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I N S E N A T E

February 23, 2012

Introduced by Sen. LANZA -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs

AN ACT to amend the real property tax law, in relation to real property tax exemptions for property in cities having a population of one million or more and owned by certain veterans or their family members

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

1 Section 1. Paragraphs 2 and 3 of subdivision 1 of section 458 of the
2 real property tax law, paragraph 2 as amended by chapter 488 of the laws
3 of 1998 and paragraph 3 as amended by chapter 733 of the laws of 1959,
4 are amended to read as follows:
5 (2) Except as provided in subdivision five of this section, no such
6 exemption on account of eligible funds paid on account of military or
7 naval services rendered by an individual shall be allowed in excess of
8 five thousand dollars; PROVIDED, HOWEVER, IN A CITY WITH A POPULATION OF
9 ONE MILLION OR MORE, NO EXEMPTION ON ACCOUNT OF ANY GIFT SHALL BE
10 ALLOWED IN EXCESS OF TWO THOUSAND DOLLARS. For the purposes of this
11 subdivision any established exemption, or newly claimed exemption, or an
12 aggregate thereof, as the case may be, in excess of any multiple of
13 fifty dollars shall be regarded as being the nearest multiple of fifty
14 dollars and allowed in such amount. If the amount of such exemption has
15 no nearest multiple of fifty dollars, it shall be regarded as being the
16 next higher multiple of fifty dollars and allowed in such amount. The
17 mingling of such eligible funds with other funds or their retention by
18 the United States for insurance premiums shall not bar the granting of a
19 claim for such exemption.
20 (3) If the assessors are satisfied that the applicant is entitled to
21 any exemption, they shall make appropriate entries upon the assessment-
22 roll opposite the description of such property and subtract the total
23 amount of such exemption from the total amount assessed pursuant to the
24 provisions of paragraph one of this subdivision. Such entries shall be
25 made and continued in each assessment of the property so long as it is
26 exempt from taxation for any purpose. Such real property, to the extent

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

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1 of the exemption entered by the assessors, shall be exempt from state,
2 county and general municipal taxation, but shall be taxable for local
3 school purposes; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE
4 MILLION OR MORE, SUCH REAL PROPERTY, TO THE EXTENT OF THE EXEMPTION
5 ENTERED BY THE ASSESSORS, SHALL BE EXEMPT FROM STATE, COUNTY AND GENERAL
6 MUNICIPAL TAXATION AND SHALL NOT BE TAXABLE FOR LOCAL SCHOOL PURPOSES.
7 The provisions herein, relating to the assessment and exemption of prop-
8 erty purchased with eligible funds apply and shall be enforced in each
9 municipal corporation authorized to levy taxes.

10 S 2. Subdivision 2 of section 458 of the real property tax law, as
11 amended by chapter 63 of the laws of 1976, is amended to read as
12 follows:

13 2. Real property purchased with moneys collected by popular
14 subscription in partial recognition of extraordinary services rendered
15 by any honorably discharged veteran of world war one, world war two, or
16 of the hostilities which commenced June twenty-seventh, nineteen hundred
17 fifty, who sustained permanent disability while on military duty, either
18 total or partial, and owned by the person who sustained such injuries,
19 or by his or her spouse or unremarried surviving spouse, or dependent
20 father or mother, is subject to taxation as herein provided. Such prop-
21 erty shall be assessed in the same manner as other real property in the
22 tax district. At the meeting of the assessors to hear complaints
23 concerning the assessments, a verified application for the exemption of
24 such real property from taxation may be presented to them by or on
25 behalf of the owner thereof, which application must show the facts on
26 which the exemption is claimed, including the amount of moneys so raised
27 and used in or toward the purchase of such property. No exemption on
28 account of any such gift shall be allowed in excess of five thousand
29 dollars; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION
30 OR MORE, NO EXEMPTION ON ACCOUNT OF ANY GIFT SHALL BE ALLOWED IN EXCESS
31 OF TWO THOUSAND DOLLARS. The application for exemption shall be
32 presented and action thereon taken in the manner provided by subdivision
33 one of this section. If no application for exemption be granted, the
34 property shall be subject to taxation for all purposes. The provisions
35 herein, relating to the assessment and exemption of property purchased
36 with moneys raised by popular subscription, apply and shall be enforced
37 in each municipal corporation authorized to levy taxes.

38 S 3. Subdivision 2 of section 458-a of the real property tax law, as
39 added by chapter 525 of the laws of 1984, paragraph (a) as amended by
40 chapter 899 of the laws of 1985, paragraph (b) as amended by chapter 473
41 of the laws of 2004, paragraph (c) as amended by chapter 100 of the laws
42 of 1988, subparagraph (ii) of paragraph (d) as amended by chapter 256 of
43 the laws of 2005 and as further amended by subdivision (b) of section 1
44 of part W of chapter 56 of the laws of 2010, is amended to read as
45 follows:

46 2. (a) Qualifying residential real property shall be exempt from taxa-
47 tion to the extent of fifteen percent of the assessed value of such
48 property; provided, however, that such exemption shall not exceed twelve
49 thousand dollars or the product of twelve thousand dollars multiplied by
50 the latest state equalization rate for the assessing unit, or in the
51 case of a special assessing unit, the latest class ratio, whichever is
52 less; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR
53 MORE, QUALIFYING RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FROM TAXATION
54 TO THE EXTENT OF SIX PERCENT OF THE ASSESSED VALUE OF SUCH PROPERTY;
55 PROVIDED, FURTHER, THAT SUCH EXEMPTION SHALL NOT EXCEED FOUR THOUSAND

1 EIGHT HUNDRED DOLLARS OR THE PRODUCT OF FOUR THOUSAND EIGHT HUNDRED
2 DOLLARS MULTIPLIED BY THE LATEST CLASS RATIO, WHICHEVER IS LESS.

