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

7485

2009-2010 Regular Sessions

I N A S S E M B L Y

April 13, 2009

Introduced by M. of A. BALL -- read once and referred to the Committee on Agriculture

AN ACT to amend the agriculture and markets law and the real property tax law, in relation to the assessment of land and structures used in agricultural production; to amend the real property tax law, in relation to providing state aid to taxing jurisdictions for the difference between the full value and the agricultural assessment of land and structures used in agricultural production; to repeal section 304-a of the agriculture and markets law relating to agricultural assessment values; and to repeal section 582 of the real property tax law relating to valuation of agricultural structures

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

Section 1. Subdivision 1 of section 301 of the agriculture and markets law, as amended by chapter 797 of the laws of 1992, is amended to read as follows:

1. "Agricultural assessment value" means the value [per acre] assigned to land USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON for assessment purposes determined pursuant to the [capitalized value of production] procedure [prescribed by] ESTABLISHED BY THE STATE BOARD OF REAL PROPERTY SERVICES IN ACCORDANCE WITH section three hundred four-a of this article.

S 2. Section 304-a of the agriculture and markets law is REPEALED and a new section 304-a is added to read as follows:

S 304-A. AGRICULTURAL ASSESSMENT VALUES. 1. AGRICULTURAL ASSESSMENT VALUES FOR LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON SHALL BE ANNUALLY CALCULATED AND CERTIFIED IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED BY THE OFFICE OF REAL PROPERTY SERVICES.

2. THE OFFICE OF REAL PROPERTY SERVICES SHALL ESTABLISH RULES AND REGULATIONS, WHICH SHALL BE BINDING UPON ALL ASSESSING UNITS IN THE STATE, FOR THE ASSESSMENT OF LAND USED IN AGRICULTURAL PRODUCTION AND

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

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THE STRUCTURES THEREON. SUCH RULES AND REGULATIONS SHALL PROVIDE THAT THE AGRICULTURAL ASSESSMENT VALUE OF LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON SHALL BE THE GROSS SALES VALUE OF CROPS, LIVESTOCK AND LIVESTOCK PRODUCTS PRODUCED ON SUCH LAND, REDUCED BY THE FIVE YEAR AVERAGE OF THE COST OF SEED, FERTILIZER, FEED, FUEL, OIL, GREASE, REPAIRS, ELECTRICITY, LABOR, EQUIPMENT AND MACHINERY. UNDER NO CIRCUMSTANCES SHALL LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON BE ASSESSED AT THE FULL VALUE THEREOF, UNLESS SUCH FULL VALUE IS LESS THAN THE AGRICULTURAL ASSESSMENT VALUE ESTABLISHED PURSUANT TO THIS SUBDIVISION.

S 3. Paragraphs (n), (o), (p) and (q) of subdivision 1 of section 202 of the real property tax law, paragraph (n) as relettered by chapter 833 of the laws of 1960, paragraph (o) as added by chapter 716 of the laws of 1990, paragraph (p) as added by chapter 166 of the laws of 1991 and paragraph (q) as added by chapter 450 of the laws of 2004, are amended and a new paragraph (r) is added to read as follows:

(n) Exercise and perform such other powers and duties as may be conferred or imposed on it by law[.];

(o) [monitor] MONITOR the quality of local assessment practices by individual assessing units[.];

(p) [impose] IMPOSE, collect and receive such charges or fees as may be authorized by statute[.];

(q) Promulgate rules and regulations for the ascertainment and reporting of "assessment record billing owner" information, as defined in section one hundred three of the eminent domain procedure law, for the purposes of the administration of said law[.]; AND

(R) PROMULGATE AND IMPLEMENT RULES AND REGULATIONS ESTABLISHING THE PROCEDURE FOR THE DETERMINATION OF THE AGRICULTURAL ASSESSMENT VALUE OF LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON PURSUANT TO SECTION THREE HUNDRED FOUR-A OF THE AGRICULTURE AND MARKETS LAW. SUCH PROCEDURE SHALL BE USED BY ALL ASSESSING UNITS, AND THE AGRICULTURAL ASSESSMENT VALUE SHALL BE THE ASSESSMENT OF LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON FOR ALL PURPOSES AND FOR ALL TAX LEVIES BY EVERY TAXING JURISDICTION.

S 4. Section 481 of the real property tax law, as added by chapter 774 of the laws of 1987, is amended to read as follows:

S 481. Taxation of land used for agricultural production AND THE STRUCTURES THEREON. Notwithstanding any other provision of this chapter, land used in agricultural production as that term is defined in section three hundred one of the agriculture and markets law AND THE STRUCTURES THEREON, shall be assessed and taxed FOR ALL PURPOSES in the manner provided by article twenty-five-AA of the agriculture and markets law.

S 5. Section 582 of the real property tax law is REPEALED.

S 6. The real property tax law is amended by adding a new section 993 to read as follows:

S 993. EFFECT OF AGRICULTURAL ASSESSMENT. 1. LEVY OF TAXES. THE AMOUNT OF TAXES TO BE LEVIED BY ANY MUNICIPAL CORPORATION OR SPECIAL DISTRICT SHALL BE DETERMINED WITHOUT REGARD TO THE FACT THAT STATE AID WILL BE PAYABLE PURSUANT TO THIS SECTION. IN ADDITION, THE TAX RATE FOR ANY MUNICIPAL CORPORATION OR SPECIAL DISTRICT SHALL BE DETERMINED AS IF NO PARCELS WERE SUBJECT TO AN AGRICULTURAL ASSESSMENT VALUE PURSUANT TO SECTION THREE HUNDRED FOUR-A OF THE AGRICULTURE AND MARKETS LAW. HOWEVER, THE TAX RATE SO DETERMINED SHALL BE APPLIED TO THE AGRICULTURAL ASSESSMENT VALUE OF EACH PARCEL OF LAND USED IN AGRICULTURAL PRODUCTION

AND THE STRUCTURES THEREON AFTER ACCOUNTING FOR ALL APPLICABLE EXEMPTIONS.

