

6832

I N S E N A T E

March 27, 2012

Introduced by Sen. LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to assessment ceilings for local public utility mass real property

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

1 Section 1. Paragraph (a) of subdivision 2 of section 200-a of the real
2 property tax law, as added by section 7 of part W of chapter 56 of the
3 laws of 2010, is amended to read as follows:

4 (a) The power to determine the final special franchise value, special
5 franchise assessment, railroad ceiling, state equalization rate or any
6 other equalization product established pursuant to this chapter for
7 which a complaint has been filed, as provided by sections four hundred
8 eighty-nine-o, four hundred eighty-nine-ll, FOUR HUNDRED NINETY-SEVEN-H,
9 six hundred fourteen, twelve hundred ten, twelve hundred fifty-three,
10 and twelve hundred sixty-three of this chapter;

11 S 2. Article 4 of the real property tax law is amended by adding a new
12 title 3-A to read as follows:

13 TITLE 3-A

14 ASSESSMENT CEILINGS FOR LOCAL PUBLIC

15 UTILITY MASS REAL PROPERTY

16 SECTION 497. DEFINITIONS.

17 497-A. ANNUAL FEE.

18 497-B. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY.

19 497-C. ASSESSMENT CEILING.

20 497-D. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE.

21 497-E. EQUITABLE RATIO OF ASSESSMENT.

22 497-F. EQUALIZATION RATE.

23 497-G. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE,
24 COMPLAINTS AND HEARING.

25 497-H. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIFICATE.

26 497-I. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF
27 EXEMPTION.

28 497-J. REPORTS TO STATE BOARD.

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

LBD15141-01-2

497-K. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILITIES.

S 497. DEFINITIONS. WHEN USED IN THIS TITLE:

1. "COMMISSIONER" MEANS THE COMMISSIONER, OR HIS OR HER DESIGNEE.

2. "LOCAL ASSESSING JURISDICTION" MEANS THE TOWN, CITY, VILLAGE OR COUNTY ASSESSING UNIT THAT ESTABLISHES THE ASSESSMENT ROLLS FOR SUCH TOWN, CITY, VILLAGE OR COUNTY.

3. "LOCAL PUBLIC UTILITY MASS REAL PROPERTY" MEANS PUBLIC UTILITY MASS REAL PROPERTY THAT IS LOCATED IN A PARTICULAR CITY, TOWN, VILLAGE OR COUNTY ASSESSING UNIT, AND WHICH IS UNDER THE SAME OWNERSHIP.

4. "PUBLIC UTILITY MASS REAL PROPERTY" MEANS REAL PROPERTY, INCLUDING MAINS, PIPES, CONDUITS, CABLES, LINES, WIRES, POLES, SUPPORTS AND ENCLOSURES FOR ELECTRICAL CONDUCTORS LOCATED ON, ABOVE AND BELOW REAL PROPERTY, WHICH IS USED IN THE TRANSMISSION AND DISTRIBUTION OF GAS, ELECTRICITY, STEAM, WATER, PETROLEUM AND ANY OTHER SUBSTANCE AS WELL AS REFRIGERATION, HEAT, TELEPHONE OR TELEGRAPH SERVICE, AND ELECTROMAGNETIC VOICE, VIDEO AND DATA SIGNALS. SUCH TERM SHALL INCLUDE ALL REAL PROPERTY DESCRIBED IN PARAGRAPHS (D), (E) AND (I) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED TWO OF THIS CHAPTER. SPECIAL FRANCHISE PROPERTY AS DESCRIBED IN SUBDIVISION SEVENTEEN OF SECTION ONE HUNDRED TWO OF THIS CHAPTER AND ALL REAL PROPERTY DESCRIBED IN SUBPARAGRAPHS (A), (B), (C) AND (D) OF PARAGRAPH (I) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED TWO OF THIS CHAPTER SHALL NOT BE CONSIDERED PUBLIC UTILITY MASS REAL PROPERTY FOR PURPOSES OF THIS TITLE.

