

9979

I N A S S E M B L Y

April 27, 2012

Introduced by M. of A. QUART -- read once and referred to the Committee
on Real Property Taxation

AN ACT to amend the real property tax law, in relation to providing for
the elimination of the separate utility class (class 3) in New York
city

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

1 Section 1. The section heading and the opening paragraph of subdivi-
2 sion 1 of section 1802 of the real property tax law, the section heading
3 as added by chapter 1057 of the laws of 1981 and the opening paragraph
4 of subdivision 1 as separately amended by chapters 123 and 529 of the
5 laws of 1990, are amended to read as follows:

6 Classification of real property in a special assessing unit NOT
7 LOCATED WHOLLY WITHIN A CITY.

8 All real property, for the purposes of this article, in a special
9 assessing unit NOT LOCATED WHOLLY WITHIN A CITY shall be classified as
10 follows:

11 S 2. The real property tax law is amended by adding a new section
12 1802-a to read as follows:

13 S 1802-A. CLASSIFICATION OF REAL PROPERTY IN A SPECIAL ASSESSING UNIT
14 LOCATED WHOLLY WITHIN A CITY. 1. ALL REAL PROPERTY, FOR THE PURPOSES OF
15 THIS ARTICLE, IN A SPECIAL ASSESSING UNIT LOCATED WHOLLY WITHIN A CITY
16 SHALL BE CLASSIFIED AS FOLLOWS:

17 CLASS ONE: (A) ALL ONE, TWO AND THREE FAMILY RESIDENTIAL REAL PROPER-
18 TY, INCLUDING SUCH DWELLINGS USED IN PART FOR NONRESIDENTIAL PURPOSES
19 BUT WHICH ARE USED PRIMARILY FOR RESIDENTIAL PURPOSES, EXCEPT SUCH PROP-
20 ERTY HELD IN COOPERATIVE OR CONDOMINIUM FORMS OF OWNERSHIP OTHER THAN
21 (I) PROPERTY DEFINED IN SUBPARAGRAPHS (B) AND (C) OF THIS PARAGRAPH AND
22 (II) PROPERTY WHICH CONTAINS NO MORE THAN THREE DWELLING UNITS HELD IN
23 CONDOMINIUM FORM OF OWNERSHIP AND WHICH WAS CLASSIFIED WITHIN THIS CLASS
24 ON A PREVIOUS ASSESSMENT ROLL; AND PROVIDED THAT, NOTWITHSTANDING THE
25 PROVISIONS OF PARAGRAPH (G) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED
26 TWO OF THIS CHAPTER, A MOBILE HOME OR A TRAILER SHALL NOT BE CLASSIFIED
27 WITHIN THIS CLASS UNLESS IT IS OWNER-OCCUPIED AND SEPARATELY ASSESSED;

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

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1 AND (B) RESIDENTIAL REAL PROPERTY NOT MORE THAN THREE STORIES IN HEIGHT
2 HELD IN CONDOMINIUM FORM OF OWNERSHIP, PROVIDED THAT NO DWELLING UNIT
3 THEREIN PREVIOUSLY WAS ON AN ASSESSMENT ROLL AS A DWELLING UNIT IN OTHER
4 THAN CONDOMINIUM FORM OF OWNERSHIP; AND (C) RESIDENTIAL REAL PROPERTY
5 CONSISTING OF ONE FAMILY HOUSE STRUCTURES OWNED BY THE OCCUPANT, SITU-
6 ATED ON LAND HELD IN COOPERATIVE OWNERSHIP BY OWNER OCCUPIERS, PROVIDED
7 THAT; (I) SUCH HOUSE STRUCTURES AND LAND CONSTITUTED BUNGALOW COLONIES
8 IN EXISTENCE PRIOR TO NINETEEN HUNDRED FORTY; AND (II) THE LAND IS HELD
9 IN COOPERATIVE OWNERSHIP FOR THE SOLE PURPOSE OF MAINTAINING ONE FAMILY
10 RESIDENCES FOR MEMBERS OWN USE; AND (D) ALL VACANT LAND LOCATED WITHIN A
11 SPECIAL ASSESSING UNIT WHICH IS A CITY OTHER THAN SUCH LAND IN THE
12 BOROUGH OF MANHATTAN SOUTH OF OR ADJACENT TO THE SOUTH SIDE OF 110TH
13 STREET, PROVIDED THAT ANY SUCH VACANT LAND WHICH IS NOT ZONED RESIDEN-
14 TIAL MUST BE SITUATED IMMEDIATELY ADJACENT TO PROPERTY IMPROVED WITH A
15 RESIDENTIAL STRUCTURE AS DEFINED IN SUBPARAGRAPHS (A) AND (B) OF THIS
16 PARAGRAPH, BE OWNED BY THE SAME OWNER AS SUCH IMMEDIATELY ADJACENT RESI-
17 DENTIAL PROPERTY IMMEDIATELY PRIOR TO AND SINCE JANUARY FIRST, NINETEEN
18 HUNDRED EIGHTY-NINE, AND HAVE A TOTAL AREA NOT EXCEEDING TEN THOUSAND
19 SQUARE FEET.

