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

8208

2011-2012 Regular Sessions

I N A S S E M B L Y

June 6, 2011

Introduced by M. of A. THIELE -- Multi-Sponsored by -- M. of A. CROUCH, SPANO -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to exempting the retroactive payment of social security benefits from consideration as income for purposes of the real property tax exemption granted to persons with disabilities and limited incomes

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

Section 1. Paragraph (a) of subdivision 5 of section 459-c of the real property tax law, as separately amended by chapters 187 and 252 of the laws of 2006, is amended to read as follows:

(a) if the income of the owner or the combined income of the owners of the property for the income tax year immediately preceding the date of making application for exemption exceeds the sum of three thousand dollars, or such other sum not less than three thousand dollars nor more than twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, and twenty-nine thousand dollars beginning July first, two thousand nine, as may be provided by the local law or resolution adopted pursuant to this section. Income tax year shall mean the twelve month period for which the owner or owners filed a federal personal income tax return, or if no such return is filed, the calendar year. Where title is vested in either the husband or the wife, their combined income may not exceed such sum, except where the husband or wife, or ex-husband or ex-wife is absent from the property due to divorce, legal separation or abandonment, then only the income of the spouse or ex-spouse residing on the property shall be considered and may not exceed such sum. Such income shall include social security and retirement benefits, interest, dividends, total gain from the sale or exchange of a capital asset which may

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

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be offset by a loss from the sale or exchange of a capital asset in the same income tax year, net rental income, salary or earnings, and net income from self-employment, but shall not include a return of capital, gifts, inheritances or monies earned through employment in the federal foster grandparent program and any such income shall be offset by all medical and prescription drug expenses actually paid which were not reimbursed or paid for by insurance, if the governing board of a municipality, after a public hearing, adopts a local law or resolution providing therefor. FURTHERMORE, SUCH INCOME SHALL NOT INCLUDE ANY RETROACTIVE PAYMENT OF SOCIAL SECURITY BENEFITS MADE DURING AN INCOME TAX YEAR, NOR SHALL ANY SUCH PAYMENT BE DEEMED TO BE INCOME IN THE INCOME TAX YEAR OR YEARS IN WHICH THE PAYMENTS ACCRUED. In computing net rental income and net income from self-employment no depreciation deduction shall be allowed for the exhaustion, wear and tear of real or personal property held for the production of income;

S 2. This act shall take effect immediately.