

S T A T E O F N E W Y O R K

5553--A

2009-2010 Regular Sessions

I N A S S E M B L Y

February 13, 2009

Introduced by M. of A. V. LOPEZ, TOBACCO -- 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 exemption of certain private homes from local taxation in cities with a population of one million or more

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 421-l to read as follows:
3 S 421-L. EXEMPTION OF CERTAIN PRIVATE HOMES FROM LOCAL TAXATION. 1.
4 FOR PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOW-
5 ING MEANINGS:
6 (A) "COMMENCE CONSTRUCTION" SHALL MEAN THAT THE AGENCY OR DEPARTMENT
7 OF THE CITY HAVING JURISDICTION HAS ISSUED A PERMIT FOR CONSTRUCTION OF
8 A PRIVATE HOME AND SUCH WORK HAS BEGUN IN GOOD FAITH IN ACCORDANCE WITH
9 SUCH PERMIT.
10 (B) "COMPLETE CONSTRUCTION" SHALL MEAN THAT THE AGENCY OR THE DEPART-
11 MENT OF THE CITY HAVING JURISDICTION HAS ISSUED A TEMPORARY OR PERMANENT
12 CERTIFICATE OF OCCUPANCY FOR ALL RESIDENTIAL AREAS OF THE PRIVATE HOME.
13 (C) "ELIGIBLE PROJECT" SHALL MEAN A NEWLY CONSTRUCTED PRIVATE HOME,
14 INCLUDING BOTH LAND AND IMPROVEMENTS, TO BE OCCUPIED AS A RESIDENCE FOR
15 THE FIRST TIME, WHICH COMMENCES CONSTRUCTION ON OR AFTER JULY FIRST, TWO
16 THOUSAND NINE AND ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND THIR-
17 TEEN AND COMPLETES CONSTRUCTION NO LATER THAN DECEMBER THIRTY-FIRST, TWO
18 THOUSAND FIFTEEN, AND WHICH IS DESIGNED AND OCCUPIED EXCLUSIVELY FOR
19 RESIDENTIAL PURPOSES.
20 (D) "EXEMPTION COMMENCEMENT DATE" SHALL MEAN THE FIRST TAXABLE STATUS
21 DATE AFTER THE LATER TO OCCUR OF THE COMPLETION OF SUCH CONSTRUCTION OR
22 THE SALE TO THE INITIAL PURCHASER OR, IN THE CASE OF A PRIVATE HOME IN A

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

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1 CONDOMINIUM FORM OF OWNERSHIP, THE FIRST TAXABLE STATUS DATE AFTER THE
2 LATER TO OCCUR OF THE COMPLETION OF SUCH CONSTRUCTION OR THE SALE TO THE
3 FIRST INITIAL PURCHASER OF A CONDOMINIUM DWELLING UNIT IN SUCH PRIVATE
4 HOME.

5 (E) "INITIAL PURCHASER" SHALL MEAN THE FIRST PURCHASER OF A NEWLY
6 CONSTRUCTED PRIVATE HOME OR, IN THE CASE OF A PRIVATE HOME IN A CONDO-
7 MINIUM FORM OF OWNERSHIP, THE FIRST PURCHASER OF EACH DWELLING UNIT IN
8 SUCH NEWLY CONSTRUCTED PRIVATE HOME.

9 (F) "LOCAL HOUSING AGENCY" SHALL MEAN AN "AGENCY" AS DEFINED PURSUANT
10 TO SECTION SIX HUNDRED NINETY-TWO OF THE GENERAL MUNICIPAL LAW.

11 (G) "PURCHASE PRICE" SHALL MEAN THE ACTUAL PURCHASE PRICE TO BE PAID
12 FOR THE PRIVATE HOME BY THE INITIAL PURCHASER.

13 (H) "MAXIMUM PURCHASE PRICE" SHALL MEAN THE PURCHASE PRICE OF THE
14 PRIVATE HOME WHICH, IF EXCEEDED, WILL MAKE ANY EXEMPTION HEREUNDER
15 UNAVAILABLE.

