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

3140

2009-2010 Regular Sessions

I N  S E N A T E

March 11, 2009

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs

AN ACT to amend the real property tax law and the administrative code of the city of New York, in relation to providing an alternative exemption to active members of the armed forces

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

Section 1. The section heading, paragraphs (c) and (d) of subdivision 1, paragraphs (b) and (c) of subdivision 2 and subdivision 8 of section 458-a of the real property tax law, the section heading as added by chapter 525 of the laws of 1984, paragraph (c) of subdivision 1 and paragraph (c) of subdivision 2 as amended by chapter 100 of the laws of 1988, paragraph (d) of subdivision 1 as amended by chapter 899 of the laws of 1985, paragraph (b) of subdivision 2 as amended by chapter 473 of the laws of 2004, and subdivision 8 as amended by chapter 503 of the laws of 2008, are amended to read as follows:

Veterans AND ACTIVE MEMBER OF THE ARMED FORCES; alternative exemption.

(c) "Qualified owner" means a veteran, the spouse of a veteran [or], the unremarried surviving spouse of a veteran, AN ACTIVE MEMBER OF THE ARMED FORCES, OR THE SPOUSE OF AN ACTIVE MEMBER OF THE ARMED FORCES. Where property is owned by more than one qualified owner, the exemption to which each is entitled may be combined. Where a veteran is also the unremarried surviving spouse of a veteran, such person may also receive any exemption to which the deceased spouse was entitled.

(d) "Qualifying residential real property" means property owned by a qualified owner which is used exclusively for residential purposes; provided however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation and the remaining portion only shall be entitled to the exemption provided by this

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

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section. Such property must be the primary residence of the veteran [or], unremarried surviving spouse of the veteran OR ACTIVE MEMBER OF THE ARMED FORCES, unless the veteran [or], unremarried surviving spouse OR ACTIVE MEMBER OF THE ARMED FORCES is absent from the property due to medical reasons or institutionalization. In the event the veteran dies and there is no unremarried surviving spouse, "qualifying residential real property" shall mean the primary residence owned by a qualified owner prior to death, provided that the title to the property becomes vested in the dependent father or mother or dependent child or children under twenty-one years of age of a veteran by virtue of devise by or descent from the deceased qualified owner, provided that the property is the primary residence of one or all of the devisees.

(b) In addition to the exemption provided by paragraph (a) of this subdivision, where the veteran OR ACTIVE MEMBER OF THE ARMED FORCES served in a combat theatre or combat zone of operations, as documented by the award of a United States campaign ribbon or service medal, or the armed forces expeditionary medal, navy expeditionary medal, marine corps expeditionary medal, or global war on terrorism expeditionary medal, qualifying residential real property also shall be exempt from taxation to the extent of ten percent of the assessed value of such property; provided, however, that such exemption shall not exceed eight thousand dollars or the product of eight thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the class ratio, whichever is less.

(c) In addition to the exemptions provided by paragraphs (a) and (b) of this subdivision, where the veteran OR ACTIVE MEMBER OF THE ARMED FORCES received a compensation rating from the United States veteran's administration or from the United States department of defense because of a service connected disability, qualifying residential real property shall be exempt from taxation to the extent of the product of the assessed value of such property multiplied by fifty percent of the veteran's disability rating; provided, however, that such exemption shall not exceed forty thousand dollars or the product of forty thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less. For purposes of this paragraph, where a person who served in the active military, naval or air service during a period of war died in service of a service connected disability, such person shall be deemed to have been assigned a compensation rating of one hundred percent.

8. Notwithstanding the provisions of paragraph (c) of subdivision one of this section and subdivision three of this section, the governing body of any municipality may, after public hearing, adopt a local law, ordinance or resolution providing that where a [veteran, the spouse of the veteran or unremarried surviving spouse] QUALIFIED OWNER, AS DEFINED IN THIS SECTION, already receiving an exemption pursuant to this section sells the property receiving the exemption and purchases property within the same city, town or village, the assessor shall transfer and prorate, for the remainder of the fiscal year, the exemption received. The prorated exemption shall be based upon the date the [veteran, the spouse of the veteran or unremarried surviving spouse] QUALIFIED OWNER obtains title to the new property and shall be calculated by multiplying the tax rate or rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate tax roll used for the fiscal year or years during which the transfer occurred times the previously granted exempt amount times the fraction of each fiscal year or years

remaining subsequent to the transfer of title. Nothing in this section shall be construed to remove the requirement that any such [veteran, the spouse of the veteran or unremarried surviving spouse] QUALIFIED OWNERS transferring an exemption pursuant to this subdivision shall reapply for the exemption authorized pursuant to this section on or before the following taxable status date, in the event such [veteran, the spouse of the veteran or unremarried surviving spouse] QUALIFIED OWNER wishes to receive the exemption in future fiscal years.

S 2. Subdivision 1 of section 458-a of the real property tax law is amended by adding a new paragraph (h) to read as follows:

(H) "ACTIVE MEMBER OF THE ARMED FORCES" MEANS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES ON ACTIVE DUTY, OTHER THAN FOR TRAINING, PURSUANT TO TITLE 10 OF THE UNITED STATES CODE.

S 3. Section 11-245.6 of the administrative code of the city of New York, as amended by local law number 136 of the city of New York for the year 2005, is amended to read as follows:

S 11-245.6 Alternative exemption for veterans AND ACTIVE MEMBERS OF THE ARMED FORCES; maximum exemptions allowable. Pursuant to subparagraph (ii) of paragraph (d) of subdivision two of section four hundred fifty-eight-a of the real property tax law, the city hereby increases the maximum exemptions allowable in paragraphs (a), (b) and (c) of subdivision two of section four hundred fifty-eight-a of the real property tax law. The maximum exemption allowable in such paragraph (a) shall be fifteen percent of the assessed value of the qualifying residential real property; provided, however, that such exemption shall not exceed fifty-four thousand dollars or the product of fifty-four thousand dollars multiplied by the latest class ratio, whichever is less. In addition to the exemption provided by such paragraph (a), as increased by this section, the maximum exemption allowable in such paragraph (b) shall be ten percent of the assessed value of the qualifying residential real property; provided, however, that such exemption shall not exceed thirty-six thousand dollars or the product of thirty-six thousand dollars multiplied by the latest class ratio, whichever is less. In addition to the exemptions provided by such paragraphs (a) and (b), as increased by this section, the maximum exemption allowable in such paragraph (c) shall be the product of the assessed value of the qualifying residential real property multiplied by fifty percent of the veteran's disability rating; provided, however, that such exemption shall not exceed one hundred eighty thousand dollars or the product of one hundred eighty thousand dollars multiplied by the latest class ratio, whichever is less. The maximum exemptions allowable in such paragraphs (a), (b) and (c), as increased by this section, shall not apply to any assessment roll completed and filed prior to the first day of January, two thousand six.

S 4. This act shall take effect immediately and shall apply to tax assessment rolls completed on or after January 1, 2009.