5. "TAXATION" MEANS AN AD VALOREM OR SPECIAL AD VALOREM LEVY OR SPECIAL ASSESSMENT FOR WHICH PUBLIC UTILITY MASS REAL PROPERTY IS OTHERWISE SUBJECT TO PURSUANT TO THIS CHAPTER.

S 497-A. ANNUAL FEE. ANY COSTS AND EXPENSES INCURRED BY THE DEPARTMENT IN THE ESTABLISHMENT OF ASSESSMENT CEILINGS FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE PAID FROM THE COLLECTION OF AN ANNUAL CHARGE UPON THE OWNERS OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY. THE COMMISSIONER SHALL PROVIDE BY RULE FOR COMPUTATION OF SUCH CHARGE THROUGH THE APPORTIONMENT OF SUCH COSTS AND EXPENSES TO OWNERS OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN RELATION TO THE TOTAL FULL VALUE OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY ELIGIBLE FOR AN ASSESSMENT CEILING PURSUANT TO THIS TITLE. PRIOR TO COLLECTING PAYMENT OF SUCH CHARGES, THE COMMISSIONER SHALL ANNUALLY PROVIDE A DETAILED REPORT TO EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IDENTIFYING COSTS RELATED TO THE ESTABLISHMENT OF ASSESSMENT CEILINGS, INCLUDING, BUT NOT LIMITED TO, EXPENDITURES, REVENUE SOURCES AND ANY ALLOCATIONS. THE CHARGES ESTABLISHED PURSUANT TO THIS SECTION SHALL BE SUBJECT TO THE APPROVAL OF THE DIRECTOR OF THE BUDGET. EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE AUTHORIZED TO CHALLENGE ANY SUCH CHARGES PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

S 497-B. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY. SUBJECT TO THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-SEVEN-I OF THIS TITLE, THE ASSESSOR IN EACH CITY, TOWN AND VILLAGE, AND IN EACH COUNTY HAVING A COUNTY DEPARTMENT OF ASSESSMENT, SHALL ANNUALLY ASSESS ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SITUATED IN SUCH CITY, TOWN, VILLAGE OR COUNTY, AS THE CASE MAY BE. WHERE A VILLAGE HAS ENACTED A LOCAL LAW, AS PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED TWO OF THIS CHAPTER, THE TOWN OR COUNTY ASSESSOR SHALL APPORTION THAT PART OF THE ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN THE TOWN OR COUNTY TO THE VILLAGE FOR VILLAGE TAX PURPOSES.

S 497-C. ASSESSMENT CEILING. 1. TO DETERMINE THE EXTENT TO WHICH LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE EXEMPT UNDER THIS TITLE, AN

ASSESSMENT CEILING FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE ESTABLISHED ANNUALLY BY THE COMMISSIONER AS FOLLOWS:

(A) DETERMINE: (I) THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE IN ACCORDANCE WITH THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-SEVEN-E OF THIS TITLE; AND (II) THE EQUALIZATION RATE FACTOR FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-SEVEN-F OF THIS TITLE; AND

(B) MULTIPLY THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE BY THE EQUALIZATION RATE FACTOR.

THE RESULT SHALL BE THE ASSESSMENT CEILING.

2. THE VALUATION DATE FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE JANUARY FIRST OF THE YEAR PRECEDING THE YEAR IN WHICH THE ASSESSMENT ROLL ON WHICH SUCH PROPERTY IS TO BE ASSESSED, COMPLETED AND FILED IN THE OFFICE OF THE CITY OR TOWN CLERK. THE TAXABLE STATUS FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE BASED UPON ITS CONDITION AND OWNERSHIP AS OF THE TAXABLE STATUS DATE APPLICABLE TO THE ASSESSMENT ROLL ON WHICH IT IS TO APPEAR.

