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

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2009-2010 Regular Sessions

I N S E N A T E

March 30, 2009

Introduced by Sens. LAVALLE, DeFRANCISCO, FUSCHILLO, O. JOHNSON, LARKIN, MORAHAN, VOLKER -- 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 the sale of real property acquired by a tax district by virtue of a tax foreclosure proceeding

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

Section 1. Section 1166 of the real property tax law is amended by adding a new subdivision 1-a to read as follows:

1-A. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, UPON THE SALE OF REAL PROPERTY ACQUIRED BY A TAX DISTRICT BY VIRTUE OF A TAX FORECLOSURE PROCEEDING, ANY PROCEEDS OF SUCH SALE WHICH SHALL EXCEED THE TOTAL AMOUNT OF THE DELINQUENT TAX LIEN OR LIENS FOR WHICH SUCH PROCEEDING WAS COMMENCED, INCLUDING ALL CHARGES AUTHORIZED BY LAW, SHALL BE RETURNED TO THE FORMER OWNER OF SUCH PROPERTY. PROVIDED, HOWEVER, THAT IF SUCH PROPERTY IS SUBJECT TO ANY MORTGAGE, JUDGMENT, OR ANY OTHER LIEN, SUCH PROCEEDS SHALL FIRST BE APPLIED TO SUCH OUTSTANDING MORTGAGE, JUDGMENT AND/OR OTHER LIEN AS PROVIDED BY LAW.

S 2. This act shall take effect immediately.

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

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