

1529

2009-2010 Regular Sessions

I N S E N A T E

February 2, 2009

Introduced by Sen. MORAHAN -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

AN ACT to amend the real property tax law, in relation to granting a total exemption from real property taxation for school tax purposes for certain persons seventy-five years of age or over

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 467-g to read as follows:
3 S 467-G. PERSONS SEVENTY-FIVE YEARS OF AGE OR OVER. 1. NOTWITHSTAND-
4 ING ANY INCONSISTENT PROVISION OF SECTION FOUR HUNDRED SIXTY-SEVEN OF
5 THIS TITLE OR ANY OTHER PROVISION OF LAW, REAL PROPERTY OWNED BY ONE OR
6 MORE PERSONS EACH OF WHOM IS SEVENTY-FIVE YEARS OF AGE OR OVER, OR REAL
7 PROPERTY OWNED BY HUSBAND AND WIFE OR SIBLINGS, ONE OF WHOM IS SEVENTY-
8 FIVE YEARS OF AGE OR OVER AND THE YOUNGEST OWNER IS AT LEAST SIXTY-FIVE
9 YEARS OF AGE; SUCH PERSONS HAVE RESIDED IN THE SCHOOL DISTRICT FOR AT
10 LEAST THIRTY YEARS AND DO NOT HAVE ANY CHILDREN ENROLLED IN SUCH SCHOOL
11 DISTRICT SHALL BE EXEMPT FROM TAXATION BY ANY MUNICIPAL CORPORATION FOR
12 SCHOOL PURPOSES, IN WHICH LOCATED, TO THE TOTAL EXTENT OF THE ASSESSED
13 VALUATION THEREOF PROVIDED THE GOVERNING BOARD OF SUCH MUNICIPALITY,
14 AFTER PUBLIC HEARING, ADOPTS A LOCAL LAW, ORDINANCE OR RESOLUTION
15 PROVIDING THEREFOR.
16 2. ALL OF THE PROVISIONS OF SECTION FOUR HUNDRED SIXTY-SEVEN OF THIS
17 TITLE APPLICABLE TO THE GRANTING OF EXEMPTIONS FOR GENERAL, COUNTY,
18 CITY, TOWN, VILLAGE, OR SCHOOL PURPOSES INSOFAR AS SUCH PROVISIONS ARE
19 NOT INCONSISTENT WITH THE PROVISIONS OF THIS SECTION SHALL BE APPLICABLE
20 TO THE EFFECTUATING OF THE EXEMPTION PROVIDED IN THIS SECTION.
21 3. (A) TO QUALIFY FOR EXEMPTION PURSUANT TO THIS SECTION, THE PROPERTY
22 MUST BE A ONE, TWO OR THREE FAMILY RESIDENCE, A FARM DWELLING OR RESI-
23 DENTIAL PROPERTY HELD IN CONDOMINIUM OR COOPERATIVE FORM OF OWNERSHIP.
24 IF THE PROPERTY IS NOT AN ELIGIBLE TYPE OF PROPERTY, BUT A PORTION OF

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

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1 THE PROPERTY IS PARTIALLY USED BY THE OWNER AS A PRIMARY RESIDENCE, THAT
2 PORTION WHICH IS SO USED SHALL BE ENTITLED TO THE EXEMPTION PROVIDED BY
3 THIS SECTION; PROVIDED THAT IN NO EVENT SHALL THE EXEMPTION EXCEED THE
4 ASSESSED VALUE ATTRIBUTABLE TO THAT PORTION.

5 (B) PRIMARY RESIDENCE. THE PROPERTY MUST SERVE AS THE PRIMARY RESI-
6 DENCE OF ONE OR MORE OF THE OWNERS THEREOF.

7 (C) TRUSTS. IF LEGAL TITLE TO THE PROPERTY IS HELD BY ONE OR MORE
8 TRUSTEES, THE BENEFICIAL OWNER OR OWNERS SHALL BE DEEMED TO OWN THE
9 PROPERTY FOR PURPOSES OF THIS SUBDIVISION.

10 (D) FARM DWELLINGS NOT OWNED BY THE RESIDENT. (I) IF LEGAL TITLE TO
11 THE FARM DWELLING IS HELD BY AN S-CORPORATION OR BY A C-CORPORATION, THE
12 EXEMPTION SHALL BE GRANTED IF THE PROPERTY SERVES AS THE PRIMARY RESI-
13 DENCE OF A SHAREHOLDER OF SUCH CORPORATION.

