

1214

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. DESTITO -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to authorizing a residential investment exemption in certain towns

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 485-n to read as follows:

3 S 485-N. RESIDENTIAL INVESTMENT EXEMPTION; CERTAIN TOWNS. 1. RESIDENTIAL REAL PROPERTY CONSTRUCTED ON OR AFTER THE FIRST DAY OF APRIL
4 FOLLOWING THE EFFECTIVE DATE OF THIS SECTION IN TOWNS WITH A POPULATION
5 OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-FIVE BASED UPON THE TWO THOUSAND
6 FEDERAL CENSUS MAY BE EXEMPT FROM TOWN TAXATION AND SPECIAL AD VALOREM
7 LEVIES AS PROVIDED IN THIS SECTION.

8 2. (A) (I) SUCH REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE YEAR
9 TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE
10 THEREOF ATTRIBUTABLE TO SUCH CONSTRUCTION AND FOR AN ADDITIONAL PERIOD
11 OF NINE YEARS PROVIDED, HOWEVER, THAT THE EXTENT OF SUCH EXEMPTION SHALL
12 BE DECREASED BY FIVE PER CENTUM EACH YEAR DURING SUCH ADDITIONAL PERIOD
13 OF NINE YEARS AND SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO THE
14 "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE THE INCREASE IN ASSESSED
15 VALUE AS DETERMINED IN THE INITIAL YEAR OF SUCH TEN YEAR PERIOD FOLLOWING
16 THE FILING OF AN ORIGINAL APPLICATION, EXCEPT AS PROVIDED IN SUBPAR-
17 AGRAPH (II) OF THIS PARAGRAPH.

18 (II) IN ANY YEAR IN WHICH A CHANGE IN LEVEL OF ASSESSMENT OF FIFTEEN
19 PERCENT OR MORE IS CERTIFIED FOR A FINAL ASSESSMENT ROLL PURSUANT TO THE
20 RULES OF THE STATE BOARD, THE EXEMPTION BASE SHALL BE MULTIPLIED BY A
21 FRACTION, THE NUMERATOR OF WHICH SHALL BE THE TOTAL ASSESSED VALUE OF
22 THE PARCEL ON SUCH FINAL ASSESSMENT ROLL (AFTER ACCOUNTING FOR ANY PHYSICAL OR QUANTITY CHANGES TO THE PARCEL SINCE THE IMMEDIATELY PRECEDING

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

LBD03549-01-9

1 ASSESSMENT ROLL), AND THE DENOMINATOR OF WHICH SHALL BE THE TOTAL
 2 ASSESSED VALUE OF THE PARCEL ON THE IMMEDIATELY PRECEDING FINAL ASSESS-
 3 MENT ROLL. THE RESULT SHALL BE THE NEW EXEMPTION BASE. THE EXEMPTION
 4 SHALL THEREUPON BE RECOMPUTED TO TAKE INTO ACCOUNT THE NEW EXEMPTION
 5 BASE, NOTWITHSTANDING THE FACT THAT THE ASSESSOR RECEIVES THE CERTIF-
 6 ICATION OF THE CHANGE IN LEVEL OF ASSESSMENT AFTER THE COMPLETION,
 7 VERIFICATION AND FILING OF THE FINAL ASSESSMENT ROLL. IN THE EVENT THE
 8 ASSESSOR DOES NOT HAVE CUSTODY OF THE ROLL WHEN SUCH CERTIFICATION IS
 9 RECEIVED, THE ASSESSOR SHALL CERTIFY THE RECOMPUTED EXEMPTION TO THE
 10 LOCAL OFFICERS HAVING CUSTODY AND CONTROL OF THE ROLL, AND SUCH LOCAL
 11 OFFICERS ARE HEREBY DIRECTED AND AUTHORIZED TO ENTER THE RECOMPUTED
 12 EXEMPTION CERTIFIED BY THE ASSESSOR ON THE ROLL. THE ASSESSOR SHALL
 13 GIVE WRITTEN NOTICE OF SUCH RECOMPUTED EXEMPTION TO THE PROPERTY OWNER,
 14 WHO MAY, IF HE OR SHE BELIEVES THAT THE EXEMPTION WAS RECOMPUTED INCOR-
 15 RECTLY, APPLY FOR A CORRECTION IN THE MANNER PROVIDED BY TITLE THREE OF
 16 ARTICLE FIVE OF THIS CHAPTER FOR THE CORRECTION OF CLERICAL ERRORS.

