

3355

2009-2010 Regular Sessions

I N S E N A T E

March 17, 2009

Introduced by Sen. SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

AN ACT to amend the real property tax law, in relation to exemption of certain private homes from local taxation in cities with a population of one million or more

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 421-l to read as follows:

3 S 421-L. EXEMPTION OF CERTAIN PRIVATE HOMES FROM LOCAL TAXATION. 1.
4 FOR PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOW-
5 ING MEANINGS:

6 (A) "COMMENCE CONSTRUCTION" SHALL MEAN THAT THE AGENCY OR DEPARTMENT
7 OF THE CITY HAVING JURISDICTION HAS ISSUED A PERMIT FOR CONSTRUCTION OF
8 A PRIVATE HOME AND SUCH WORK HAS BEGUN IN GOOD FAITH IN ACCORDANCE WITH
9 SUCH PERMIT.

10 (B) "COMPLETE CONSTRUCTION" SHALL MEAN THAT THE AGENCY OR THE DEPART-
11 MENT OF THE CITY HAVING JURISDICTION HAS ISSUED A TEMPORARY OR PERMANENT
12 CERTIFICATE OF OCCUPANCY FOR ALL RESIDENTIAL AREAS OF THE PRIVATE HOME.

13 (C) "ELIGIBLE PROJECT" SHALL MEAN A NEWLY CONSTRUCTED PRIVATE HOME,
14 INCLUDING BOTH LAND AND IMPROVEMENTS, TO BE OCCUPIED AS A RESIDENCE FOR
15 THE FIRST TIME, WHICH COMMENCES CONSTRUCTION ON OR AFTER JULY FIRST, TWO
16 THOUSAND EIGHT AND ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND
17 THIRTEEN AND COMPLETES CONSTRUCTION NO LATER THAN DECEMBER THIRTY-FIRST,
18 TWO THOUSAND FIFTEEN, AND WHICH IS DESIGNED AND OCCUPIED EXCLUSIVELY FOR
19 RESIDENTIAL PURPOSES.

20 (D) "EXEMPTION COMMENCEMENT DATE" SHALL MEAN THE FIRST TAXABLE STATUS
21 DATE AFTER THE LATER TO OCCUR OF THE COMPLETION OF SUCH CONSTRUCTION OR
22 THE SALE TO THE INITIAL PURCHASER OR, IN THE CASE OF A PRIVATE HOME IN A
23 CONDOMINIUM FORM OF OWNERSHIP, THE FIRST TAXABLE STATUS DATE AFTER THE
24 LATER TO OCCUR OF THE COMPLETION OF SUCH CONSTRUCTION OR THE SALE TO THE

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

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1 FIRST INITIAL PURCHASER OF A CONDOMINIUM DWELLING UNIT IN SUCH PRIVATE
2 HOME.

3 (E) "INITIAL PURCHASER" SHALL MEAN THE FIRST PURCHASER OF A NEWLY
4 CONSTRUCTED PRIVATE HOME OR, IN THE CASE OF A PRIVATE HOME IN A CONDO-
5 MINIUM FORM OF OWNERSHIP, THE FIRST PURCHASER OF EACH DWELLING UNIT IN
6 SUCH NEWLY CONSTRUCTED PRIVATE HOME.

7 (F) "LOCAL HOUSING AGENCY" SHALL MEAN AN "AGENCY" AS DEFINED PURSUANT
8 TO SECTION SIX HUNDRED NINETY-TWO OF THE GENERAL MUNICIPAL LAW.

9 (G) "PURCHASE PRICE" SHALL MEAN THE ACTUAL PURCHASE PRICE TO BE PAID
10 FOR THE PRIVATE HOME BY THE INITIAL PURCHASER.

11 (H) "MAXIMUM PURCHASE PRICE" SHALL MEAN THE PURCHASE PRICE OF THE
12 PRIVATE HOME WHICH, IF EXCEEDED, WILL MAKE ANY EXEMPTION HEREUNDER
13 UNAVAILABLE.