3 (b) In addition to the exemption provided by paragraph (a) of this
4 subdivision, where the veteran served in a combat theatre or combat zone
5 of operations, as documented by the award of a United States campaign
6 ribbon or service medal, or the armed forces expeditionary medal, navy
7 expeditionary medal, marine corps expeditionary medal, or global war on
8 terrorism expeditionary medal, qualifying residential real property also
9 shall be exempt from taxation to the extent of ten percent of the
10 assessed value of such property; provided, however, that such exemption
11 shall not exceed eight thousand dollars or the product of eight thousand
12 dollars multiplied by the latest state equalization rate for the assess-
13 ing unit, or in the case of a special assessing unit, the class ratio,
14 whichever is less; PROVIDED FURTHER, THAT, IN ANY CITY WITH A POPULATION
15 OF ONE MILLION OR MORE, WHERE THE VETERAN SERVED IN A COMBAT THEATRE OR
16 COMBAT ZONE OF OPERATIONS, AS DOCUMENTED BY THE AWARD OF A UNITED STATES
17 CAMPAIGN RIBBON OR SERVICE MEDAL, OR THE ARMED FORCES EXPEDITIONARY
18 MEDAL, NAVY EXPEDITIONARY MEDAL, MARINE CORPS EXPEDITIONARY MEDAL, OR
19 GLOBAL WAR ON TERRORISM EXPEDITIONARY MEDAL, QUALIFYING RESIDENTIAL REAL
20 PROPERTY ALSO SHALL BE EXEMPT FROM TAXATION TO THE EXTENT OF FOUR
21 PERCENT OF THE ASSESSED VALUE OF SUCH PROPERTY; PROVIDED FURTHER, THAT
22 SUCH EXEMPTION SHALL NOT EXCEED THREE THOUSAND TWO HUNDRED DOLLARS OR
23 THE PRODUCT OF THREE THOUSAND TWO HUNDRED DOLLARS MULTIPLIED BY THE
24 CLASS RATIO, WHICHEVER IS LESS.

25 (c) In addition to the exemptions provided by paragraphs (a) and (b)
26 of this subdivision, where the veteran received a compensation rating
27 from the United States veteran's administration or from the United
28 States department of defense because of a service connected disability,
29 qualifying residential real property shall be exempt from taxation to
30 the extent of the product of the assessed value of such property multi-
31 plied by fifty percent of the veteran's disability rating; provided,
32 however, that such exemption shall not exceed forty thousand dollars or
33 the product of forty thousand dollars multiplied by the latest state
34 equalization rate for the assessing unit, or in the case of a special
35 assessing unit, the latest class ratio, whichever is less. For purposes
36 of this paragraph, where a person who served in the active military,
37 naval or air service during a period of war died in service of a service
38 connected disability, such person shall be deemed to have been assigned
39 a compensation rating of one hundred percent; PROVIDED, HOWEVER, IN ANY
40 CITY WITH A POPULATION OF ONE MILLION OR MORE, IN ADDITION TO THE
41 EXEMPTIONS PROVIDED BY PARAGRAPHS (A) AND (B) OF THIS SUBDIVISION, WHERE
42 THE VETERAN RECEIVED A COMPENSATION RATING FROM THE UNITED STATES VETER-
43 AN'S ADMINISTRATION OR FROM THE UNITED STATES DEPARTMENT OF DEFENSE
44 BECAUSE OF A SERVICE CONNECTED DISABILITY, QUALIFYING RESIDENTIAL REAL
45 PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT OF THE PRODUCT OF
46 THE ASSESSED VALUE OF SUCH PROPERTY MULTIPLIED BY TWENTY PERCENT OF THE
47 VETERAN'S DISABILITY RATING; PROVIDED FURTHER, THAT SUCH EXEMPTION SHALL
48 NOT EXCEED SIXTEEN THOUSAND DOLLARS OR THE PRODUCT OF SIXTEEN THOUSAND
49 DOLLARS MULTIPLIED BY THE LATEST CLASS RATIO, WHICHEVER IS LESS.

50 (d) Limitations. (i) The exemption from taxation provided by this
51 subdivision shall be applicable to county, city, town and village taxa-
52 tion, but shall not be applicable to taxes levied for school purposes;
53 PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE,
54 THE EXEMPTION FROM TAXATION PROVIDED BY THIS SUBDIVISION SHALL BE APPLI-
55 CABLE TO CITY TAXES AND TAXES LEVIED FOR LOCAL SCHOOL PURPOSES.