20 CLASS TWO: ALL OTHER RESIDENTIAL REAL PROPERTY WHICH IS NOT DESIGNATED
21 AS CLASS ONE, EXCEPT HOTELS AND MOTELS AND OTHER SIMILAR COMMERCIAL
22 PROPERTY.

23 CLASS THREE: ALL OTHER REAL PROPERTY WHICH IS NOT DESIGNATED AS CLASS
24 ONE OR CLASS TWO.

25 2. IN ADDITION TO ANY REQUIREMENTS OF LAW OR RULE OF THE COMMISSIONER,
26 THE ASSESSMENT ROLL SHALL CONTAIN A SEPARATE COLUMN FOR THE ENTRY OF THE
27 CLASS DESIGNATION REQUIRED BY THIS SECTION. THE ASSESSOR SHALL ENTER THE
28 APPROPRIATE CLASS DESIGNATION IN THIS COLUMN FOR EACH PARCEL LISTED ON
29 THE ASSESSMENT ROLL.

30 3. THE DETERMINATION OF INCLUSION WITHIN A CLASS PURSUANT TO THIS
31 SECTION SHALL BE SUBJECT TO ADMINISTRATIVE AND JUDICIAL REVIEW AS
32 PROVIDED BY LAW FOR THE REVIEW OF ASSESSMENTS.

33 S 3. Subdivision 3 of section 1805 of the real property tax law, as
34 amended by chapter 143 of the laws of 1989, and as further amended by
35 subdivision (b) of section 1 of part W of chapter 56 of the laws of
36 2010, is amended to read as follows:

37 3. If the assessment appearing on an assessment roll completed on or
38 after January first, nineteen hundred eighty-two for any parcel not
39 subject to the provisions of subdivision one or two of this section,
40 other than a parcel classified in class three IN A SPECIAL ASSESSING
41 UNIT NOT LOCATED WHOLLY WITHIN THE CITY, is greater than the assessment
42 appearing on the previous year's assessment roll the assessor shall
43 determine a transition assessment for such parcel for the first assess-
44 ment roll on which such greater assessment appears and for each of the
45 succeeding four assessment rolls by computing the difference between
46 such greater assessment and the assessment appearing on such previous
47 year's assessment roll and adding the following percentages of such
48 difference to the assessment appearing on such previous year's assess-
49 ment roll: in the first year, twenty percent; in the second year, forty
50 percent; in the third year, sixty percent; in the fourth year, eighty
51 percent; and in the fifth year, one hundred percent. If the assessment
52 of a parcel is increased during a period for which transition assess-
53 ments have been established because of any prior assessment increases,
54 such new increase shall be phased-in over a five-year period as set
55 forth in this subdivision, and such phased-in increases shall be added
56 to the transitional assessments previously established for the prior

1 increase; provided, however, that if in any year any such transition
2 assessment exceeds the actual assessment for such year, taxes imposed on
3 such parcel for such year shall be based on such lesser actual assess-
4 ment. Notwithstanding the foregoing, during the period of any such tran-
5 sition, the assessment roll shall contain an entry of the full amount of
6 such greater assessment which shall be used by the commissioner in its
7 determination of class ratios pursuant to paragraph (b) of subdivision
8 one of section twelve hundred two of this chapter. In establishing state
9 equalization rates, class equalization rates, special state equalization
10 rates and special state equalization ratios under article twelve, arti-
11 cle twelve-A and article twelve-B of this chapter, the commissioner
12 shall use the transition assessments as provided for in this subdivision
13 in its determinations, or where the actual assessment is the lesser,
14 such actual assessment shall be so used.

15 S 4. This act shall take effect immediately and shall be applicable to
16 assessment rolls with a taxable status date following such effective
17 date.