14 (II) IF THE LEGAL TITLE TO THE FARM DWELLING IS HELD BY A PARTNERSHIP,
15 THE EXEMPTION SHALL BE GRANTED IF THE PROPERTY SERVES AS THE PRIMARY
16 RESIDENCE OF ONE OR MORE OF THE PARTNERS.

17 (III) ANY INFORMATION DEEMED NECESSARY TO ESTABLISH SHAREHOLDER OR
18 PARTNER STATUS FOR ELIGIBILITY PURPOSES SHALL BE CONSIDERED CONFIDENTIAL
19 AND EXEMPT FROM THE FREEDOM OF INFORMATION LAW.

20 4. (A) THE COMBINED INCOME OF ALL OF THE OWNERS, AND OF ANY OWNERS'
21 SPOUSES RESIDING ON THE PREMISES, MAY NOT EXCEED THE APPLICABLE INCOME
22 STANDARD SPECIFIED HEREIN.

23 (I) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED PRIOR TO TWO THOUSAND
24 SIX, ELIGIBILITY FOR THE EXEMPTION SHALL BE BASED UPON INCOME FOR THE
25 INCOME TAX YEAR IMMEDIATELY PRECEDING THE DATE OF MAKING APPLICATION FOR
26 THE EXEMPTION, AND THE INCOME STANDARD SHALL BE SIXTY THOUSAND DOLLARS.

27 (II) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED IN TWO THOUSAND SIX,
28 ELIGIBILITY FOR THE EXEMPTION SHALL BE BASED UPON INCOME FOR THE INCOME
29 TAX YEAR ENDING IN TWO THOUSAND FOUR, AND THE INCOME STANDARD SHALL BE
30 THE PREVIOUSLY-APPLICABLE INCOME STANDARD OF SIXTY THOUSAND DOLLARS
31 INCREASED BY THE COST-OF-LIVING-ADJUSTMENT PERCENTAGE FOR TWO THOUSAND
32 FOUR. FOR PURPOSES OF THIS COMPUTATION, THE COST-OF-LIVING-ADJUSTMENT
33 PERCENTAGE FOR TWO THOUSAND FOUR SHALL BE EQUAL TO THE "APPLICABLE
34 INCREASE PERCENTAGE" USED BY THE UNITED STATES COMMISSIONER OF SOCIAL
35 SECURITY TO DETERMINE MONTHLY SOCIAL SECURITY BENEFITS PAYABLE IN TWO
36 THOUSAND FOUR TO INDIVIDUALS, AS PROVIDED BY SUBSECTION (I) OF SECTION
37 FOUR HUNDRED FIFTEEN OF TITLE FORTY-TWO OF THE UNITED STATES CODE.

38 (III) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED IN EACH ENSUING YEAR,
39 THE APPLICABLE INCOME TAX YEAR, COST-OF-LIVING-ADJUSTMENT PERCENTAGE AND
40 APPLICABLE INCREASE PERCENTAGE SHALL ALL BE ADVANCED BY ONE YEAR, AND
41 THE INCOME STANDARD SHALL BE THE PREVIOUSLY-APPLICABLE INCOME STANDARD
42 INCREASED BY THE NEW COST-OF-LIVING-ADJUSTMENT PERCENTAGE. IF THERE
43 SHOULD BE A YEAR FOR WHICH THERE IS NO APPLICABLE INCREASE PERCENTAGE
44 DUE TO A GENERAL BENEFIT INCREASE AS DEFINED BY SUBDIVISION THREE OF
45 SUBSECTION (I) OF SECTION FOUR HUNDRED FIFTEEN OF TITLE FORTY-TWO OF THE
46 UNITED STATES CODE, THE APPLICABLE INCREASE PERCENTAGE FOR PURPOSES OF
47 THIS COMPUTATION SHALL BE DEEMED TO BE THE PERCENTAGE WHICH WOULD HAVE
48 YIELDED THAT GENERAL BENEFIT INCREASE.

49 (IV) IN NO CASE SHALL AN INCOME STANDARD BE DECREASED FROM ONE ASSESS-
50 MENT ROLL TO THE NEXT.

