

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

8199--A

2011-2012 Regular Sessions

I N A S S E M B L Y

June 6, 2011

Introduced by M. of A. V. LOPEZ, CUSICK, TOBACCO -- read once and referred to the Committee on Real Property Taxation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to exemption of newly constructed 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 ON OR BEFORE APRIL FIRST, TWO THOUSAND FOURTEEN.
10 (B) "COMPLETE CONSTRUCTION" SHALL MEAN THAT THE AGENCY OR DEPARTMENT
11 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 TEN AND ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND FOUR-
17 TEEN, AND COMPLETES CONSTRUCTION NO LATER THAN DECEMBER THIRTY-FIRST,
18 TWO THOUSAND SIXTEEN, 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

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

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1 CONDOMINIUM FORM OF OWNERSHIP, THE FIRST TAXABLE STATUS DATE AFTER THE
2 LATER TO OCCUR OF THE COMPLETION OF SUCH CONSTRUCTION OR THE SALE TO THE
3 FIRST INITIAL PURCHASER OF A CONDOMINIUM DWELLING UNIT IN SUCH PRIVATE
4 HOME.

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

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

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

13 (H) "MAXIMUM PURCHASE PRICE" SHALL MEAN THE PURCHASE PRICE OF A
14 PRIVATE HOME WHICH, IF EXCEEDED, WILL MAKE ANY EXEMPTION PURSUANT TO
15 THIS SECTION UNAVAILABLE.

16 (I) "MAXIMUM PURCHASE PRICE LIMITS" SHALL BE AS DEFINED BY THE STATE
17 OF NEW YORK MORTGAGE AGENCY LOW INTEREST RATE MORTGAGE PROGRAM IN THE
18 NON-TARGET CATEGORY FOR THE COUNTY WHERE SUCH PROPERTY IS LOCATED, OR IN
19 THE CASE OF AN INDIVIDUAL CONDOMINIUM UNIT, FOUR HUNDRED THOUSAND
20 DOLLARS.

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

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

26 2. (A) WITHIN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, AN
27 ELIGIBLE PROJECT SHALL BE EXEMPT FROM ALL LOCAL AND MUNICIPAL TAXES,
28 OTHER THAN ASSESSMENTS FOR LOCAL IMPROVEMENTS, DURING THE TAX YEAR OR
29 YEARS NEXT FOLLOWING THE EXEMPTION COMMENCEMENT DATE AS FOLLOWS: WITH
30 RESPECT TO PRIVATE HOMES CONTAINING LESS THAN FOUR DWELLING UNITS, TWO
31 YEARS OF EXEMPTION FROM ALL SUCH TAXES; FOLLOWED BY ONE YEAR OF
32 EXEMPTION FROM SEVENTY-FIVE PERCENT OF SUCH TAXES; FOLLOWED BY ONE YEAR
33 OF EXEMPTION FROM SIXTY-TWO AND ONE-HALF PERCENT OF SUCH TAXES; FOLLOWED
34 BY ONE YEAR OF EXEMPTION FROM FIFTY PERCENT OF SUCH TAXES; FOLLOWED BY
35 ONE YEAR OF EXEMPTION FROM THIRTY-SEVEN AND ONE-HALF PERCENT OF SUCH
36 TAXES; FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWENTY-FIVE PERCENT OF
37 SUCH TAXES; AND FOLLOWED BY ONE YEAR OF EXEMPTION FROM TWELVE AND
38 ONE-HALF PERCENT OF SUCH TAXES.

39 (B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
40 SION, EXEMPTION FROM LOCAL AND MUNICIPAL TAXES UNDER THIS SECTION SHALL
41 NOT BE AVAILABLE TO THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH A
42 PRIVATE HOME IS CONSTRUCTED IF ANY PORTION OF SUCH TAX LOT (LAND AND
43 IMPROVEMENTS): (I) IS EXEMPT FROM LOCAL AND MUNICIPAL TAXES UNDER ANY
44 OTHER PROVISION OF LAW; OR (II) CONTAINS A PRIVATE HOME THAT EXCEEDS THE
45 MAXIMUM PURCHASE PRICE OR AN INDIVIDUAL CONDOMINIUM UNIT THAT EXCEEDS A
46 PURCHASE PRICE OF FOUR HUNDRED THOUSAND DOLLARS; OR (III) PREVIOUSLY
47 CONTAINED A PRIVATE OR MULTIPLE DWELLING THAT HAS BEEN FULLY DEMOLISHED
48 OR REMOVED, AND LESS THAN THREE YEARS HAVE ELAPSED BETWEEN THE DATE OF
49 ISSUANCE OF THE PERMIT AUTHORIZING SUCH DEMOLITION AND REMOVAL AND THE
50 DATE THAT THE NEW PRIVATE HOME COMMENCES CONSTRUCTION.

51 (C) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVI-
52 SION, THE TAX LOT (LAND AND IMPROVEMENTS) UPON WHICH THE PRIVATE HOME IS
53 CONSTRUCTED SHALL AT ALL TIMES BE SUBJECT TO LOCAL AND MUNICIPAL TAXES
54 IN AN AMOUNT NOT LESS THAN THE AMOUNT OF LOCAL AND MUNICIPAL TAXES THAT
55 WOULD BE PAYABLE THEREON BASED UPON THE ASSESSED VALUATION OF THE LAND

1 APPEARING ON THE ASSESSMENT ROLL IN THE FIRST YEAR AFTER COMPLETION OF
2 CONSTRUCTION.

3 3. (A) BASED ON THE CERTIFICATION OF THE LOCAL HOUSING AGENCY PURSUANT
4 TO THIS SECTION CERTIFYING ELIGIBILITY FOR EXEMPTION PURSUANT TO THIS
5 SECTION, THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK SHALL IMPE-
6 MENT THE AMOUNT OF EXEMPTION FROM LOCAL AND MUNICIPAL TAXES.

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

12 (C) UPON A FINDING BY THE LOCAL HOUSING AGENCY OR BY ANOTHER AGENCY
13 DESIGNATED BY SUCH LOCAL HOUSING AGENCY THAT A PRIVATE HOME IS NOT BEING
14 USED FOR RESIDENTIAL PURPOSES, IS THE SUBJECT OF A VIOLATION FOR AN
15 ILLEGAL OCCUPANCY, OR NOT OWNER OCCUPIED, EXEMPTION FROM TAXATION UNDER
16 THIS SECTION SHALL BE REVOKED AND SHALL TERMINATE PROSPECTIVELY;
17 PROVIDED, HOWEVER, THAT IN THE CASE OF AN ILLEGAL OCCUPANCY, THE OWNER
18 SHALL REPAY ALL TAXES, WITH INTEREST, FROM WHICH SUCH PRIVATE HOME WAS
19 EXEMPTED AND SUCH AMOUNT, IF UNPAID, SHALL BECOME A TAX LIEN AGAINST THE
20 PROPERTY.

21 S 2. This act shall take effect immediately, and no exemption shall be
22 allowed pursuant to this act for any construction which is commenced
23 after April 1, 2014.