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

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I N S E N A T E

March 15, 2010

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

AN ACT to amend the real property tax law and the administrative code of the city of New York, in relation to extending a real property tax abatement program for certain commercial properties in cities having a population of one million or more and in relation to extending a special reduction under the commercial rent tax in the city of New York

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

Section 1. Subdivisions 5 and 9 of section 499-a of the real property tax law, as amended by section 1 of part O of chapter 60 of the laws of 2007, are amended to read as follows:

5. "Benefit period." The period commencing with the first day of the month immediately following the rent commencement date and terminating no later than sixty months thereafter, provided, however, that with respect to a lease commencing on or after April first, nineteen hundred ninety-seven with an initial lease term of less than five years, but not less than three years, the period commencing with the first day of the month immediately following the rent commencement date and terminating no later than thirty-six months thereafter. Notwithstanding the foregoing sentence, a benefit period shall expire no later than March thirty-first, two thousand [sixteen] TWENTY.

9. "Eligibility period." The period commencing April first, nineteen hundred ninety-five and terminating March thirty-first, two thousand [ten] FOURTEEN.

S 2. Paragraph (a) of subdivision 3 of section 499-c of the real property tax law, as amended by section 2 of part O of chapter 60 of the laws of 2007, is amended to read as follows:

(a) For purposes of determining whether the amount of expenditures required by subdivision one of this section have been satisfied, expenditures on improvements to the common areas of an eligible building shall be included only if work on such improvements commenced and the expenditures are made on or after April first, nineteen hundred ninety-five and

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

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on or before September thirtieth, two thousand [ten] FOURTEEN; provided, however, that expenditures on improvements to the common areas of an eligible building made prior to three years before the lease commencement date shall not be included.

S 3. Subdivision 8 of section 499-d of the real property tax law, as amended by section 3 of part O of chapter 60 of the laws of 2007, is amended to read as follows:

8. Leases commencing on or after April first, nineteen hundred ninety-seven shall be subject to the provisions of this title as amended by chapter six hundred twenty-nine of the laws of nineteen hundred ninety-seven, chapter one hundred eighteen of the laws of two thousand one, chapter four hundred forty of the laws of two thousand three [and the], chapter SIXTY of the laws of two thousand seven [that added this phrase] AND THE CHAPTER OF THE LAWS OF TWO THOUSAND TEN THAT ADDED THIS PHRASE. Notwithstanding any other provision of law to the contrary, with respect to leases commencing on or after April first, nineteen hundred ninety-seven, an application for a certificate of abatement shall be considered timely filed if filed within one hundred eighty days following the lease commencement date or within sixty days following the date chapter six hundred twenty-nine of the laws of nineteen hundred ninety-seven became a law, whichever is later.

S 4. Subparagraph (a) of paragraph 2 of subdivision i of section 11-704 of the administrative code of the city of New York, as amended by section 4 of part O of chapter 60 of the laws of 2007, is amended to read as follows:

(a) An eligible tenant of eligible taxable premises shall be allowed a special reduction in determining the taxable base rent for such eligible taxable premises. Such special reduction shall be allowed with respect to the rent for such eligible taxable premises for a period not exceeding sixty months or, with respect to a lease commencing on or after April first, nineteen hundred ninety-seven with an initial lease term of less than five years, but not less than three years, for a period not exceeding thirty-six months, commencing on the rent commencement date applicable to such eligible taxable premises, provided, however, that in no event shall any special reduction be allowed for any period beginning after March thirty-first, two thousand [sixteen] TWENTY. For purposes of applying such special reduction, the base rent for the base year shall, where necessary to determine the amount of the special reduction allowable with respect to any number of months falling within a tax period, be prorated by dividing the base rent for the base year by twelve and multiplying the result by such number of months.

S 5. This act shall take effect immediately, provided, however that if this act shall have become a law after April 1, 2010, it shall be deemed to have been in full force and effect on and after April 1, 2010.