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

6710

2011-2012 Regular Sessions

I N A S S E M B L Y

March 25, 2011

Introduced by M. of A. TENNEY -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to the real property tax circuit breaker credit

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

Section 1. Subparagraph (E) of paragraph 1 of subsection (e) of section 606 of the tax law, as amended by chapter 105 of the laws of 2006, is amended to read as follows:

(E) "Qualifying real property taxes" means all real property taxes, special ad valorem levies and special assessments, AND MUNICIPAL USER FEES, exclusive of penalties and interest, levied on the residence of a qualified taxpayer and paid during the taxable year [less the credit claimed under subsection (n-1) of this section]. In addition, for taxable years beginning after December thirty-first, nineteen hundred eighty-four, a qualified taxpayer may elect to include any additional amount that would have been levied in the absence of an exemption from real property taxation pursuant to section four hundred sixty-seven of the real property tax law. If tenant-stockholders in a cooperative housing corporation have met the requirements of section two hundred sixteen of the internal revenue code by which they are allowed a deduction for real estate taxes, the amount of taxes so allowable, or which would be allowable if the taxpayer had filed returns on a cash basis, shall be qualifying real property taxes. If a residence is owned by two or more individuals as joint tenants or tenants in common, and one or more than one individual is not a member of the household, qualifying real property taxes is that part of such taxes on the residence which reflects the ownership percentage of the qualified taxpayer and members of his household. If a residence is an integral part of a larger unit, qualifying real property taxes shall be limited to that amount of such taxes paid as may be reasonably apportioned to such residence. If a household owns

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

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and occupies two or more residences during different periods in the same taxable year, qualifying real property taxes shall be the sum of the prorated qualifying real property taxes attributable to the household during the periods such household occupies each of such residences. If the household owns and occupies a residence for part of the taxable year and rents a residence for part of the same taxable year, it may include both the proration of qualifying real property taxes on the residence owned and the real property tax equivalent with respect to the months the residence is rented. Provided, however, for purposes of the credit allowed under this subsection, qualifying real property taxes may be included by a qualified taxpayer only to the extent that such taxpayer or the spouse of such taxpayer occupying such residence for six months or more of the taxable year owns or has owned the residence and paid such taxes.

S 2. Paragraph 1 of subsection (e) of section 606 of the tax law is amended by adding a new subparagraph (H) to read as follows:

(H) "MUNICIPAL USER FEES" MEANS ANY MUNICIPAL FEE CHARGED TO A QUALIFIED TAXPAYER FOR SERVICES PROVIDED BY A MUNICIPALITY INCLUDING, BUT NOT LIMITED TO FEES CHARGED FOR LIBRARY SERVICES, GARBAGE, FIRE PROTECTION, WATER AND SEWER. "MUNICIPAL USER FEES" SHALL NOT INCLUDE ANY RECREATIONAL FEES CHARGED BY A MUNICIPALITY, INCLUDING BUT NOT LIMITED TO FEES FOR THE USE OF A MUNICIPAL GOLF COURSE OR SWIMMING POOL THAT ARE IN ADDITION TO THE REAL PROPERTY TAX LEVY.

S 3. This act shall take effect immediately.