3. FOR ASSESSMENT ROLLS WITH TAXABLE STATUS DATES IN EACH OF THE THREE CALENDAR YEARS INCLUDING AND FOLLOWING THE YEAR IN WHICH THIS SECTION SHALL TAKE EFFECT, THE COMMISSIONER SHALL ESTABLISH NO ASSESSMENT CEILING THAT IS LESS THAN NINETY PERCENT OR MORE THAN ONE HUNDRED TEN PERCENT OF THE ASSESSMENT OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY APPEARING ON THE MUNICIPAL ASSESSMENT ROLL WITH A TAXABLE STATUS DATE OCCURRING IN THE SECOND PRECEDING CALENDAR YEAR FROM WHEN THIS SECTION SHALL TAKE EFFECT, EXCEPT THAT THE COMMISSIONER MAY ESTABLISH ASSESSMENT CEILINGS BELOW THE NINETY PERCENT LEVEL OR ABOVE THE ONE HUNDRED TEN PERCENT LEVEL TO TAKE INTO ACCOUNT ANY CHANGE IN LEVEL OF ASSESSMENT AND/OR TO TAKE INTO ACCOUNT ANY ADDITIONS OR RETIREMENTS TO PUBLIC UTILITY MASS REAL PROPERTY OR LITIGATION AFFECTING THE VALUE OR TAXABLE STATUS OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY INITIATED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION.

S 497-D. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE. THE COMMISSIONER SHALL COMPUTE THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE AS FOLLOWS:

1. APPLY A COMMONLY ACCEPTED AND RECOGNIZED APPRAISAL METHODOLOGY TO COMPUTE THE REPRODUCTION COST; AND

2. GIVE CONSIDERATION TO PHYSICAL DEPRECIATION AND FUNCTIONAL AND ECONOMIC OBSOLESCENCE, IN ACCORDANCE WITH PARAGRAPHS (A) AND (B) OF THIS PARAGRAPH.

(A) IN COMPUTING PHYSICAL DEPRECIATION, THE COMMISSIONER SHALL GIVE CONSIDERATION TO THE AGE, PHYSICAL CONDITION, AVERAGE SERVICE LIVES OF ASSETS AND OTHER RELEVANT FACTORS. AVERAGE SERVICE LIVES SHALL BE DETERMINED BY TAKING INTO CONSIDERATION ALL NATIONAL, REGIONAL AND NEW YORK STATE REPORTED AVERAGE SERVICE LIVES AND NET SALVAGE FACTORS, AND ANY OTHER RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN DETERMINING NET SALVAGE FACTORS, THE COMMISSIONER SHALL CONSIDER ALL NATIONAL, REGIONAL AND NEW YORK STATE REPORTED NET SALVAGE FACTORS AND ANY OTHER RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN COMPUTING PHYSICAL DEPRECIATION, THE COMMISSIONER SHALL APPLY STRAIGHT-LINE DEPRECIATION AS COMPUTED FOR SPECIAL FRANCHISE PROPERTY.

(B) IN DETERMINING ECONOMIC OR FUNCTIONAL OBSOLESCENCE FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE COMMISSIONER SHALL CONSIDER INDIVIDUAL APPLICATIONS FOR ADJUSTMENTS PARTICULAR TO SPECIFIC PUBLIC UTILITY MASS REAL PROPERTY FOR CLAIMED ECONOMIC OR FUNCTIONAL OBSOLESCENCE BY A PUBLIC UTILITY MASS REAL PROPERTY OWNER. SUCH APPLICATION SHALL BE SUBMITTED WITH THE ANNUAL REPORT REQUIRED BY SECTION FOUR HUNDRED NINE-

TY-NINE-RRRR OF THIS TITLE. THE COMMISSIONER SHALL MAKE A DETERMINATION ON INDIVIDUAL APPLICATIONS AND INCORPORATE ANY ADJUSTMENTS INTO THE CERTIFICATE OF VALUE FOR THE YEAR IN WHICH THE APPLICATION IS FILED.

S 497-E. EQUITABLE RATIO OF ASSESSMENT. THE COMMISSIONER AND ANY ASSESSING AUTHORITY SHALL BE PROHIBITED FROM:

1. ASSESSING LOCAL PUBLIC UTILITY MASS REAL PROPERTY AT A VALUE THAT HAS A HIGHER RATIO TO THE FULL VALUE OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY THAN THE RATIO OF ASSESSED VALUE OF OTHER REAL PROPERTY IN THE SAME ASSESSMENT JURISDICTION TO ITS FULL VALUE, AS PROVIDED IN SECTION THREE HUNDRED FIVE OF THIS CHAPTER.

