

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

8173--B

2011-2012 Regular Sessions

I N A S S E M B L Y

June 3, 2011

Introduced by M. of A. SMARDZ -- read once and referred to the Committee on Real Property Taxation -- recommitted to the Committee on Real Property Taxation in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to a partial tax exemption for reconstruction, alterations or improvements to qualified residential structures in certain municipalities

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

1 Section 1. The real property tax law is amended by adding a new
2 section 421-l to read as follows:
3 S 421-L. EXEMPTION OF CAPITAL IMPROVEMENTS TO RESIDENTIAL BUILDINGS IN
4 CERTAIN TOWNS. 1. RESIDENTIAL BUILDINGS DESIGNED AND OCCUPIED EXCLUSIVE-
5 LY FOR RESIDENTIAL PURPOSES BY NOT MORE THAN THREE FAMILIES THAT ARE
6 RECONSTRUCTED, ALTERED OR IMPROVED SUBSEQUENT TO THE EFFECTIVE DATE OF A
7 LOCAL LAW OR RESOLUTION PURSUANT TO THIS SECTION SHALL BE EXEMPT FROM
8 TAXATION AND SPECIAL AD VALOREM LEVIES TO THE EXTENT PROVIDED HEREINAFT-
9 ER. AFTER A PUBLIC HEARING, THE GOVERNING BOARD OF A TOWN WITH A POPU-
10 LATION OF NOT LESS THAN SIXTEEN THOUSAND THREE HUNDRED FIFTY AND NOT
11 MORE THAN SIXTEEN THOUSAND THREE HUNDRED SIXTY, SITUATED IN A COUNTY
12 WITH A POPULATION OF NOT LESS THAN NINE HUNDRED NINETEEN THOUSAND AND
13 NOT MORE THAN NINE HUNDRED NINETEEN THOUSAND ONE HUNDRED, BASED UPON THE
14 TWO THOUSAND TEN FEDERAL CENSUS, MAY ADOPT A LOCAL LAW TO GRANT THE
15 EXEMPTION AUTHORIZED PURSUANT TO THIS SECTION. SUBSEQUENT TO THE
16 ADOPTION OF SUCH A LOCAL LAW, THE COUNTY IN WHICH SUCH TOWN IS LOCATED,
17 ANY VILLAGE LOCATED WITHIN SUCH TOWN AND ANY SCHOOL DISTRICT ALL OR PART
18 OF WHICH IS LOCATED WITHIN SUCH TOWN MAY LIKEWISE EXEMPT SUCH PROPERTY
19 FROM ITS TAXATION AND SPECIAL AD VALOREM LEVIES BY LOCAL LAW, OR IN THE

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

LBD11781-05-2

1 CASE OF A SCHOOL DISTRICT, BY RESOLUTION IN THE SAME MANNER AND TO THE
2 SAME EXTENT AS THE TOWN. A COPY OF SUCH LOCAL LAWS OR RESOLUTIONS SHALL
3 BE FILED WITH THE COMMISSIONER AND APPROPRIATE ASSESSOR.

4 2. SUCH RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE
5 YEAR TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE
6 THEREOF ATTRIBUTABLE TO SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT
7 AND FOR AN ADDITIONAL PERIOD OF FOUR YEARS SUBJECT TO THE FOLLOWING:

8 (I) THE EXTENT OF SUCH EXEMPTION SHALL BE DECREASED BY TEN PER CENTUM
9 OF THE "EXEMPTION BASE" EACH YEAR DURING SUCH ADDITIONAL FOUR-YEAR PERI-
10 OD, SUCH THAT DURING YEAR TWO THERE SHALL BE AN EXEMPTION OF FORTY PER
11 CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, DURING
12 YEAR THREE THERE SHALL BE AN EXEMPTION OF THIRTY PER CENTUM OF THE
13 INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE, IN YEAR FOUR THERE
14 SHALL BE AN EXEMPTION OF TWENTY PER CENTUM OF THE INCREASE IN ASSESSED
15 VALUE THEREOF ATTRIBUTABLE AND IN YEAR FIVE THERE SHALL BE AN EXEMPTION
16 OF TEN PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUT-
17 ABLE;

18 (II) THE "EXEMPTION BASE" SHALL BE THE INCREASE IN ASSESSED VALUE DUE
19 TO RECONSTRUCTION, ALTERATIONS OR IMPROVEMENTS AS DETERMINED BY THE
20 ASSESSOR IN THE INITIAL YEAR OF SUCH FIVE-YEAR PERIOD FOLLOWING THE
21 FILING OF AN ORIGINAL APPLICATION; AND

22 (III) A QUALIFIED RECONSTRUCTION, ALTERATION OR IMPROVEMENT SHALL HAVE
23 INCREASED THE ASSESSED VALUE OF THE REAL PROPERTY BY AT LEAST TEN THOU-
24 SAND DOLLARS, WITH A MAXIMUM PERMITTED EXEMPTION NOT TO EXCEED ONE
25 HUNDRED FIFTY THOUSAND DOLLARS.