51 (V) IF THE INCOME STANDARD INITIALLY COMPUTED FOR AN ASSESSMENT ROLL
52 IS NOT EXACTLY EQUAL TO A MULTIPLE OF FIFTY DOLLARS, IT SHALL BE ROUNDED
53 UP TO THE NEXT HIGHER MULTIPLE OF FIFTY DOLLARS.

54 (VI) IT SHALL BE THE RESPONSIBILITY OF THE STATE BOARD TO ANNUALLY
55 DETERMINE ALL INCOME STANDARDS PURSUANT TO THIS SUBDIVISION BEGINNING
56 WITH FINAL ASSESSMENT ROLLS TO BE COMPLETED IN TWO THOUSAND SIX, TO

1 CAUSE NOTICE THEREOF TO BE PUBLISHED IN THE STATE REGISTER, TO DISSEM-
2 INATE NOTICE THEREOF TO ASSESSORS, COUNTY DIRECTORS OF REAL PROPERTY TAX
3 SERVICES, AND SUCH OTHER PARTIES AS IT MAY DEEM APPROPRIATE, AND TO POST
4 NOTICE THEREOF ON ITS WEBSITE.

5 (B) THE TERM "INCOME" AS USED IN THIS SECTION SHALL MEAN THE "ADJUSTED
6 GROSS INCOME" FOR FEDERAL INCOME TAX PURPOSES AS REPORTED ON THE APPLI-
7 CANT'S FEDERAL OR STATE INCOME TAX RETURN FOR THE APPLICABLE INCOME TAX
8 YEAR, SUBJECT TO ANY SUBSEQUENT AMENDMENTS OR REVISIONS, REDUCED BY
9 DISTRIBUTIONS, TO THE EXTENT INCLUDED IN FEDERAL ADJUSTED GROSS INCOME,
10 RECEIVED FROM AN INDIVIDUAL RETIREMENT ACCOUNT AND AN INDIVIDUAL RETIRE-
11 MENT ANNUITY; PROVIDED THAT IF NO SUCH RETURN WAS FILED FOR THE APPLICA-
12 BLE INCOME TAX YEAR, "INCOME" SHALL MEAN THE ADJUSTED GROSS INCOME THAT
13 WOULD HAVE BEEN SO REPORTED IF SUCH A RETURN HAD BEEN FILED.

14 (C) ANY INFORMATION OR DOCUMENTATION SUBMITTED BY THE APPLICANT IN
15 CONNECTION WITH APPLICATIONS FOR OR RENEWAL OF THE EXEMPTION AUTHORIZED
16 UNDER THIS SECTION TO VERIFY INCOME, SHALL BE DEEMED CONFIDENTIAL, AND
17 THE ASSESSOR, ANY MUNICIPAL OFFICER OR MUNICIPAL EMPLOYEES ARE PROHIBIT-
18 ED FROM DISCLOSING ANY SUCH INFORMATION, EXCEPT FOR ANY DISCLOSURE
19 NECESSARY IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES, AND EXCEPT AS
20 AUTHORIZED BY PARAGRAPH (E) OF THIS SUBDIVISION. ANY UNAUTHORIZED
21 DISCLOSURE OF SUCH INFORMATION SHALL BE DEEMED A VIOLATION OF SECTION
22 EIGHT HUNDRED FIVE-A OF THE GENERAL MUNICIPAL LAW.

23 (D) EFFECTIVE WITH APPLICATIONS FOR THE ENHANCED EXEMPTION ON FINAL
24 ASSESSMENT ROLLS TO BE COMPLETED IN TWO THOUSAND FOUR, THE APPLICATION
25 FORM SHALL INDICATE THAT THE OWNERS OF THE PROPERTY AND ANY OWNERS'
26 SPOUSES RESIDING ON THE PREMISES MAY AUTHORIZE THE ASSESSOR TO HAVE
27 THEIR INCOME ELIGIBILITY VERIFIED ANNUALLY THEREAFTER BY THE STATE
28 DEPARTMENT OF TAXATION AND FINANCE, IN LIEU OF FURNISHING COPIES OF THE
29 APPLICABLE INCOME TAX RETURN OR RETURNS WITH THE APPLICATION. IF THE
30 OWNERS OF THE PROPERTY AND ANY OWNERS' SPOUSES RESIDING ON THE PREMISES
31 ELECT TO PARTICIPATE IN THIS PROGRAM, WHICH SHALL BE KNOWN AS THE STAR
32 INCOME VERIFICATION PROGRAM, THEY MUST FURNISH THEIR TAXPAYER IDENTIFI-
33 CATION NUMBERS IN ORDER TO FACILITATE MATCHING WITH RECORDS OF THE
34 DEPARTMENT OF TAXATION AND FINANCE. THEREAFTER, THEIR INCOME ELIGIBILITY
35 SHALL BE VERIFIED ANNUALLY BY THE STATE DEPARTMENT OF TAXATION AND
36 FINANCE AND THE ASSESSOR SHALL NOT REQUEST INCOME DOCUMENTATION FROM
37 THEM, UNLESS SUCH DEPARTMENT ADVISES THE ASSESSOR THROUGH THE STATE
38 BOARD THAT THEY DO NOT SATISFY THE APPLICABLE INCOME ELIGIBILITY
39 REQUIREMENTS, OR THAT IT IS UNABLE TO DETERMINE WHETHER THEY SATISFY
40 THOSE REQUIREMENTS.