2. TAX SAVINGS. THE TAX SAVINGS FOR EACH PARCEL OF LAND USED IN AGRICULTURAL PRODUCTION AND THE STRUCTURES THEREON SUBJECT TO AN AGRICULTURAL ASSESSMENT VALUE PURSUANT TO SECTION THREE HUNDRED FOUR-A OF THE AGRICULTURE AND MARKETS LAW SHALL BE COMPUTED BY SUBTRACTING THE AGRICULTURAL ASSESSMENT VALUE OF SUCH PARCEL FROM THE FULL VALUE OF SUCH PARCEL. A STATEMENT SHALL THEN BE PLACED ON THE TAX BILL FOR THE PARCEL IN SUBSTANTIALLY THE FOLLOWING FORM: "YOUR TAX SAVINGS THIS YEAR RESULTING FROM AN AGRICULTURAL ASSESSMENT IS $_____."

3. STATE AID. (A) THE TOTAL TAX SAVINGS DULY PROVIDED BY EACH MUNICIPAL CORPORATION AND SPECIAL DISTRICT PURSUANT TO THIS SECTION SHALL BE A STATE CHARGE, WHICH SHALL BE PAYABLE AS PROVIDED IN THIS SECTION.

(B) A MUNICIPAL CORPORATION OR SPECIAL DISTRICT SEEKING AID PURSUANT TO THIS SECTION SHALL SUBMIT AN APPLICATION THEREFOR TO THE STATE BOARD. THE APPLICATION SHALL INCLUDE SUCH INFORMATION AS THE STATE BOARD SHALL REQUIRE.

(C) UPON APPROVING AN APPLICATION FOR STATE AID PURSUANT TO THIS SECTION, THE STATE BOARD SHALL COMPUTE THE AMOUNT PAYABLE TO THE APPROPRIATE MUNICIPAL CORPORATION OR SPECIAL DISTRICT. SUCH AID SHALL BE PAYABLE UPON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER FROM VOUCHERS CERTIFIED AND APPROVED BY THE EXECUTIVE DIRECTOR OF THE OFFICE OF REAL PROPERTY SERVICES.

(D) THE STATE BOARD MAY AUDIT AN APPLICATION FOR STATE AID PURSUANT TO THIS SECTION WITHIN ONE YEAR AFTER AUTHORIZING PAYMENT THEREON. IF THE STATE BOARD SHOULD DISCOVER THAT A MUNICIPAL CORPORATION OR SPECIAL DISTRICT HAS RECEIVED A GREATER OR LESSER AMOUNT OF SUCH AID THAN IT SHOULD HAVE RECEIVED, THE STATE BOARD SHALL NOTIFY THE MUNICIPAL CORPORATION OR SPECIAL DISTRICT, AND SHALL CAUSE THE NEXT PAYMENT OF SUCH AID TO THE MUNICIPAL CORPORATION OR SPECIAL DISTRICT TO BE ADJUSTED ACCORDINGLY.

(E) WHEN AN IMPROPERLY GRANTED AGRICULTURAL ASSESSMENT VALUE HAS BEEN REVOKED, THE AID PAYABLE TO THE MUNICIPAL CORPORATION OR SPECIAL DISTRICT PURSUANT TO THIS SECTION SHALL BE REDUCED BY THE AMOUNT OF TAXES ATTRIBUTABLE TO THE REVOKED AGRICULTURAL ASSESSMENT.

4. INSTALLMENT PAYMENTS. WHEN REAL PROPERTY TAXES ARE PAYABLE IN INSTALLMENTS PURSUANT TO LAW, THE TAX SAVINGS PROVIDED BY THIS SECTION SHALL BE APPLIED PROPORTIONALLY AGAINST THE RESPECTIVE INSTALLMENTS.

5. UNTIMELY PAYMENT OF TAXES. (A) WHEN TAXES ON PROPERTY SUBJECT TO AN AGRICULTURAL ASSESSMENT PURSUANT TO SECTION THREE HUNDRED FOUR-A OF THE AGRICULTURE AND MARKETS LAW ARE NOT PAID IN A TIMELY MANNER, INTEREST, PENALTIES AND ANY OTHER APPLICABLE CHARGES SHALL BE IMPOSED ONLY AGAINST THE BALANCE DUE AFTER THE TAX SAVINGS PROVIDED BY THIS SECTION HAVE BEEN DEDUCTED FROM THE TAXES OWED.

(B) WHEN A COUNTY, CITY OR TOWN IS REQUIRED BY ANY PROVISION OF THIS CHAPTER TO MAKE A PAYMENT TO A MUNICIPAL CORPORATION OR SPECIAL DISTRICT ON ACCOUNT OF UNPAID TAXES, THE TAX SAVINGS PROVIDED BY THIS SECTION SHALL BE DEDUCTED FROM THE AMOUNT SO PAYABLE.

6. INCONSISTENT LAWS SUPERSEDED. THE PROVISIONS OF THIS SECTION SHALL APPLY TO ALL MUNICIPAL CORPORATIONS AND SPECIAL DISTRICTS, NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY.

S 7. This act shall take effect immediately, except that sections one, two, four, five and six of this act shall take effect on the first of January next succeeding the date on which this act shall have become a law and shall apply to tax rolls completed on or after such date.