2. LEVYING OR COLLECTING A TAX ON AN ASSESSMENT THAT MAY NOT BE MADE UNDER SUBDIVISION ONE OF THIS SECTION.

3. LEVYING OR COLLECTING AN AD VALOREM PROPERTY TAX ON LOCAL PUBLIC UTILITY MASS REAL PROPERTY AT A TAX RATE THAT EXCEEDS THE TAX RATE APPLICABLE TO OTHER REAL PROPERTY IN THE SAME ASSESSMENT JURISDICTION.

S 497-F. EQUALIZATION RATE. IN DETERMINING ASSESSMENT CEILINGS, THE COMMISSIONER SHALL APPLY THE FINAL STATE EQUALIZATION RATE FOR THE ASSESSMENT ROLL OF THE LOCAL ASSESSING JURISDICTION FOR WHICH THE CEILING IS ESTABLISHED. IF THAT FINAL RATE IS NOT AVAILABLE, THE COMMISSIONER SHALL APPLY THE MOST RECENT FINAL STATE EQUALIZATION RATE FOR THE LOCAL ASSESSING JURISDICTION, EXCEPT THAT IF A SPECIAL EQUALIZATION RATE HAS BEEN ESTABLISHED AS PROVIDED IN TITLE TWO OF ARTICLE TWELVE OF THIS CHAPTER, SUCH RATE SHALL BE APPLIED. IN THE CASE OF A SPECIAL ASSESSING UNIT AS DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE EQUALIZATION RATE TO BE APPLIED SHALL BE THE APPLICABLE CLASS EQUALIZATION RATE.

S 497-G. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE, COMPLAINTS AND HEARING. 1. EACH YEAR THE COMMISSIONER SHALL MAKE A TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY. THEREAFTER, THE COMMISSIONER SHALL GIVE NOTICE, IN WRITING OR ELECTRONICALLY, TO EACH ASSESSING UNIT AND EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR WHICH SUCH TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING SHALL HAVE BEEN MADE, SPECIFYING THE AMOUNT OF SUCH CEILING, AND MAKING AVAILABLE FOR INSPECTION AND COPYING THE COMPUTATIONS USED TO ESTABLISH THE TENTATIVE ASSESSMENT CEILING AMOUNT PURSUANT TO THE PUBLIC OFFICERS LAW, AND SETTING FORTH THE TIME AND PLACE WHERE THE COMMISSIONER OR ITS DESIGNEE WILL MEET TO HEAR ANY COMPLAINT CONCERNING SUCH TENTATIVE DETERMINATION. SUCH NOTICE SHALL BE SENT ELECTRONICALLY AND SERVED IN WRITING AT LEAST FORTY-FIVE DAYS PRIOR TO THE DATE SPECIFIED FOR SUCH HEARING.

2. A TENTATIVE ASSESSMENT CEILING MAY BE CHALLENGED BEFORE THE STATE BOARD AS FOLLOWS:

(A) AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR THE LOCAL ASSESSING JURISDICTION OBJECTING TO A TENTATIVE CEILING SHALL SERVE A COMPLAINT UPON THE STATE BOARD, IN WRITING, AND A COPY THEREOF UPON THE ASSESSING UNIT OR OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AS THE CASE MAY BE, AT LEAST TEN DAYS BEFORE THE DATE SPECIFIED FOR THE HEARING. THE COMPLAINT SHALL SPECIFY THE OBJECTIONS TO SUCH TENTATIVE DETERMINATION. SERVICE MAY BE MADE EITHER IN PERSON OR BY MAIL.