17 (III) THE FOLLOWING TABLE SHALL ILLUSTRATE THE COMPUTATION OF THE TOWN
 18 TAX EXEMPTION:

19	YEAR OF EXEMPTION	PERCENTAGE OF EXEMPTION
20	1	50
21	2	45
22	3	40
23	4	35
24	5	30
25	6	25
26	7	20
27	8	15
28	9	10
29	10	5

30 (B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

31 (I) SUCH CONSTRUCTION WAS COMMENCED ON OR AFTER THE FIRST DAY OF APRIL
 32 FOLLOWING THE EFFECTIVE DATE OF THIS SECTION OR SUCH LATER DATE AS MAY
 33 BE SPECIFIED BY LOCAL LAW;

34 (II) THE RESIDENTIAL REAL PROPERTY IS SITUATE IN A TOWN WITH A POPU-
 35 LATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-FIVE BASED UPON THE TWO
 36 THOUSAND FEDERAL CENSUS;

37 (III) THE COST OF SUCH CONSTRUCTION EXCEEDS THE SUM OF SEVENTY THOU-
 38 SAND DOLLARS OR SUCH GREATER AMOUNT AS MAY BE SPECIFIED BY LOCAL LAW;
 39 AND

40 (IV) SUCH CONSTRUCTION IS COMPLETED AS MAY BE EVIDENCED BY A CERTIF-
 41 ICATE OF OCCUPANCY OR OTHER APPROPRIATE DOCUMENTATION AS PROVIDED BY THE
 42 OWNER.

43 (C) FOR PURPOSES OF THIS SECTION THE TERM CONSTRUCTION SHALL NOT
 44 INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

45 3. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER
 46 OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE STATE BOARD. SUCH
 47 APPLICATION SHALL BE FILED WITH THE ASSESSOR OF SUCH TOWN ON OR BEFORE
 48 THE APPROPRIATE TAXABLE STATUS DATE OF SUCH TOWN AND WITHIN ONE YEAR
 49 FROM THE DATE OF COMPLETION OF SUCH CONSTRUCTION.

50 4. IF THE ASSESSOR IS SATISFIED THAT THE APPLICANT IS ENTITLED TO AN
 51 EXEMPTION PURSUANT TO THIS SECTION, HE OR SHE SHALL APPROVE THE APPLICA-
 52 TION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AND
 53 SPECIAL AD VALOREM LEVIES BY A TOWN WITH A POPULATION OF EIGHTEEN THOU-
 54 SAND SIX HUNDRED THIRTY-FIVE BASED UPON THE TWO THOUSAND FEDERAL CENSUS

1 AS PROVIDED IN THIS SECTION COMMENCING WITH THE ASSESSMENT ROLL PREPARED
2 AFTER THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVISION THREE OF THIS
3 SECTION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS
4 SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE
5 TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE
6 COLUMN.

7 5. THE PROVISIONS OF THIS SECTION SHALL APPLY TO REAL PROPERTY USED AS
8 THE PRIMARY RESIDENCE OF THE OWNER.

9 6. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO
10 THIS SECTION CEASES TO BE USED PRIMARILY FOR ELIGIBLE PURPOSES, THE
11 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

12 7. A TOWN WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-
13 FIVE BASED UPON THE TWO THOUSAND FEDERAL CENSUS MAY, BY LOCAL LAW,
14 REDUCE THE PER CENTUM OF EXEMPTION OTHERWISE ALLOWED PURSUANT TO THIS
15 SECTION; PROVIDED, HOWEVER, THAT A PROJECT IN COURSE OF CONSTRUCTION AND
16 EXEMPTIONS EXISTING PRIOR IN TIME TO PASSAGE OF ANY SUCH LOCAL LAW SHALL
17 NOT BE SUBJECT TO ANY SUCH REDUCTION SO EFFECTED. SUCH TOWN UPON
18 REDUCTION OF THE PER CENTUM OF EXEMPTION PURSUANT TO THIS SUBDIVISION
19 MAY THEREAFTER, BY LOCAL LAW, INCREASE THE PER CENTUM OF EXEMPTION UP TO
20 ANY PER CENTUM NOT EXCEEDING THE MAXIMUM ALLOWED BY SUBDIVISION TWO OF
21 THIS SECTION, PROVIDED, HOWEVER, THAT ANY SUCH LOCAL LAW SHALL APPLY
22 ONLY TO CONSTRUCTION COMMENCED SUBSEQUENT TO THE EFFECTIVE DATE OF SUCH
23 LOCAL LAW. A COPY OF ALL SUCH LOCAL LAWS SHALL BE FILED WITH THE STATE
24 BOARD AND THE ASSESSOR OF THE TOWN.

