTION PURSUANT TO
54 THIS SECTION. IN SUCH CASE, AN EXEMPTION SHALL BE GRANTED FOR A NUMBER

1 OF YEARS EQUAL TO THE TWELVE YEAR EXEMPTION GRANTED PURSUANT TO THIS
2 SECTION LESS THE NUMBER OF YEARS THE PROPERTY WOULD HAVE BEEN PREVIOUSLY
3 EXEMPT FROM REAL PROPERTY TAXES.

4 5. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER
5 OF REAL PROPERTY ON A FORM PRESCRIBED BY THE STATE BOARD. SUCH APPLICA-
6 TION SHALL BE FILED WITH THE ASSESSOR OF THE MUNICIPALITY OR COUNTY
7 HAVING THE POWER TO ASSESS PROPERTY FOR TAXATION ON OR BEFORE THE APPRO-
8 PRIATE TAXABLE STATUS DATE OF SUCH MUNICIPALITY OR COUNTY.

9 6. IF THE ASSESSOR IS SATISFIED THAT THE APPLICANT IS ENTITLED TO AN
10 EXEMPTION PURSUANT TO THIS SECTION, HE OR SHE SHALL APPROVE THE APPLICA-
11 TION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AND
12 SPECIAL AD VALOREM LEVIES AS PROVIDED IN THIS SECTION COMMENCING WITH
13 THE ASSESSMENT ROLL PREPARED AFTER THE TAXABLE STATUS DATE REFERRED TO
14 IN SUBDIVISION FIVE OF THIS SECTION. THE ASSESSED VALUE OF ANY
15 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE ENTERED BY THE
16 ASSESSOR ON THE ASSESSMENT ROLL WITH THE TAXABLE PROPERTY, WITH THE
17 AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN.

18 S 2. This act shall take effect immediately, and shall expire and be
19 deemed repealed twelve years after such date.