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

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I N A S S E M B L Y

April 2, 2010

Introduced by M. of A. JEFFRIES, CLARK, KELLNER, CHRISTENSEN, MARKEY, GLICK -- Multi-Sponsored by -- M. of A. ALFANO, BARRA, BOYLAND, QUINN -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to prohibiting landlords convicted of housing violations from claiming exemptions, credits or itemized deductions related to such rental property on state tax returns

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

Section 1. The real property tax law is amended by adding a new section 496 to read as follows:

S 496. HOUSING VIOLATIONS; NO EXEMPTIONS, CREDITS OR DEDUCTIONS. 1. NOTWITHSTANDING ANY CONTRARY PROVISION OF LAW OR REGULATION, ANY RESIDENT OR NON-RESIDENT PROPERTY OWNER WHO HAS BEEN CONVICTED MORE THAN TWICE FOR HOUSING VIOLATIONS ON RENTAL PROPERTY OWNED IN THIS STATE SHALL BE PROHIBITED FROM CLAIMING ON HIS OR HER STATE TAX RETURN ANY EXEMPTION, CREDIT OR DEDUCTION RELATED TO SUCH RENTAL PROPERTY UNTIL SUCH VIOLATIONS HAVE BEEN REMEDIATED. FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SECTION SHALL SUBJECT ANY UNDERPAYMENT OF TAX TO THE PENALTIES PURSUANT TO SUBSECTION (E) OF SECTION SIX HUNDRED EIGHTY-FIVE OF THE TAX LAW.

2. UPON THE CONVICTION OF A LANDLORD FOR ANY HOUSING VIOLATION IN A COURT OF COMPETENT JURISDICTION, SUCH COURT SHALL ISSUE TO SUCH LANDLORD A FORM PURSUANT TO REGULATIONS OF THE COMMISSIONER OF TAXATION AND FINANCE IDENTIFYING SUCH CONVICTION, ANY PRIOR CONVICTIONS, AND THE PROHIBITIONS OF SUBDIVISION ONE OF THIS SECTION. SUCH FORM SHALL BE FILED WITH EACH STATE TAX RETURN OF SUCH CONVICTED LANDLORD UNTIL SUCH VIOLATIONS HAVE BEEN REMEDIATED AND CERTIFIED PURSUANT TO THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION.

3.(A) UPON DECLARATION BY A COURT OF COMPETENT JURISDICTION THAT HOUSING VIOLATIONS FOR WHICH A CONVICTION HAD PREVIOUSLY BEEN ENTERED AGAINST A LANDLORD HAVE BEEN REMEDIATED, SUCH COURT SHALL ISSUE TO SUCH LANDLORD A FORM PURSUANT TO REGULATIONS OF THE COMMISSIONER OF TAXATION

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

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AND FINANCE CERTIFYING SUCH REMEDIATION. SUCH FORM SHALL BE FILED WITH THE NEXT STATE TAX RETURN OF SUCH LANDLORD.

(B) REVISED TAX RETURNS SHALL NOT BE ACCEPTED FOR THAT PORTION OF INCOME RELATING TO RENTAL PROPERTY SUBJECT TO THE PROHIBITIONS OF SUBDIVISION ONE OF THIS SECTION.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such effective date.