

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

8173

2011-2012 Regular Sessions

I N A S S E M B L Y

June 3, 2011

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

AN ACT to amend the real property tax law, in relation to a partial tax
exemption for new residential construction or improvements to quali-
fied residential structures in certain towns

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

1 Section 1. The real property tax law is amended by adding a new
2 section 421-1 to read as follows:
3 S 421-1. EXEMPTION OF NEW CONSTRUCTION AND IMPROVEMENTS TO RESIDENTIAL
4 BUILDINGS IN CERTAIN TOWNS. 1. RESIDENTIAL BUILDINGS SITUATED WITHIN A
5 TOWN WITH A POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED
6 NINETY-FOUR AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN,
7 SITUATED IN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED
8 NINETEEN THOUSAND FORTY AND NOT MORE THAN NINE HUNDRED NINETEEN THOUSAND
9 SIXTY, BASED UPON THE TWO THOUSAND FEDERAL CENSUS THAT HOUSE ONE TO
10 THREE FAMILIES AND WHICH HAVE BEEN NEWLY CONSTRUCTED OR IMPROVED SUBSE-
11 QUENT TO THE EFFECTIVE DATE OF A LOCAL LAW OR RESOLUTION PASSED BY THE
12 GOVERNING BOARD OF SUCH TOWN AFTER PUBLIC HEARING PURSUANT TO THIS
13 SECTION SHALL BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES TO
14 THE EXTENT PROVIDED HEREINAFTER. A COPY OF SUCH LOCAL LAW OR RESOLUTION
15 SHALL BE FILED WITH THE COMMISSIONER AND THE ASSESSOR OF SUCH TOWN.
16 2. SUCH RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE
17 YEAR TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE
18 THEREOF ATTRIBUTABLE TO SUCH CONSTRUCTION OR IMPROVEMENT AND FOR AN
19 ADDITIONAL PERIOD OF FOUR YEARS SUBJECT TO THE FOLLOWING:
20 (I) THE EXTENT OF SUCH EXEMPTION SHALL BE DECREASED BY TEN PER CENTUM
21 OF THE "EXEMPTION BASE" EACH YEAR DURING SUCH ADDITIONAL FOUR-YEAR PERI-
22 OD, SUCH THAT DURING YEAR TWO THERE SHALL BE AN EXEMPTION OF FORTY PER
23 CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, DURING
24 YEAR THREE THERE SHALL BE AN EXEMPTION OF THIRTY PER CENTUM OF THE

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

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1 INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, IN YEAR FOUR THERE
2 SHALL BE AN EXEMPTION OF TWENTY PER CENTUM OF THE INCREASE IN ASSESSED
3 VALUE THEREOF ATTRIBUTABLE AND IN YEAR FIVE THERE SHALL BE AN EXEMPTION
4 OF TEN PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUT-
5 ABLE;

6 (II) THE "EXEMPTION BASE" SHALL BE THE INCREASE IN ASSESSED VALUE DUE
7 TO NEW CONSTRUCTION OR IMPROVEMENTS AS DETERMINED BY THE ASSESSOR IN THE
8 INITIAL YEAR OF SUCH FIVE-YEAR PERIOD FOLLOWING THE FILING OF AN
9 ORIGINAL APPLICATION;

10 (III) A QUALIFIED IMPROVEMENT SHALL HAVE INCREASED THE ASSESSED VALUE
11 OF THE REAL PROPERTY BY AT LEAST TEN THOUSAND DOLLARS, WITH A MAXIMUM
12 PERMITTED EXEMPTION NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS;
13 AND

14 (IV) AN EXEMPTION FOR NEW CONSTRUCTION SHALL APPLY TO THE ASSESSED
15 VALUE OF THE REAL PROPERTY IN EXCESS OF ONE HUNDRED THOUSAND DOLLARS,
16 WITH A MAXIMUM PERMITTED EXEMPTION NOT TO EXCEED ONE HUNDRED FIFTY THOU-
17 SAND DOLLARS.

18 3. FOR PURPOSES OF THIS SECTION, "CONSTRUCTION" OR "IMPROVEMENT" SHALL
19 NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

20 4. EXEMPTIONS GRANTED PURSUANT TO THIS SECTION SHALL APPLY TO REAL
21 PROPERTY TAXES IMPOSED FOR TOWN, VILLAGE AND SCHOOL DISTRICT PURPOSES.

