

5900--C

2011-2012 Regular Sessions

I N S E N A T E

October 3, 2011

Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Housing, Construction and Community Development in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- 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 restoration of tax exemption benefits to high density zoning districts, tax exemption benefits for new multiple dwellings and an exemption for certain multiple dwellings

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

1 Section 1. Subdivision 2 of section 421-a of the real property tax
2 law is amended by adding a new paragraph (j) to read as follows:
3 (J) THE PROVISIONS OF SUBDIVISION (C) OF SECTION 11-245 OF THE ADMIN-
4 ISTRATIVE CODE OF THE CITY OF NEW YORK SHALL NOT BE APPLICABLE TO ANY
5 MULTIPLE DWELLING FOR WHICH CONSTRUCTION COMMENCED ON OR AFTER OCTOBER
6 FIRST, NINETEEN HUNDRED NINETY-THREE. THE PROVISIONS OF THIS PARAGRAPH
7 SHALL BE DEEMED TO APPLY AND TO HAVE BEEN IN FULL FORCE AND EFFECT ON
8 AND AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND SEVEN.
9 S 2. Subparagraph (i) of paragraph (a) of subdivision 2 of section
10 421-a of the real property tax law, as amended by section 38 of part B
11 of chapter 97 of the laws of 2011, is amended to read as follows:
12 (i) Within a city having a population of one million or more, new
13 multiple dwellings, except hotels, shall be exempt from taxation for
14 local purposes, other than assessments for local improvements, for the
15 tax year or years immediately following taxable status dates occurring
16 subsequent to the commencement and prior to the completion of

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

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1 construction, but not to exceed three such tax years, [except for new
 2 multiple dwellings the construction of which commenced between January
 3 first, two thousand seven, and June thirtieth, two thousand nine, shall
 4 have an additional thirty-six months to complete construction and shall
 5 be eligible for full exemption from taxation for the first three years
 6 of the period of construction; any eligible project that seeks to
 7 utilize the six-year period of construction authorized by this section
 8 must apply for a preliminary certificate of eligibility within one year
 9 of the effective date of the rent act of 2011, provided, however that
 10 such multiple dwellings shall be eligible for a maximum of three years
 11 of benefits during the construction period,] and shall continue to be
 12 exempt from such taxation in tax years immediately following the taxable
 13 status date first occurring after the expiration of the exemption herein
 14 conferred during construction so long as used at the completion of
 15 construction for dwelling purposes for a period not to exceed ten years
 16 in the aggregate after the taxable status date immediately following the
 17 completion thereof, as follows:

18 (A) except as otherwise provided herein there shall be full exemption
 19 from taxation during the period of construction or the period of three
 20 years immediately following commencement of construction, whichever
 21 expires sooner, [except for new multiple dwellings the construction of
 22 which commenced between January first, two thousand seven, and June
 23 thirtieth, two thousand nine, shall have an additional thirty-six months
 24 to complete construction and shall be eligible for full exemption from
 25 taxation for the first three years of the period of construction; any
 26 eligible project that seeks to utilize the six-year period of
 27 construction authorized by this section must apply for a preliminary
 28 certificate of eligibility within one year of the effective date of the
 29 rent act of 2011, provided, however that such multiple dwellings shall
 30 be eligible for a maximum of three years of benefits during the
 31 construction period,] and for two years following such period;

32 (B) followed by two years of exemption from eighty per cent of such
 33 taxation;

34 (C) followed by two years of exemption from sixty per cent of such
 35 taxation;

36 (D) followed by two years of exemption from forty per cent of such
 37 taxation;

38 (E) followed by two years of exemption from twenty per cent of such
 39 taxation;

40 The following table shall illustrate the computation of the tax
 41 exemption:

42 CONSTRUCTION OF CERTAIN MULTIPLE DWELLINGS

43		Exemption
44	During Construction (maximum three years)[;]	100%
45	[except construction commenced between January	
46	first, two thousand seven and June	
47	thirtieth, two thousand nine (maximum	
48	three years)]	
49	Following completion of work	
50	Year:	

51	1	100%
52	2	100
53	3	80

1	4	80
2	5	60
3	6	60
4	7	40
5	8	40
6	9	20

8 S 3. Clause (A) of subparagraph (ii) of paragraph (a) of subdivision 2
9 of section 421-a of the real property tax law, as amended by section 39
10 of part B of chapter 97 of the laws of 2011, is amended to read as
11 follows:

12 (A) Within a city having a population of one million or more the local
13 housing agency may adopt rules and regulations providing that except in
14 areas excluded by local law new multiple dwellings, except hotels, shall
15 be exempt from taxation for local purposes, other than assessments for
16 local improvements, for the tax year or years immediately following
17 taxable status dates occurring subsequent to the commencement and prior
18 to the completion of construction, but not to exceed three such tax
19 years, [except for new multiple dwellings the construction of which
20 commenced between January first, two thousand seven, and June thirtieth,
21 two thousand nine, shall have an additional thirty-six months to
22 complete construction and shall be eligible for full exemption from
23 taxation for the first three years of the period of construction; any
24 eligible project that seeks to utilize the six-year period of
25 construction authorized by this section must apply for a preliminary
26 certificate of eligibility within one year of the effective date of the
27 rent act of 2011, provided, however that such multiple dwellings shall
28 be eligible for a maximum of three years of benefits during the
29 construction period,] and shall continue to be exempt from such taxation
30 in tax years immediately following the taxable status date first occur-
31 ring after the expiration of the exemption herein conferred during such
32 construction so long as used at the completion of construction for
33 dwelling purposes for a period not to exceed fifteen years in the aggre-
34 gate, as follows:

35 a. except as otherwise provided herein there shall be full exemption
36 from taxation during the period of construction or the period of three
37 years immediately following commencement of construction, whichever
38 expires sooner, [except for new multiple dwellings the construction of
39 which commenced between January first, two thousand seven, and June
40 thirtieth, two thousand nine, shall have an additional thirty-six months
41 to complete construction and shall be eligible for full exemption from
42 taxation for the first three years of the period of construction; any
43 eligible project that seeks to utilize the six-year period of
44 construction authorized by this section must apply for a preliminary
45 certificate of eligibility within one year of the effective date of the
46 rent act of 2011, provided, however that such multiple dwellings shall
47 be eligible for a maximum of three years of benefits during the
48 construction period,] and for eleven years following such period;

49 b. followed by one year of exemption from eighty percent of such taxa-
50 tion;

51 c. followed by one year of exemption from sixty percent of such taxa-
52 tion;

53 d. followed by one year of exemption from forty percent of such taxa-
54 tion;

1 e. followed by one year of exemption from twenty percent of such taxa-
2 tion.

3 S 4. Clause (A) of subparagraph (iii) of paragraph (a) of subdivision
4 2 of section 421-a of the real property tax law, as amended by section
5 40 of part B of chapter 97 of the laws of 2011, is amended to read as
6 follows:

7 (A) Within a city having a population of one million or more the local
8 housing agency may adopt rules and regulations providing that new multi-
9 ple dwellings, except hotels, shall be exempt from taxation for local
10 purposes, other than assessments for local improvements, for the tax
11 year or years immediately following taxable status dates occurring
12 subsequent to the commencement and prior to the completion of
13 construction, but not to exceed three such tax years, [except for new
14 multiple dwellings the construction of which commenced between January
15 first, two thousand seven, and June thirtieth, two thousand nine, shall
16 have an additional thirty-six months to complete construction and shall
17 be eligible for full exemption from taxation for the first three years
18 of the period of construction; any eligible project that seeks to
19 utilize the six-year period of construction authorized by this section
20 must apply for a preliminary certificate of eligibility within one year
21 of the effective date of the rent act of 2011, provided, however that
22 such multiple dwellings shall be eligible for a maximum of three years
23 of benefits during the construction period,] and shall continue to be
24 exempt from such taxation in tax years immediately following the taxable
25 status date first occurring after the expiration of the exemption herein
26 conferred during such construction so long as used at the completion of
27 construction for dwelling purposes for a period not to exceed twenty-
28 five years in the aggregate, provided that the area in which the project
29 is situated is a neighborhood preservation program area as determined by
30 the local housing agency as of June first, nineteen hundred eighty-five,
31 or is a neighborhood preservation area as determined by the New York
32 city planning commission as of June first, nineteen hundred eighty-five,
33 or is an area that was eligible for mortgage insurance provided by the
34 rehabilitation mortgage insurance corporation as of May first, nineteen
35 hundred ninety-two or is an area receiving funding for a neighborhood
36 preservation project pursuant to the neighborhood reinvestment corpo-
37 ration act (42 U.S.C. SS180 et seq.) as of June first, nineteen hundred
38 eighty-five, as follows:

39 a. except as otherwise provided herein there shall be full exemption
40 from taxation during the period of construction or the period of three
41 years immediately following commencement of construction, whichever
42 expires sooner, [except for new multiple dwellings the construction of
43 which commenced between January first, two thousand seven, and June
44 thirtieth, two thousand nine, shall have an additional thirty-six months
45 to complete construction and shall be eligible for full exemption from
46 taxation for the first three years of the period of construction; any
47 eligible project that seeks to utilize the six-year period of
48 construction authorized by this section must apply for a preliminary
49 certificate of eligibility within one year of the effective date of the
50 rent act of 2011, provided, however that such multiple dwellings shall
51 be eligible for a maximum of three years of benefits during the
52 construction period,] and for twenty-one years following such period;

53 b. followed by one year of exemption from eighty percent of such taxa-
54 tion;

55 c. followed by one year of exemption from sixty percent of such taxa-
56 tion;

1 d. followed by one year of exemption from forty percent of such taxa-
2 tion;

3 e. followed by one year of exemption from twenty percent of such taxa-
4 tion.

5 S 5. This act shall take effect immediately; except that section one
6 of this act shall be deemed to have been in full force and effect on and
7 after December 31, 2007; and provided that with respect to any applica-
8 tion for a preliminary certificate of eligibility that is filed no later
9 than June 24, 2012, or that is filed for a project that was the subject
10 of mortgage foreclosure proceedings or other lien enforcement litigation
11 by a lender on or before June 24, 2012, such project shall be subject to
12 that portion of the definition of "commence" contained in item (1) of
13 clause (iv) of subparagraph (2) of paragraph (b) of subdivision (a) of
14 section 6-09 of title twenty-eight of the rules of the city of New York.