41 (E) THE ASSESSOR SHALL FORWARD TO THE STATE BOARD, IN THE TIME AND
42 MANNER REQUIRED BY THE STATE BOARD, INFORMATION IDENTIFYING THE PERSONS
43 WHO HAVE ELECTED TO PARTICIPATE IN THE STAR INCOME VERIFICATION PROGRAM.
44 THE STATE BOARD SHALL FORWARD SUCH INFORMATION TO THE DEPARTMENT OF
45 TAXATION AND FINANCE IN THE MANNER PROVIDED BY THE AGREEMENT EXECUTED
46 PURSUANT TO SECTION ONE HUNDRED SEVENTY-ONE-K OF THE TAX LAW, AND SHALL
47 NOTIFY THE ASSESSOR OF THE RESPONSE OR RESPONSES IT RECEIVES FROM SUCH
48 DEPARTMENT PURSUANT TO SUCH AGREEMENT. AFTER RECEIVING SUCH RESPONSE OR
49 RESPONSES, THE ASSESSING AUTHORITY SHALL CAUSE NOTICES TO BE MAILED TO
50 PARTICIPANTS. INFORMATION OBTAINED BY THE STATE BOARD IDENTIFYING SUCH
51 PERSONS, AND RESPONSES OBTAINED FROM SUCH DEPARTMENT SHALL BE CONFIDEN-
52 TIAL AND SHALL NOT BE SUBJECT TO DISCLOSURE UNDER ARTICLE SIX OF THE
53 PUBLIC OFFICERS LAW.

54 (F) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS (D) AND (E) OF THIS
55 SUBDIVISION, WHICH ESTABLISH A STAR INCOME VERIFICATION PROGRAM, INCOME

1 DOCUMENTATION MUST BE SUBMITTED TO THE ASSESSOR IN CONNECTION WITH EACH
2 OF THE FOLLOWING:
3 (I) INITIAL APPLICATIONS FOR THE ENHANCED STAR EXEMPTION;
4 (II) RENEWAL APPLICATIONS SUBMITTED BY A PERSON OR PERSONS WHO HAVE
5 NOT ELECTED TO PARTICIPATE IN THE STAR INCOME VERIFICATION PROGRAM;
6 (III) APPLICATIONS THAT WOULD ALLOW AN ENHANCED EXEMPTION TO RESUME
7 AFTER HAVING BEEN DISCONTINUED;
8 (IV) APPLICATIONS SUBMITTED BY A PERSON OR PERSONS WHO HAD PREVIOUSLY
9 QUALIFIED FOR THE ENHANCED EXEMPTION BUT NOT IN THE ASSESSING UNIT IN
10 QUESTION; AND
11 (V) APPLICATIONS WITH RESPECT TO WHICH THE DEPARTMENT OF TAXATION AND
12 FINANCE HAS ADVISED THE ASSESSOR THROUGH THE STATE BOARD THAT IT IS
13 UNABLE TO DETERMINE WHETHER A PARTICIPANT OR PARTICIPANTS IN THE STAR
14 INCOME VERIFICATION PROGRAM SATISFY THE INCOME ELIGIBILITY REQUIREMENTS.
15 S 2. This act shall take effect immediately and shall apply to assess-
16 ment rolls prepared on the basis of taxable status dates occurring on or
17 after the first of January next succeeding the date on which this act
18 shall have become a law.