22 5. ANY OWNER OF A ONE TO THREE FAMILY RESIDENCE WITHIN A TOWN WITH A
23 POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED NINETY-FOUR
24 AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN, SITUATED IN A
25 COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED NINETEEN THOUSAND
26 FORTY AND NOT MORE THAN NINE HUNDRED NINETEEN THOUSAND SIXTY, BASED UPON
27 THE TWO THOUSAND FEDERAL CENSUS SHALL QUALIFY FOR AN EXEMPTION PURSUANT
28 TO THIS SECTION, INCLUDING OWNERS WHO DO NOT OCCUPY SUCH RESIDENCES,
29 INDIVIDUALS, PARTNERSHIPS AND LIMITED LIABILITY CORPORATIONS. EXEMPTIONS
30 GRANTED PURSUANT TO THIS SECTION ARE NOT TRANSFERABLE FROM OWNER TO
31 ANOTHER IF THE REAL PROPERTY IS SOLD OR TRANSFERRED DURING THE EXEMPTION
32 PERIOD.

33 6. NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

34 (A) SUCH NEW CONSTRUCTION OR IMPROVEMENT WAS COMMENCED SUBSEQUENT TO
35 THE EFFECTIVE DATE OF THE LOCAL LAW OR RESOLUTION ADOPTED BY SUCH TOWN
36 WITH A POPULATION OF NOT LESS THAN SEVENTEEN THOUSAND FIVE HUNDRED NINE-
37 TY-FOUR AND NOT MORE THAN SEVENTEEN THOUSAND SIX HUNDRED FOURTEEN, SITU-
38 ATED IN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED NINE-
39 TEEN THOUSAND FORTY AND NOT MORE THAN NINE HUNDRED NINETEEN THOUSAND
40 SIXTY, BASED UPON THE TWO THOUSAND FEDERAL CENSUS PURSUANT TO SUBDIVI-
41 SION ONE OF THIS SECTION;

42 (B) THE OWNER OF REAL PROPERTY APPLYING FOR SUCH EXEMPTION HAS SATIS-
43 FIED ALL OUTSTANDING TOWN, COUNTY AND SCHOOL TAX OBLIGATIONS; AND

44 (C) SUCH NEW CONSTRUCTION OR IMPROVEMENT IS DOCUMENTED BY A BUILDING
45 PERMIT, IF REQUIRED, FOR THE IMPROVEMENTS OR OTHER APPROPRIATE DOCUMEN-
46 TATION AS REQUIRED BY THE TOWN ASSESSOR AND/OR CODE ENFORCEMENT OFFICER.

47 7. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER
48 OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE COMMISSIONER. SUCH
49 APPLICATION SHALL BE FILED WITH THE ASSESSOR ON OR BEFORE THE APPROPRI-
50 ATE TAXABLE STATUS DATE OF SUCH TOWN AND WITHIN ONE YEAR AFTER THE DATE
51 OF COMPLETION OF SUCH CONSTRUCTION OR IMPROVEMENT.

52 8. IF SATISFIED THAT THE APPLICANT IS ENTITLED TO AN EXEMPTION PURSU-
53 ANT TO THIS SECTION, THE ASSESSOR SHALL APPROVE THE APPLICATION AND SUCH
54 BUILDING SHALL THEREAFTER BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM
55 LEVIES BY THE TOWN AS PROVIDED IN THIS SECTION COMMENCING WITH THE
56 ASSESSMENT ROLL PREPARED ON THE BASIS OF THE TAXABLE STATUS DATE

1 REFERRED TO IN SUBDIVISION SEVEN OF THIS SECTION. THE ASSESSOR SHALL
2 ENTER THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS
3 SECTION ON THE ASSESSMENT ROLL FOR THE TAXABLE PROPERTY, WITH THE AMOUNT
4 OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN.

5 9. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO
6 THIS SECTION CEASES TO BE USED PRIMARILY FOR ELIGIBLE PURPOSES, THE
7 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

8 10. SUCH TOWN SHALL BE PERMITTED BY LOCAL LAW TO REDUCE THE PERCENTAGE
9 OF EXEMPTION OTHERWISE ALLOWABLE BY SUBDIVISION TWO OF THIS SECTION OR
10 INCREASE THE REQUIRED MINIMUM ASSESSED VALUES SET FORTH IN PARAGRAPHS
11 (III) AND (IV) OF SUBDIVISION TWO OF THIS SECTION, PROVIDED THAT A
12 PROJECT IN THE COURSE OF CONSTRUCTION OR IMPROVEMENT SHALL NOT BE
13 SUBJECT TO SUCH AMENDMENTS.

14 S 2. This act shall take effect immediately.