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4179

2011-2012 Regular Sessions

I N   A S S E M B L Y

February 2, 2011
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Introduced by M. of A. BOYLE -- read once and referred to the Committee
   on Aging

AN ACT to amend the real property tax law, in relation to excluding
   social security income from computing tax exemptions for persons
   sixty-five years of age or over

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

 1   Section 1. Paragraph (a) of subdivision 3 of section 467 of the real
 2 property tax law, as amended by chapter 259 of the laws of 2009, is
 3 amended to read as follows:
 4   (a) if the income of the owner or the combined income of the owners of
 5 the property for the income tax year immediately preceding the date of
 6 making application for exemption exceeds the sum of three thousand
 7 dollars, or such other sum not less than three thousand dollars nor more
 8 than twenty-six thousand dollars beginning July first, two thousand six,
 9 twenty-seven thousand dollars beginning July first, two thousand seven,
10 twenty-eight thousand dollars beginning July first, two thousand eight,
11 and twenty-nine thousand dollars beginning July first, two thousand
12 nine, as may be provided by the local law, ordinance or resolution
13 adopted pursuant to this section. Income tax year shall mean the twelve
14 month period for which the owner or owners filed a federal personal
15 income tax return, or if no such return is filed, the calendar year.
16 Where title is vested in either the husband or the wife, their combined
17 income may not exceed such sum, except where the husband or wife, or
18 ex-husband or ex-wife is absent from the property as provided in subpar-
19 agraph (ii) of paragraph (d) of this subdivision, then only the income
20 of the spouse or ex-spouse residing on the property shall be considered
21 and may not exceed such sum. Such income shall include [social security
22 and] retirement benefits, interest, dividends, total gain from the sale
23 or exchange of a capital asset which may be offset by a loss from the
24 sale or exchange of a capital asset in the same income tax year, net

1 rental income, salary or earnings, and net income from self-employment,
2 but   shall   not   include SOCIAL SECURITY, a return of capital, gifts,
3 inheritances, payments made to individuals because of their status as
4 victims of Nazi persecution, as defined in P.L. 103-286 or monies earned
5 through employment in the federal foster grandparent program and any
6 such income shall be offset by all medical and prescription drug
7 expenses actually paid which were not reimbursed or paid for by insur-
8 ance, if the governing board of a municipality, after a public hearing,
9 adopts   a   local   law, ordinance or resolution providing therefor.
10 Furthermore, such income shall not include the proceeds of a reverse
11 mortgage, as authorized by section six-h of the banking law, and
12 sections two hundred eighty and two hundred eighty-a of the real proper-
13 ty law; provided, however, that monies used to repay a reverse mortgage
14 may not be deducted from income, and provided additionally that any
15 interest or dividends realized from the investment of reverse mortgage
16 proceeds shall be considered income. The provisions of this paragraph
17 notwithstanding, such income shall not include veterans disability
18 compensation, as defined in Title 38 of the United States Code provided
19 the governing board of such municipality, after public hearing, adopts a
20 local law, ordinance or resolution providing therefor. In computing net
21 rental income and net income from self-employment no depreciation
22 deduction shall be allowed for the exhaustion, wear and tear of real or
23 personal property held for the production of income;
24   S 2. This act shall take effect on the second of January next succeed-
25 ing the date on which it shall have become a law, and shall apply to
26 assessment rolls prepared on the basis of taxable status dates occurring
27 on and after such effective date.