(B) ON OR BEFORE THE DATE SPECIFIED FOR THE HEARING, AN AFFIDAVIT OF SERVICE SHALL BE FILED WITH THE STATE BOARD STATING THAT SERVICE HAS BEEN MADE IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

3. THE STATE BOARD OR ITS DESIGNEE SHALL MEET AT THE TIME AND PLACE SPECIFIED IN SUCH NOTICE SET FORTH IN SUBDIVISION ONE OF THIS SECTION TO HEAR COMPLAINTS IN RELATION TO THE TENTATIVE DETERMINATION OF THE ASSESSMENT CEILING. THE PROVISIONS OF SECTION FIVE HUNDRED TWELVE OF

1 THIS CHAPTER SHALL APPLY SO FAR AS MAY BE PRACTICABLE TO A HEARING UNDER
2 THIS SECTION.

3 S 497-H. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIFICATE. 1.
4 AFTER THE HEARING PROVIDED IN SECTION FOUR HUNDRED NINETY-SEVEN-G OF
5 THIS TITLE, THE STATE BOARD SHALL FINALLY DETERMINE THE ASSESSMENT CEIL-
6 ING FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY OF EACH LOCAL PUBLIC
7 UTILITY MASS REAL PROPERTY OWNER SITUATED IN EACH ASSESSING UNIT. WHEN-
8 EVER, UPON COMPLAINT, THE STATE BOARD SHALL REVISE THE LOCAL PUBLIC
9 UTILITY MASS REAL PROPERTY VALUATION IN AN ASSESSING UNIT, IT SHALL
10 REVISE THE ASSESSMENT CEILING THEREFOR TO REFLECT SUCH REVISION, AND ON
11 ACCOUNT OF SUCH REVISION, IT SHALL, TO THE EXTENT APPLICABLE, MODIFY ANY
12 OTHER DETERMINATION WITH RESPECT TO THE ASSESSMENT CEILINGS FOR OTHER
13 LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNED BY SUCH OWNER FOR SUCH
14 YEAR EVEN IF NO COMPLAINT WAS FILED.

15 2. NOTWITHSTANDING THAT A COMPLAINT MAY NOT HAVE BEEN FILED WITH
16 RESPECT TO A TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING, THE STATE
17 BOARD SHALL GIVE EFFECT TO ANY SPECIAL EQUALIZATION RATE ESTABLISHED
18 PURSUANT TO SECTION TWELVE HUNDRED TWENTY-FOUR OF THIS CHAPTER OR THE
19 FINAL STATE EQUALIZATION RATE FOR THE ASSESSMENT ROLL FOR WHICH THE
20 CEILING IS ESTABLISHED AS PROVIDED IN SECTION FOUR HUNDRED NINETY-SEV-
21 EN-F OF THIS TITLE PRIOR TO THE DATE FOR THE FINAL DETERMINATION OF THE
22 ASSESSMENT CEILING.

23 3. NO LATER THAN TEN DAYS BEFORE THE LAST DATE PRESCRIBED BY LAW FOR
24 THE LEVY OF TAXES, THE STATE BOARD SHALL FILE A CERTIFICATE SETTING
25 FORTH EACH ASSESSMENT CEILING AS FINALLY DETERMINED WITH THE ASSESSOR OF
26 THE APPROPRIATE ASSESSING UNIT OR THE TOWN OR COUNTY ASSESSOR WHO
27 PREPARES A COPY OF THE APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT
28 ROLL FOR VILLAGE TAX PURPOSES AS PROVIDED IN SUBDIVISION THREE OF
29 SECTION FOURTEEN HUNDRED TWO OF THIS CHAPTER. THE STATE BOARD SHALL, AT
30 THE SAME TIME, TRANSMIT TO EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL
31 PROPERTY FOR WHICH SUCH CEILING HAS BEEN DETERMINED A DUPLICATE COPY OF
32 SUCH CERTIFICATE.

