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

7577

2009-2010 Regular Sessions

I N A S S E M B L Y

April 16, 2009

Introduced by M. of A. BACALLES, O'MARA -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to exemption of capital improvements to multiple dwelling buildings in certain cities

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 421-l to read as follows:

S 421-L. EXEMPTION OF CAPITAL IMPROVEMENTS TO MULTIPLE DWELLING BUILDINGS WITHIN CERTAIN CITIES. 1. MULTIPLE DWELLING BUILDINGS, RECONSTRUCTED, ALTERED, CONVERTED BACK TO AN OWNER OCCUPIED SINGLE FAMILY DWELLING OR ANY OWNER OCCUPIED MULTIPLE DWELLING LOCATED IN ANY CITY HAVING A POPULATION OF: (A) MORE THAN THIRTY THOUSAND NINE HUNDRED INHABITANTS BUT LESS THAN THIRTY-ONE THOUSAND INHABITANTS; (B) MORE THAN NINE THOUSAND TEN INHABITANTS BUT LESS THAN NINE THOUSAND TWENTY INHABITANTS; OR (C) MORE THAN TEN THOUSAND EIGHT HUNDRED FORTY INHABITANTS BUT LESS THAN TEN THOUSAND EIGHT HUNDRED FIFTY INHABITANTS, DETERMINED IN ACCORDANCE WITH THE LATEST FEDERAL DECENNIAL CENSUS, THAT IS REDUCED TO AT MOST TWO UNITS BY SUCH RECONSTRUCTION SUBSEQUENT TO THE EFFECTIVE DATE OF A LOCAL LAW PURSUANT TO THIS SECTION SHALL BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES TO THE EXTENT PROVIDED HEREINAFTER. AFTER A PUBLIC HEARING, THE GOVERNING BOARD OF SUCH CITY MAY ADOPT A LOCAL LAW TO GRANT THE EXEMPTION AUTHORIZED PURSUANT TO THIS SECTION. A COPY OF SUCH LOCAL LAW SHALL BE FILED WITH THE STATE BOARD AND THE ASSESSOR OF SUCH CITY WHO PREPARES THE ASSESSMENT ROLL ON WHICH THE TAXES OF SUCH CITY ARE LEVIED.

2. (A) SUCH BUILDINGS WITHIN SUCH CITY SHALL BE EXEMPT FOR A PERIOD OF ONE YEAR TO THE EXTENT OF FIFTY PERCENT OF THE VALUE OF THE PROPERTY AFTER THE COMPLETION OF SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT AND FOR AN ADDITIONAL PERIOD OF NINE YEARS SUBJECT TO THE FOLLOWING:

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

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(I) THE EXTENT OF SUCH EXEMPTION SHALL BE DECREASED BY FIVE PERCENT OF THE VALUE OF THE PROPERTY AFTER THE COMPLETION OF SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT EACH YEAR DURING SUCH ADDITIONAL PERIOD.

(II) SUCH EXEMPTION SHALL BE LIMITED TO ONE HUNDRED THOUSAND DOLLARS, BUT NOT LESS THAN TEN THOUSAND DOLLARS AS MAY BE PROVIDED BY THE LOCAL LAW OR RESOLUTION, OF THE VALUE OF THE PROPERTY AFTER THE COMPLETION OF SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT.

(B) NO SUCH EXEMPTION SHALL BE GRANTED FOR RECONSTRUCTION, ALTERATIONS OR IMPROVEMENTS UNLESS:

(I) SUCH RECONSTRUCTION, ALTERATION OR CONVERTED IMPROVEMENT WAS COMMENCED SUBSEQUENT TO THE EFFECTIVE DATE OF THE LOCAL LAW ADOPTED PURSUANT TO SUBDIVISION ONE OF THIS SECTION BY SUCH CITY; AND

(II) THE VALUE OF SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT EXCEEDS FIVE THOUSAND DOLLARS; AND

(III) THE GREATER PORTION, AS SO DETERMINED BY SQUARE FOOTAGE, OF THE BUILDING RECONSTRUCTED, ALTERED OR IMPROVED IS AT LEAST FIVE YEARS OLD.

(C) FOR PURPOSES OF THIS SECTION THE TERMS RECONSTRUCTION, ALTERATION AND IMPROVEMENT SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

3. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OF SUCH BUILDING ON A FORM PRESCRIBED BY THE STATE BOARD. THE APPLICATION SHALL BE FILED WITH THE ASSESSOR OF SUCH CITY ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE OF SUCH CITY.

4. IF SATISFIED THAT THE APPLICANT IS ENTITLED TO AN EXEMPTION PURSUANT TO THIS SECTION, THE ASSESSOR SHALL APPROVE THE APPLICATION AND SUCH BUILDING SHALL THEREAFTER BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES AS PROVIDED IN THIS SECTION COMMENCING WITH THE ASSESSMENT ROLL PREPARED ON THE BASIS OF THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVISION THREE OF THIS SECTION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN.

5. FOR THE PURPOSES OF THIS SECTION, AN OWNER OCCUPIED MULTIPLE DWELLING BUILDING SHALL MEAN ANY BUILDING OR STRUCTURE DESIGNED AND OCCUPIED AS THE TEMPORARY OR PERMANENT RESIDENCE OR HOME OF TWO OR MORE FAMILIES, INCLUDING THE OWNER OF SUCH BUILDING.

6. IN THE EVENT THAT A BUILDING GRANTED AN EXEMPTION PURSUANT TO THIS SECTION CEASES TO BE USED PRIMARILY FOR RESIDENTIAL PURPOSES OR TITLE THERETO IS TRANSFERRED TO OTHER THAN THE HEIRS OR DISTRIBUTEES OF THE OWNER, THE EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

7. (A) THE ENACTMENT OF A LOCAL LAW IN SUCH CITY MAY:

(I) REDUCE THE PERCENT OF EXEMPTION OTHERWISE ALLOWED PURSUANT TO THIS SECTION;

(II) LIMIT ELIGIBILITY FOR THE EXEMPTION TO THOSE FORMS OF RECONSTRUCTION, ALTERATIONS OR IMPROVEMENTS AS ARE PRESCRIBED IN SUCH LOCAL LAW OR RESOLUTION.

(B) NO SUCH LOCAL LAW SHALL REDUCE OR REPEAL AN EXEMPTION GRANTED PURSUANT TO THIS SECTION UNTIL THE EXPIRATION OF THE PERIOD FOR WHICH SUCH EXEMPTION WAS GRANTED.

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.