26 3. FOR PURPOSES OF THIS SECTION, "RECONSTRUCTION", "ALTERATION" OR
27 "IMPROVEMENT" SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

28 4. ANY OWNER OF A ONE TO THREE FAMILY RESIDENCE MAY QUALIFY FOR AN
29 EXEMPTION PURSUANT TO THIS SECTION, INCLUDING OWNERS WHO DO NOT OCCUPY
30 SUCH RESIDENCES, INDIVIDUALS, PARTNERSHIPS AND LIMITED LIABILITY CORPO-
31 RATIONS. EXEMPTIONS GRANTED PURSUANT TO THIS SECTION ARE NOT TRANSFERA-
32 BLE FROM OWNER TO ANOTHER IF THE REAL PROPERTY IS SOLD OR TRANSFERRED
33 DURING THE EXEMPTION PERIOD.

34 5. NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

35 (A) SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT WAS COMMENCED
36 SUBSEQUENT TO THE EFFECTIVE DATE OF THE LOCAL LAW OR RESOLUTION ADOPTED
37 BY A TOWN, COUNTY, VILLAGE OR SCHOOL DISTRICT PURSUANT TO SUBDIVISION
38 ONE OF THIS SECTION;

39 (B) THE OWNER OF REAL PROPERTY APPLYING FOR SUCH EXEMPTION HAS SATIS-
40 FIED ALL OUTSTANDING TOWN, COUNTY, VILLAGE AND SCHOOL TAX OBLIGATIONS;
41 AND

42 (C) SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT IS DOCUMENTED BY A
43 BUILDING PERMIT, IF REQUIRED, FOR THE IMPROVEMENTS OR OTHER APPROPRIATE
44 DOCUMENTATION AS REQUIRED BY THE ASSESSOR AND/OR CODE ENFORCEMENT OFFI-
45 CER.

46 6. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER
47 OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE COMMISSIONER. SUCH
48 APPLICATION SHALL BE FILED WITH THE ASSESSOR ON OR BEFORE THE APPROPRI-
49 ATE TAXABLE STATUS DATE AND WITHIN ONE YEAR AFTER THE DATE OF COMPLETION
50 OF SUCH RECONSTRUCTION, ALTERATION OR IMPROVEMENT.

51 7. IF SATISFIED THAT THE APPLICANT IS ENTITLED TO AN EXEMPTION PURSU-
52 ANT TO THIS SECTION, THE ASSESSOR SHALL APPROVE THE APPLICATION AND SUCH
53 BUILDING SHALL THEREAFTER BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM
54 LEVIES AS PROVIDED IN THIS SECTION COMMENCING WITH THE ASSESSMENT ROLL
55 PREPARED ON THE BASIS OF THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVI-
56 SION SIX OF THIS SECTION. THE ASSESSOR SHALL ENTER THE ASSESSED VALUE OF

1 ANY EXEMPTION GRANTED PURSUANT TO THIS SECTION ON THE ASSESSMENT ROLL
2 FOR THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A
3 SEPARATE COLUMN.
4 8. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO
5 THIS SECTION CEASES TO BE USED PRIMARILY FOR ELIGIBLE PURPOSES, THE
6 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.
7 9. SUCH TOWN, COUNTY, VILLAGE OR SCHOOL DISTRICT SHALL BE PERMITTED BY
8 LOCAL LAW TO REDUCE THE PERCENTAGE OF EXEMPTION OTHERWISE ALLOWABLE BY
9 SUBDIVISION TWO OF THIS SECTION OR INCREASE THE REQUIRED MINIMUM
10 ASSESSED VALUES SET FORTH IN PARAGRAPH (III) OF SUBDIVISION TWO OF THIS
11 SECTION, PROVIDED THAT A PROJECT IN THE COURSE OF RECONSTRUCTION, ALTER-
12 ATION OR IMPROVEMENT SHALL NOT BE SUBJECT TO SUCH AMENDMENTS.
13 S 2. This act shall take effect immediately.