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

5568

2011-2012 Regular Sessions

I N A S S E M B L Y

February 23, 2011

Introduced by M. of A. V. LOPEZ, GIBSON, CRESPO -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to conveyances involving real property financed with federal low-income housing tax credits

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

Section 1. Subdivision (b) of section 1405 of the tax law is amended by adding a new paragraph 11 to read as follows:

11. CONVEYANCES INVOLVING REAL PROPERTY FINANCED WITH FEDERAL LOW-INCOME HOUSING TAX CREDITS, AND SUBJECT TO A HOUSING CREDIT AGENCY'S REGULATORY AGREEMENT FOR A MINIMUM PERIOD OF FIFTEEN YEARS FROM THE DATE OF CONVEYANCE, TO A CORPORATION ORGANIZED PURSUANT TO ARTICLE ELEVEN OF THE PRIVATE HOUSING FINANCE LAW OR TO A NEW YORK NOT-FOR-PROFIT CORPORATION, AND NO PART OF THE NET EARNINGS OF SAID NEW YORK NOT-FOR-PROFIT CORPORATION SHALL INURE TO THE BENEFIT OF ANY PERSON, AND NO SUBSTANTIAL PART OF THE ACTIVITIES OF WHICH IS CARRYING ON PROPAGANDA, OR OTHERWISE ATTEMPTING TO INFLUENCE LEGISLATION; PROVIDED, HOWEVER, THAT NOTHING IN THIS PARAGRAPH SHALL INCLUDE AN ORGANIZATION OPERATED FOR THE PRIMARY PURPOSE OF CARRYING ON A TRADE OR BUSINESS FOR PROFIT, WHETHER OR NOT ALL OF ITS PROFITS ARE PAYABLE TO ONE OR MORE ORGANIZATIONS DESCRIBED IN THIS PARAGRAPH.

S 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after June 1, 2011.

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

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