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2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. PERALTA, WALKER, CLARK -- Multi-Sponsored by --
M. of A. ALFANO, BARRA, GREENE -- 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 ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The real property tax law is amended by adding a new
2 section 496 to read as follows:
3 S 496. HOUSING VIOLATIONS; NO EXEMPTIONS, CREDITS OR DEDUCTIONS. 1.
4 NOTWITHSTANDING ANY CONTRARY PROVISION OF LAW OR REGULATION, ANY RESI-
5 DENT OR NON-RESIDENT PROPERTY OWNER WHO HAS BEEN CONVICTED MORE THAN
6 TWICE FOR HOUSING VIOLATIONS ON RENTAL PROPERTY OWNED IN THIS STATE
7 SHALL BE PROHIBITED FROM CLAIMING ON HIS OR HER STATE TAX RETURN ANY
8 EXEMPTION, CREDIT OR DEDUCTION RELATED TO SUCH RENTAL PROPERTY UNTIL
9 SUCH VIOLATIONS HAVE BEEN REMEDIATED. FAILURE TO COMPLY WITH THE
10 PROVISIONS OF THIS SECTION SHALL SUBJECT ANY UNDERPAYMENT OF TAX TO THE
11 PENALTIES PURSUANT TO SUBSECTION (E) OF SECTION SIX HUNDRED EIGHTY-FIVE
12 OF THE TAX LAW.
13 2. UPON THE CONVICTION OF A LANDLORD FOR ANY HOUSING VIOLATION IN A
14 COURT OF COMPETENT JURISDICTION, SUCH COURT SHALL ISSUE TO SUCH LANDLORD
15 A FORM PURSUANT TO REGULATIONS OF THE COMMISSIONER OF TAXATION AND
16 FINANCE IDENTIFYING SUCH CONVICTION, ANY PRIOR CONVICTIONS, AND THE
17 PROHIBITIONS OF SUBDIVISION ONE OF THIS SECTION. SUCH FORM SHALL BE
18 FILED WITH EACH STATE TAX RETURN OF SUCH CONVICTED LANDLORD UNTIL SUCH
19 VIOLATIONS HAVE BEEN REMEDIATED AND CERTIFIED PURSUANT TO THE PROVISIONS
20 OF SUBDIVISION THREE OF THIS SECTION.

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

LBD00066-01-9

1 3.(A) UPON DECLARATION BY A COURT OF COMPETENT JURISDICTION THAT HOUS-
2 ING VIOLATIONS FOR WHICH A CONVICTION HAD PREVIOUSLY BEEN ENTERED
3 AGAINST A LANDLORD HAVE BEEN REMEDIATED, SUCH COURT SHALL ISSUE TO SUCH
4 LANDLORD A FORM PURSUANT TO REGULATIONS OF THE COMMISSIONER OF TAXATION
5 AND FINANCE CERTIFYING SUCH REMEDIATION. SUCH FORM SHALL BE FILED WITH
6 THE NEXT STATE TAX RETURN OF SUCH LANDLORD.

7 (B) REVISED TAX RETURNS SHALL NOT BE ACCEPTED FOR THAT PORTION OF
8 INCOME RELATING TO RENTAL PROPERTY SUBJECT TO THE PROHIBITIONS OF SUBDI-
9 VISION ONE OF THIS SECTION.

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