33 4. ANY FINAL DETERMINATION OF AN ASSESSMENT CEILING BY THE STATE BOARD
34 PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL BE SUBJECT TO JUDICIAL
35 CHALLENGE BY AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR A
36 LOCAL ASSESSING JURISDICTION IN A PROCEEDING UNDER ARTICLE SEVEN OF THIS
37 CHAPTER; PROVIDED HOWEVER, THE TIME TO COMMENCE SUCH PROCEEDING SHALL BE
38 WITHIN SIXTY DAYS OF THE ISSUANCE OF THE FINAL ASSESSMENT CEILING
39 CERTIFICATE AND ALL QUESTIONS OF FACT AND LAW SHALL BE DETERMINED DE
40 NOVO; PROVIDED FURTHER, ANY EXPENSES INCURRED IN SUCH CHALLENGE AND UPON
41 ANY APPEAL THEREIN SHALL NOT BE A CHARGE UPON THE ASSESSING UNIT OR
42 UNITS UPON WHOSE ROLLS THE ASSESSMENT CEILING WOULD BE APPLICABLE. ANY
43 JUDICIAL PROCEEDING SHALL BE COMMENCED IN THE SUPREME COURT IN THE COUN-
44 TY IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY HAS ITS PRINCI-
45 PAL OFFICE OR THE COUNTY IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL
46 PROPERTY IS LOCATED. NOTHING IN THIS SECTION SHALL PRECLUDE A CHALLENGE
47 OF THE ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDICTION WITH
48 RESPECT TO LOCAL PUBLIC UTILITY MASS REAL PROPERTY AS OTHERWISE PROVIDED
49 IN ARTICLE SEVEN OF THIS CHAPTER. IN ANY PROCEEDING CHALLENGING AN
50 ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDICTION FOR LOCAL
51 PUBLIC UTILITY MASS REAL PROPERTY, THE FINAL CERTIFIED ASSESSMENT CEIL-
52 ING ESTABLISHED PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL NOT BE
53 CONSIDERED BY THE COURT.

54 S 497-I. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF EXEMPTION.
55 1. UPON RECEIPT OF A CERTIFICATE SETTING FORTH THE FINAL CERTIFIED
56 ASSESSMENT CEILING FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE

1 ASSESSOR SHALL COMPARE THE ASSESSED VALUATIONS BY PARCEL ATTRIBUTABLE TO
2 THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR EACH OWNER OF LOCAL
3 PUBLIC UTILITY MASS REAL PROPERTY INCLUDED IN THE ASSESSMENT CEILING.
4 WHERE THE OWNER OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY REPORTS
5 INFORMATION BY SPECIFIC PROPERTY IDENTIFICATION TO THE COMMISSIONER OR
6 THE LOCAL ASSESSING JURISDICTION HAS IMPLEMENTED A SYSTEM BY THE COMMIS-
7 SIONER STANDARDIZING THE IDENTITY OF PUBLIC UTILITY MASS REAL PROPERTY
8 ON ASSESSMENT ROLLS, SUCH CERTIFIED ASSESSMENT CEILINGS SHALL BE
9 PROVIDED BY THE COMMISSIONER BY PARCEL, AS SET FORTH ON THE LOCAL
10 ASSESSING JURISDICTION'S ASSESSMENT ROLLS. WHERE THE ASSESSED VALUATION
11 DOES NOT EXCEED THE FINAL CERTIFIED ASSESSMENT CEILING, AS SET FORTH IN
12 THE CERTIFICATE FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE
13 ASSESSOR NEED NOT MAKE ANY ADJUSTMENT IN SUCH ASSESSED VALUATION.
14 PROVIDED, HOWEVER, THE ASSESSED VALUATION EXCEEDS THE FINAL CERTIFIED
15 ASSESSMENT CEILING, AS SET FORTH IN THE CERTIFICATE, SUCH LOCAL PUBLIC
16 UTILITY MASS REAL PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT
17 OF SUCH EXCESS AND THE ASSESSOR SHALL FORTHWITH REDUCE THE ASSESSMENTS
18 OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY, SO THAT THE TAXABLE
19 ASSESSED VALUATION OF SUCH PROPERTY SHALL NOT EXCEED THE CERTIFIED
20 ASSESSMENT CEILING. ALL CERTIFICATES OF ASSESSMENT CEILINGS SHALL BE
21 ATTACHED TO THE ASSESSMENT ROLL OR FILED THEREWITH AS PROVIDED IN ARTI-
22 CLE FIFTEEN-C OF THIS CHAPTER.