25 8. A TOWN WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-
26 FIVE BASED UPON THE TWO THOUSAND FEDERAL CENSUS MAY, BY LOCAL LAW,
27 ESTABLISH A DATE FOR THE COMMENCEMENT OF EFFECTIVENESS OF EXEMPTION
28 OFFERED PURSUANT TO THIS SECTION AND MAY PROVIDE THAT THE PROVISIONS OF
29 THIS SECTION SHALL APPLY ONLY TO CONSTRUCTION HAVING A GREATER VALUE
30 THAN THAT SPECIFIED BY SUBDIVISION TWO OF THIS SECTION.

31 9. (A) A TOWN WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIR-
32 TY-FIVE BASED UPON THE TWO THOUSAND FEDERAL CENSUS MAY, BY LOCAL LAW,
33 ESTABLISH A BOARD TO BE KNOWN AS THE RESIDENTIAL INCENTIVE BOARD. THE
34 MEMBERSHIP AND COMPOSITION OF SUCH BOARD SHALL BE SET FORTH IN THE LOCAL
35 LAW.

36 (B) THE RESIDENTIAL INCENTIVE BOARD SHALL PRESENT A PLAN TO A TOWN
37 WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-FIVE BASED
38 UPON THE TWO THOUSAND FEDERAL CENSUS CONCERNING THE VARIOUS TYPES OF
39 RESIDENTIAL REAL PROPERTY WHICH SHOULD BE GRANTED ELIGIBILITY FOR AN
40 EXEMPTION PURSUANT TO SUBDIVISION ONE OF THIS SECTION. IN ADDITION,
41 SUCH PLAN SHALL IDENTIFY SPECIFIC GEOGRAPHIC AREAS WITHIN WHICH SUCH
42 EXEMPTIONS SHOULD BE OFFERED. IN DEVELOPING THE PLAN REQUIRED BY THIS
43 PARAGRAPH, THE BOARD SHALL CONSIDER THE PLANNING OBJECTIVES OF A TOWN
44 WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-FIVE BASED
45 UPON THE TWO THOUSAND FEDERAL CENSUS, THE NECESSITY OF THE EXEMPTION TO
46 THE ATTRACTION OR RETENTION OF HOME OWNERS AND THE ECONOMIC BENEFIT TO
47 THE AREA OF PROVIDING EXEMPTIONS TO HOME OWNERS.

48 (C) IN ADDITION, THE BOARD MAY MAKE RECOMMENDATIONS TO A TOWN WITH A
49 POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIRTY-FIVE BASED UPON THE
50 TWO THOUSAND FEDERAL CENSUS WITH RESPECT TO ACTIONS IT DEEMS DESIRABLE
51 TO IMPROVE THE ECONOMIC CLIMATE THEREIN.

52 10. IF A TOWN WITH A POPULATION OF EIGHTEEN THOUSAND SIX HUNDRED THIR-
53 TY-FIVE BASED UPON THE TWO THOUSAND FEDERAL CENSUS ESTABLISHES A RESI-
54 DENTIAL INCENTIVE BOARD, PURSUANT TO SUBDIVISION NINE OF THIS SECTION,
55 SUCH TOWN MAY, BY LOCAL LAW, RESTRICT REAL PROPERTY ELIGIBLE TO RECEIVE
56 THE EXEMPTION TO REAL PROPERTY CONSTRUCTED FOR THOSE PURPOSES IDENTIFIED

1 IN THE PLAN PRESENTED BY THE BOARD. SUCH LOCAL LAW SHALL RESTRICT THE
2 AVAILABILITY OF SUCH EXEMPTION TO THE SPECIFIC GEOGRAPHIC AREAS IDENTI-
3 FIED IN THE PLAN PRESENTED BY THE BOARD.

4 11. ANY TOWN WHICH ADOPTS AN EXEMPTION PURSUANT TO THIS SECTION SHALL
5 CAUSE INFORMATION RELATING TO THE AVAILABILITY OF SUCH EXEMPTION,
6 INCLUDING REQUIREMENTS AND APPLICATION PROCEDURES, TO BE ATTACHED TO ALL
7 BUILDING PERMIT APPLICATIONS AND COPIES OF SUCH INFORMATION SHALL BE
8 POSTED IN A CONSPICUOUS LOCATION IN ANY OFFICE OR OFFICES WHERE SUCH
9 PERMITS AND APPLICATIONS FOR PERMITS ARE ISSUED AND PROCESSED.
10 S 2. This act shall take effect immediately.