16 (I) "MAXIMUM EXEMPTION AMOUNT" SHALL MEAN THE PORTION OF THE PURCHASE
17 PRICE TO BE EXEMPTED FROM TAXATION OF: (I) SIX HUNDRED SEVENTY-ONE THOU-
18 SAND DOLLARS IN THE CASE OF A PRIVATE HOME CONTAINING ONE DWELLING UNIT,
19 (II) SEVEN HUNDRED FIFTY-FIVE THOUSAND FIVE HUNDRED FORTY DOLLARS IN THE
20 CASE OF A PRIVATE HOME CONTAINING TWO DWELLINGS UNITS, (III) NINE
21 HUNDRED FOURTEEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS IN THE CASE OF A
22 PRIVATE HOME CONTAINING THREE DWELLING UNITS, AND (IV) FOUR HUNDRED
23 THOUSAND DOLLARS FOR EACH INDIVIDUAL CONDOMINIUM UNIT IN THE CASE OF
24 CONDOMINIUM FORM OF OWNERSHIP IN A PRIVATE HOME. THE MAXIMUM PURCHASE
25 PRICES PROVIDED IN SUBPARAGRAPHS (I), (II), (III) AND (IV) OF THIS PARA-
26 GRAPH SHALL BE THE LIMIT FOR THE APPLICATION OF ANY EXEMPTION FROM TAXA-
27 TION UNDER THIS SECTION. NO EXEMPTION SHALL BE AVAILABLE WHERE THE MAXI-
28 MUM PURCHASE PRICE EXEMPTION IS IN EXCESS OF NINE HUNDRED FIFTY THOUSAND
29 DOLLARS FOR A ONE, TWO, OR THREE FAMILY PRIVATE HOME OR FOUR HUNDRED
30 THOUSAND DOLLARS FOR AN INDIVIDUAL CONDOMINIUM UNIT.

31 (J) "MULTIPLE DWELLING" SHALL MEAN A MULTIPLE DWELLING WITHIN THE
32 MEANING OF SECTION FOUR OF THE MULTIPLE DWELLING LAW.

33 (K) "PRIVATE HOME" SHALL MEAN AN OWNER OCCUPIED PRIVATE OR MULTIPLE
34 DWELLING CONTAINING NOT MORE THAN THREE DWELLING UNITS, AS INDICATED ON
35 THE CERTIFICATE OF OCCUPANCY FOR SUCH STRUCTURE.

36 2. (A) WITHIN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, AN
37 ELIGIBLE PROJECT SHALL BE EXEMPT FROM ALL LOCAL AND MUNICIPAL TAXES,
38 OTHER THAN ASSESSMENTS FOR LOCAL IMPROVEMENTS, DURING THE TAX YEAR OR
39 YEARS NEXT FOLLOWING THE EXEMPTION COMMENCEMENT DATE AS FOLLOWS: WITH
40 RESPECT TO PRIVATE HOMES CONTAINING LESS THAN FOUR DWELLING UNITS, TWO
41 YEARS OF EXEMPTION FROM ALL SUCH TAXES; FOLLOWED BY ONE YEAR OF
42 EXEMPTION FROM SEVENTY-FIVE PERCENT OF SUCH TAXES; FOLLOWED BY ONE YEAR
43 OF EXEMPTION FROM SIXTY-TWO AND ONE-HALF PERCENT OF SUCH TAXES; FOLLOWED
44 BY ONE YEAR OF EXEMPTION FROM FIFTY PERCENT OF SUCH TAXES; FOLLOWED BY
45 ONE YEAR OF EXEMPTION FROM THIRTY-SEVEN AND ONE-HALF PERCENT OF SUCH
46 TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWENTY-FIVE PERCENT OF
47 SUCH TAXES; AND FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWELVE AND
48 ONE-HALF PERCENT OF SUCH TAXES.

