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

10369

I N A S S E M B L Y

May 24, 2012

Introduced by M. of A. ROSENTHAL -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to financial statements for assessments of condominiums, cooperative buildings and cooperative communities

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

Section 1. Subdivision 2 of section 581 of the real property tax law is amended by adding a new paragraph (f) to read as follows:

(F) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL FINANCIAL STATEMENTS PREPARED IN THE COURSE OF ASSESSING THE VALUE OF A CONDOMINIUM BUILDING, COOPERATIVE BUILDING OR COOPERATIVE COMMUNITY SHALL BE PREPARED USING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

(II) ALL FINANCIAL STATEMENTS PROVIDED ANNUALLY TO SHAREHOLDERS OR TO PROSPECTIVE PURCHASERS OF UNITS OR SHARES MUST BE PREPARED USING THE ACCRUAL BASIS OF ACCOUNTING.

(III) FOR PURPOSES OF THIS SUBDIVISION, "GENERALLY ACCEPTED ACCOUNTING PRINCIPLES" SHALL MEAN THE PRINCIPLES OF EITHER GOVERNMENTAL ACCOUNTING STANDARDS (GAS) OR GAAP AS SPECIFIED BY AUTHORITATIVE NATIONAL STANDARD-SETTING BODIES.

(IV) SHOULD INTERNATIONAL FINANCIAL REPORTING STANDARDS ACCOUNTING STANDARDS (IFRS) BE ADOPTED FOR USE IN THE UNITED STATES OF AMERICA BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, THESE SAME STANDARDS SHALL CONSTITUTE USING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR THE PURPOSE OF THIS SUBDIVISION.

(V) FOR THE PURPOSE OF THIS SECTION, CONDOMINIUM BUILDINGS, COOPERATIVE BUILDINGS OR COOPERATIVE COMMUNITIES WITH OVER TEN UNITS MUST HAVE THEIR FINANCIAL STATEMENTS ANNUALLY AUDITED BY A FULLY LICENSED NEW YORK STATE CERTIFIED PUBLIC ACCOUNTANT.

(VI) THE ATTORNEY GENERAL'S OFFICE SHALL HAVE THE APPROPRIATE AUTHORITY TO ENFORCE THE PROVISIONS OF THIS PARAGRAPH.

S 2. This act shall take effect immediately.

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

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