14 (I) "MAXIMUM EXEMPTION AMOUNT" SHALL MEAN THE PORTION OF THE PURCHASE
15 PRICE TO BE EXEMPTED FROM TAXATION OF: (I) SIX HUNDRED SEVENTY-ONE THOU-
16 SAND DOLLARS IN THE CASE OF A PRIVATE HOME CONTAINING ONE DWELLING UNIT,
17 (II) SEVEN HUNDRED FIFTY-FIVE THOUSAND FIVE HUNDRED FORTY DOLLARS IN THE
18 CASE OF A PRIVATE HOME CONTAINING TWO DWELLINGS UNITS, (III) NINE
19 HUNDRED FOURTEEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS IN THE CASE OF A
20 PRIVATE HOME CONTAINING THREE DWELLING UNITS, AND (IV) FOUR HUNDRED
21 THOUSAND DOLLARS FOR EACH INDIVIDUAL CONDOMINIUM UNIT IN THE CASE OF
22 CONDOMINIUM FORM OF OWNERSHIP IN A PRIVATE HOME. THE MAXIMUM PURCHASE
23 PRICES PROVIDED IN SUBPARAGRAPHS (I), (II), (III) AND (IV) OF THIS PARA-
24 GRAPH SHALL BE THE LIMIT FOR THE APPLICATION OF ANY EXEMPTION FROM TAXA-
25 TION UNDER THIS SECTION. NO EXEMPTION SHALL BE AVAILABLE WHERE THE MAXI-
26 MUM PURCHASE PRICE EXEMPTION IS IN EXCESS OF NINE HUNDRED FIFTY THOUSAND
27 DOLLARS FOR A ONE, TWO, OR THREE FAMILY PRIVATE HOME OR FOUR HUNDRED
28 THOUSAND DOLLARS FOR AN INDIVIDUAL CONDOMINIUM UNIT.

29 (J) "MULTIPLE DWELLING" SHALL MEAN A MULTIPLE DWELLING WITHIN THE
30 MEANING OF SECTION FOUR OF THE MULTIPLE DWELLING LAW.

31 (K) "PRIVATE HOME" SHALL MEAN AN OWNER OCCUPIED PRIVATE OR MULTIPLE
32 DWELLING CONTAINING NOT MORE THAN THREE DWELLING UNITS, AS INDICATED ON
33 THE CERTIFICATE OF OCCUPANCY FOR SUCH STRUCTURE.

34 2. (A) WITHIN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, AN
35 ELIGIBLE PROJECT SHALL BE EXEMPT FROM ALL LOCAL AND MUNICIPAL TAXES,
36 OTHER THAN ASSESSMENTS FOR LOCAL IMPROVEMENTS, DURING THE TAX YEAR OR
37 YEARS NEXT FOLLOWING THE EXEMPTION COMMENCEMENT DATE AS FOLLOWS: (I)
38 WITH RESPECT TO PRIVATE HOMES CONTAINING LESS THAN THREE DWELLING UNITS,
39 TWO YEARS OF EXEMPTION FROM ALL SUCH TAXES; FOLLOWED BY ONE YEAR OF
40 EXEMPTION FROM SEVENTY-FIVE PERCENT OF SUCH TAXES; FOLLOWED BY ONE YEAR
41 OF EXEMPTION FROM SIXTY-TWO AND ONE-HALF PERCENT OF SUCH TAXES; FOLLOWED
42 BY ONE YEAR OF EXEMPTION FROM FIFTY PERCENT OF SUCH TAXES; FOLLOWED BY
43 ONE YEAR OF EXEMPTION FROM THIRTY-SEVEN AND ONE-HALF PERCENT OF SUCH
44 TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWENTY-FIVE PERCENT OF
45 SUCH TAXES; AND FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWELVE AND
46 ONE-HALF PERCENT OF SUCH TAXES, AND (II) WITH RESPECT TO PRIVATE HOMES
47 CONTAINING THREE DWELLING UNITS OR CONDOMINIUMS, ELEVEN YEARS OF
48 EXEMPTION FROM ALL SUCH TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM
49 EIGHTY PERCENT OF SUCH TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM
50 SIXTY PERCENT OF SUCH TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM
51 FORTY PERCENT OF SUCH TAXES; AND FOLLOWED BY ONE YEAR OF EXEMPTION FROM
52 TWENTY PERCENT OF SUCH TAXES.