23 2. THE ASSESSOR IS AUTHORIZED AND DIRECTED TO MAKE THE REDUCTIONS, IF
24 ANY, PROVIDED FOR IN THIS SECTION ON THE ASSESSMENT ROLL OF THE LOCAL
25 ASSESSING JURISDICTION IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL PROP-
26 erty IS LOCATED, NOTWITHSTANDING THE FACT THAT HE OR SHE MAY RECEIVE THE
27 CERTIFICATE OF THE ASSESSMENT CEILING AFTER THE FINAL COMPLETION,
28 VERIFICATION AND FILING OF SUCH ASSESSMENT ROLL. OTHER LOCAL OFFICERS,
29 INCLUDING SCHOOL DISTRICTS, APPLYING SUCH FINAL ASSESSMENT ROLL, ARE
30 AUTHORIZED AND DIRECTED, ON THE BASIS OF INFORMATION WHICH SHALL BE
31 PROVIDED BY THE ASSESSOR, TO MAKE THE REDUCTIONS PROVIDED FOR IN THIS
32 SECTION ON THEIR RESPECTIVE TAX ROLLS PRIOR TO LEVY OF TAX OR, IF
33 RECEIVED AFTER THE TAX ROLLS HAVE BEEN ESTABLISHED, TO CORRECT ANY TAX
34 LEVY OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY TO REFLECT SUCH
35 REDUCTION. IF THE REDUCTION IS MADE AFTER THE TAX LEVY AND PAYMENT OF
36 SAME BY THE OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THEN SUCH
37 OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE ENTITLED TO A
38 REFUND IN ACCORDANCE WITH SECTION SEVEN HUNDRED TWENTY-SIX OF THIS CHAP-
39 TER.

40 3. IN ASSESSING UNITS FOR WHICH HE OR SHE IS REQUIRED BY LAW TO
41 PREPARE AN ASSESSMENT ROLL, THE ASSESSOR OF A COUNTY HAVING A COUNTY
42 DEPARTMENT OF ASSESSMENT SHALL PERFORM ALL THE ACTS PRESCRIBED FOR AN
43 ASSESSOR BY THIS TITLE. WHERE A VILLAGE HAS ENACTED A LOCAL LAW AS
44 PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED TWO OF THIS
45 CHAPTER, THE ASSESSOR OF THE TOWN OR COUNTY WHO PREPARES A COPY OF THIS
46 APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT ROLL FOR VILLAGE TAX
47 PURPOSES SHALL ALSO PERFORM THE ACTS PRESCRIBED FOR ASSESSORS BY THIS
48 TITLE ON BEHALF OF THE VILLAGE.

49 S 497-J. REPORTS TO STATE BOARD. 1. THE COMMISSIONER MAY REQUIRE FROM
50 AN OWNER OF A LOCAL PUBLIC UTILITY MASS REAL PROPERTY AN ANNUAL REPORT
51 THAT SHALL INCLUDE SUCH INFORMATION AND DATA THAT IS PRESCRIBED IN REGU-
52 LATION BY THE COMMISSIONER AND IS REASONABLE AND NECESSARILY RELATED TO
53 THE ESTABLISHMENT OF A CEILING ASSESSMENT BY THE COMMISSIONER FOR THE
54 LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AND WHICH SHALL BE IN THE SAME
55 FORMAT AND SUBSTANCE AS REQUIRED FOR SPECIAL FRANCHISE PROPERTY PURSUANT

1 TO ARTICLE SIX OF THIS CHAPTER. SUCH REPORTS SHALL BE THE SAME FOR SIMI-
2 LARLY SITUATED LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNERS.

3 2. EVERY REPORT REQUIRED PURSUANT TO THIS SECTION SHALL BE MADE BY A
4 PERSON AUTHORIZED TO PREPARE SUCH REPORTS AND HAVING KNOWLEDGE OF THE
5 CONTENTS THEREOF, OR WHO IS AUTHORIZED TO OBTAIN SUCH INFORMATION. THE
6 COMMISSIONER MAY PREPARE AND REQUIRE THE USE OF FORMS FOR MAKING SUCH
7 REPORTS.