49 (B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
50 SION, EXEMPTION FROM LOCAL AND MUNICIPAL TAXES UNDER THIS SECTION SHALL
51 NOT BE AVAILABLE TO THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH A
52 PRIVATE HOME IS CONSTRUCTED IF ANY PORTION OF SUCH TAX LOT (LAND AND
53 IMPROVEMENTS): (I) IS EXEMPT FROM LOCAL AND MUNICIPAL TAXES UNDER ANY
54 OTHER LAW; (II) CONTAINS A PRIVATE HOME THAT EXCEEDS THE MAXIMUM
55 PURCHASE PRICE OR AN INDIVIDUAL CONDOMINIUM UNIT THAT EXCEEDS A PURCHASE
56 PRICE OF FOUR HUNDRED THOUSAND DOLLARS; OR (III) PREVIOUSLY CONTAINED A

1 PRIVATE OR MULTIPLE DWELLING THAT HAS BEEN FULLY DEMOLISHED AND REMOVED
2 AND LESS THAN THREE YEARS HAVE ELAPSED BETWEEN THE DATE OF ISSUANCE OF
3 THE PERMIT AUTHORIZING SUCH DEMOLITION AND REMOVAL AND THE DATE THAT THE
4 NEW PRIVATE HOME COMMENCES CONSTRUCTION.

5 (C) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
6 SION, THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH THE PRIVATE HOME IS
7 CONSTRUCTED SHALL AT ALL TIMES BE SUBJECT TO LOCAL AND MUNICIPAL TAXES
8 IN AN AMOUNT NOT LESS THAN THE AMOUNT OF LOCAL AND MUNICIPAL TAXES THAT
9 WOULD BE PAYABLE THEREON BASED UPON THE ASSESSED VALUATION OF THE LAND
10 APPEARING ON THE ASSESSMENT ROLL IN THE FIRST YEAR AFTER COMPLETION OF
11 CONSTRUCTION.

12 3. (A) BASED ON THE CERTIFICATION OF THE LOCAL HOUSING AGENCY PURSUANT
13 TO THIS SECTION CERTIFYING ELIGIBILITY FOR EXEMPTION PURSUANT TO THIS
14 SECTION, THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK SHALL IMPE-
15 MENT THE AMOUNT OF EXEMPTION FROM LOCAL AND MUNICIPAL TAXES.

16 (B) THE LOCAL HOUSING AGENCY MAY PROMULGATE RULES AND REGULATIONS TO
17 CARRY OUT THE PROVISIONS OF THIS SECTION AND MAY REQUIRE PAYMENT OF A
18 NON-REFUNDABLE FILING FEE IN THE AMOUNT OF TWO HUNDRED DOLLARS PER
19 DWELLING UNIT FOR EACH APPLICATION FOR TAX EXEMPTION PURSUANT TO THIS
20 SECTION.

21 (C) UPON A FINDING BY THE LOCAL HOUSING AGENCY OR BY ANOTHER AGENCY
22 DESIGNATED BY SUCH LOCAL HOUSING AGENCY THAT A PRIVATE HOME IS NOT BEING
23 USED FOR RESIDENTIAL PURPOSES, IS THE SUBJECT OF A VIOLATION FOR AN
24 ILLEGAL OCCUPANCY, OR IS NOT OWNER OCCUPIED, EXEMPTION FROM TAXATION
25 UNDER THIS SECTION SHALL BE REVOKED AND SHALL TERMINATE PROSPECTIVELY;
26 PROVIDED, HOWEVER, THAT IN THE CASE OF AN ILLEGAL OCCUPANCY, THE OWNER
27 SHALL REPAY ALL TAXES, WITH INTEREST, FROM WHICH SUCH PRIVATE HOME WAS
28 EXEMPTED AND SUCH AMOUNT, IF UNPAID, SHALL BECOME A TAX LIEN AGAINST THE
29 PROPERTY.

30 S 2. This act shall take effect immediately.