53 (B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
54 SION, EXEMPTION FROM LOCAL AND MUNICIPAL TAXES UNDER THIS SECTION SHALL
55 NOT BE AVAILABLE TO THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH A
56 PRIVATE HOME IS CONSTRUCTED IF ANY PORTION OF SUCH TAX LOT (LAND AND

1 IMPROVEMENTS): (I) IS EXEMPT FROM LOCAL AND MUNICIPAL TAXES UNDER ANY
2 OTHER LAW; (II) CONTAINS A PRIVATE HOME THAT EXCEEDS THE MAXIMUM
3 PURCHASE PRICE OR AN INDIVIDUAL CONDOMINIUM UNIT THAT EXCEEDS A PURCHASE
4 PRICE OF FOUR HUNDRED THOUSAND DOLLARS; OR (III) PREVIOUSLY CONTAINED A
5 PRIVATE OR MULTIPLE DWELLING THAT HAS BEEN FULLY DEMOLISHED AND REMOVED
6 AND LESS THAN THREE YEARS HAVE ELAPSED BETWEEN THE DATE OF ISSUANCE OF
7 THE PERMIT AUTHORIZING SUCH DEMOLITION AND REMOVAL AND THE DATE THAT THE
8 NEW PRIVATE HOME COMMENCES CONSTRUCTION.

9 (C) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
10 SION, THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH THE PRIVATE HOME IS
11 CONSTRUCTED SHALL AT ALL TIMES BE SUBJECT TO LOCAL AND MUNICIPAL TAXES
12 IN AN AMOUNT NOT LESS THAN THE AMOUNT OF LOCAL AND MUNICIPAL TAXES THAT
13 WOULD BE PAYABLE THEREON BASED UPON THE ASSESSED VALUATION OF THE LAND
14 APPEARING ON THE ASSESSMENT ROLL IN THE FIRST YEAR AFTER COMPLETION OF
15 CONSTRUCTION.

16 3. (A) BASED ON THE CERTIFICATION OF THE LOCAL HOUSING AGENCY PURSUANT
17 TO THIS SECTION CERTIFYING ELIGIBILITY FOR EXEMPTION PURSUANT TO THIS
18 SECTION, THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK SHALL IMPLE-
19 MENT THE AMOUNT OF EXEMPTION FROM LOCAL AND MUNICIPAL TAXES.

20 (B) THE LOCAL HOUSING AGENCY MAY PROMULGATE RULES AND REGULATIONS TO
21 CARRY OUT THE PROVISIONS OF THIS SECTION AND MAY REQUIRE PAYMENT OF A
22 NON-REFUNDABLE FILING FEE IN THE AMOUNT OF TWO HUNDRED DOLLARS PER
23 DWELLING UNIT FOR EACH APPLICATION FOR TAX EXEMPTION PURSUANT TO THIS
24 SECTION.

25 (C) UPON A FINDING BY THE LOCAL HOUSING AGENCY OR BY ANOTHER AGENCY
26 DESIGNATED BY SUCH LOCAL HOUSING AGENCY THAT A PRIVATE HOME IS NOT BEING
27 USED FOR RESIDENTIAL PURPOSES, IS THE SUBJECT OF A VIOLATION FOR AN
28 ILLEGAL OCCUPANCY, OR IS NOT OWNER OCCUPIED, EXEMPTION FROM TAXATION
29 UNDER THIS SECTION SHALL BE REVOKED AND SHALL TERMINATE PROSPECTIVELY;
30 PROVIDED, HOWEVER, THAT IN THE CASE OF AN ILLEGAL OCCUPANCY, THE OWNER
31 SHALL REPAY ALL TAXES, WITH INTEREST, FROM WHICH SUCH PRIVATE HOME WAS
32 EXEMPTED AND SUCH AMOUNT, IF UNPAID, SHALL BECOME A TAX LIEN AGAINST THE
33 PROPERTY.

34 S 2. This act shall take effect immediately.