8 3. AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILING TO FILE
9 THE ANNUAL REPORT PURSUANT TO THIS SECTION WITHIN THE TIME SPECIFIED BY
10 THE COMMISSIONER SHALL BE SUBJECT TO A FINE OF ONE HUNDRED DOLLARS FOR
11 EACH DAY UNTIL SUCH REPORT IS FILED IN ACCORDANCE WITH THIS SECTION;
12 PROVIDED, HOWEVER, SUCH FINE SHALL NOT BE APPLIED AS A TAX LIEN; AND
13 PROVIDED, FURTHER, SUCH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY
14 SHALL NOT BE SUBJECT TO ANY OTHER FINE OR PENALTY FOR A VIOLATION OF
15 THIS SECTION.

16 4. IN ADDITION TO THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION,
17 IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO FURNISH
18 A REPORT REQUIRED BY THIS SECTION WITHIN THE REQUIRED TIME FRAME, THE
19 COMMISSIONER MAY COMMENCE A SPECIAL PROCEEDING IN THE SUPREME COURT TO
20 COMPEL SUCH OWNER TO FURNISH THE REPORT.

21 5. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO
22 SUBMIT AN ANNUAL REPORT AS REQUIRED BY THIS SECTION, THE ASSESSMENT
23 CEILING ON THE NEXT ANNUAL ASSESSMENT ROLL SHALL BE CALCULATED USING THE
24 BEST INFORMATION AVAILABLE TO THE STATE BOARD.

25 6. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY MAKES
26 REASONABLE EFFORTS TO FILE AN ANNUAL REPORT, SUCH OWNER SHALL NOT BE
27 SUBJECT TO ANY CHARGE OR FINE PURSUANT TO THIS SECTION.

28 S 497-K. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILITIES. 1.
29 THE COMMISSIONER SHALL, UPON REASONABLE PRIOR NOTICE, HAVE ACCESS AT
30 REASONABLE TIMES TO REASONABLE DISCLOSURE OF ACCOUNTS AND RECORDS ESTAB-
31 LISHED AND MAINTAINED BY A LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNER
32 RELATING TO ITS LOCAL PUBLIC UTILITY MASS REAL PROPERTY.

33 2. THE COMMISSIONER SHALL, AT REASONABLE TIMES IN THE NORMAL BUSINESS
34 OPERATIONS OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNER, AND
35 WITH PRIOR NOTICE AND APPOINTMENT, AND NOT OTHERWISE LIMITED BY FEDERAL
36 LAW OR REGULATIONS, HAVE ACCESS TO INSPECT LOCATIONS WHERE THE LOCAL
37 PUBLIC UTILITY MASS REAL PROPERTY IS SITUATED.

38 S 3. (a) Within two years of the effective date of this act and bien-
39 nially thereafter, the commissioner of taxation and finance, in consul-
40 tation with owners of public utility mass real property, shall examine
41 and evaluate whether public utility mass real property continues to
42 constitute a "specialty" and, if not, such commissioner shall examine
43 and evaluate alternative valuation methodologies to the reproduction
44 cost less depreciation methodology to compute the value of local public
45 utility mass real property, including, but not limited to, the three
46 valuation methodologies (income, sales comparison and cost approaches),
47 with reconciliation in accordance with nationally recognized profes-
48 sional appraisal practice standards;

49 (b) The commissioner of taxation and finance shall report to the
50 governor, the temporary president of the senate and the speaker of the
51 assembly his or her findings and recommendations, including any amend-
52 ment of statute or regulation, related to the examination and evaluation
53 pursuant to subdivision (a) of this section, no later than December
54 thirty-first of the second year of such biennial period.

55 S 4. This act shall take effect on the first of January of the second
56 calendar year commencing after this act shall have become a law and

1 shall apply to assessment rolls with taxable status dates on or after
2 such date; provided however, that no assessment of local public utility
3 mass real property appearing on the municipal assessment roll with a
4 taxable status date occurring in the first calendar year after this act
5 shall have become a law shall be less than ninety percent or more than
6 one hundred ten percent of the assessment of the same property on the
7 date this act shall have become a law.