1 (ii) Each county, city, town or village may adopt a local law to
2 reduce the maximum exemption allowable in paragraphs (a), (b) and (c) of
3 this subdivision to nine thousand dollars, six thousand dollars and
4 thirty thousand dollars, respectively, or six thousand dollars, four
5 thousand dollars and twenty thousand dollars, respectively. Each county,
6 city, town, or village is also authorized to adopt a local law to
7 increase the maximum exemption allowable in paragraphs (a), (b) and (c)
8 of this subdivision to fifteen thousand dollars, ten thousand dollars
9 and fifty thousand dollars, respectively; eighteen thousand dollars,
10 twelve thousand dollars and sixty thousand dollars, respectively; twen-
11 ty-one thousand dollars, fourteen thousand dollars, and seventy thousand
12 dollars, respectively; twenty-four thousand dollars, sixteen thousand
13 dollars, and eighty thousand dollars, respectively; twenty-seven thou-
14 sand dollars, eighteen thousand dollars, and ninety thousand dollars,
15 respectively; thirty thousand dollars, twenty thousand dollars, and one
16 hundred thousand dollars, respectively; thirty-three thousand dollars,
17 twenty-two thousand dollars, and one hundred ten thousand dollars,
18 respectively; thirty-six thousand dollars, twenty-four thousand dollars,
19 and one hundred twenty thousand dollars, respectively. In addition, a
20 county, city, town or village which is a "high-appreciation municipi-
21 pality" as defined in this subparagraph is authorized to adopt a local
22 law to increase the maximum exemption allowable in paragraphs (a), (b)
23 and (c) of this subdivision to thirty-nine thousand dollars, twenty-six
24 thousand dollars, and one hundred thirty thousand dollars, respectively;
25 forty-two thousand dollars, twenty-eight thousand dollars, and one
26 hundred forty thousand dollars, respectively; forty-five thousand
27 dollars, thirty thousand dollars and one hundred fifty thousand dollars,
28 respectively; forty-eight thousand dollars, thirty-two thousand dollars
29 and one hundred sixty thousand dollars, respectively; fifty-one thousand
30 dollars, thirty-four thousand dollars and one hundred seventy thousand
31 dollars, respectively; fifty-four thousand dollars, thirty-six thousand
32 dollars and one hundred eighty thousand dollars, respectively; PROVIDED,
33 HOWEVER, A HIGH APPRECIATION MUNICIPALITY THAT IS A SPECIAL ASSESSING
34 UNIT THAT IS A CITY WITH A POPULATION OF ONE MILLION OR MORE, IS AUTHOR-
35 IZED TO ADOPT A LOCAL LAW TO INCREASE THE MAXIMUM EXEMPTION ALLOWABLE IN
36 PARAGRAPHS (A), (B) AND (C) OF THIS SUBDIVISION TO FIFTEEN THOUSAND SIX
37 HUNDRED DOLLARS, TEN THOUSAND FOUR HUNDRED DOLLARS, AND FIFTY-TWO THOU-
38 SAND DOLLARS, RESPECTIVELY; SIXTEEN THOUSAND EIGHT HUNDRED DOLLARS,
39 ELEVEN THOUSAND TWO HUNDRED DOLLARS, AND FIFTY-SIX THOUSAND DOLLARS,
40 RESPECTIVELY; EIGHTEEN THOUSAND DOLLARS, TWELVE THOUSAND DOLLARS, AND
41 SIXTY THOUSAND DOLLARS, RESPECTIVELY; NINETEEN THOUSAND TWO HUNDRED
42 DOLLARS, TWELVE THOUSAND EIGHT HUNDRED DOLLARS, AND SIXTY-FOUR THOUSAND
43 DOLLARS, RESPECTIVELY; TWENTY THOUSAND FOUR HUNDRED DOLLARS, THIRTEEN
44 THOUSAND SIX HUNDRED DOLLARS, AND SIXTY-EIGHT THOUSAND DOLLARS, RESPEC-
45 TIVELY; TWENTY-ONE THOUSAND SIX HUNDRED DOLLARS, FOURTEEN THOUSAND FOUR
46 HUNDRED DOLLARS, AND SEVENTY-TWO THOUSAND DOLLARS, RESPECTIVELY. For
47 purposes of this subparagraph, a "high-appreciation municipality" means:
48 (A) a special assessing unit that is a city, (B) a county for which the
49 commissioner has established a sales price differential factor for
50 purposes of the STAR exemption authorized by section four hundred twen-
51 ty-five of this title in three consecutive years, and (C) a city, town
52 or village which is wholly or partly located within such a county.

53 S 4. An exemption granted pursuant to section 458 or 458-a of the real
54 property tax law that precedes the effective date of this act shall be
55 calculated on subsequent assessment rolls as if the original exemption

1 had been granted pursuant to the provisions of such section, as amended
2 by this act.

3 S 5. This act shall take effect immediately and apply to assessment
4 rolls based upon the taxable status date occurring on or after the fifth
5 day of January next succeeding the date on which it shall have become a
6 law.