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

S. 5669 A. 8271

2011-2012 Regular Sessions

S E N A T E - A S S E M B L Y

June 9, 2011

IN SENATE -- Introduced by Sen. SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

IN ASSEMBLY -- Introduced by M. of A. TITONE -- read once and referred to the Committee on Cities

AN ACT to confirm eligibility for and direct the New York city department of finance to provide exemption from taxation of certain residential dwelling units in the county of Richmond

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

Section 1. 1. Notwithstanding any law, rule or regulation to the contrary, where certificates of eligibility for moderate rehabilitation with enriched benefits were issued by the New York city department of housing preservation and development on July 28, 2000 and January 30, 2002 for alterations and improvements constructed between 1997 and 2000 with regard to a group of eight class A multiple dwellings reflected on three separate tax lots, comprised of eleven hundred or more residential rental units located on the same residential street in the county of Richmond, exclusively occupied by low income tenants receiving benefits under section 8 of the United States housing act of 1937 whose incomes do not exceed 50 percent of the area median income, which are subject to a 50-year use agreement pursuant to the United States low-income housing preservation and resident homeownership act of 1990 and funded by at least 10 million dollars of federal subsidies, each such tax lot shall be exempt from taxation for local purposes for 34 years under section 489 of the real property tax law and section 11-243 of the administrative code of the city of New York. The New York city department of finance is hereby directed to comply with the provisions of this section.

2. For tax lots granted benefits under this section pursuant to certificates of eligibility issued on July 28, 2000, exemption benefits

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

LBD13009-02-1

shall be based upon all increases in the buildings assessed valuation, without regard to whether such increases were the result of physical or equalization increases, as follows:

(a) beginning in tax year 2001-2002 and ending at the completion of tax year 2030-2031, the exemption benefit shall equal the difference between the building assessed value for that tax year and tax year 1997-1998 multiplied by the then current overall class 2 tax rate;

(b) for tax year 2031-2032, the exemption benefit shall equal eighty percent of the difference between the then current building assessed value and the building assessed value in tax year 2001-2002 multiplied by the then current class 2 tax rate;

(c) for tax year 2032-2033, the exemption benefit shall equal sixty percent of the difference between the then current building assessed value and the building assessed value in tax year 2001-2002 multiplied by the then current class 2 tax rate;

(d) for tax year 2033-2034, the exemption benefit shall equal forty percent of the difference between the then current building assessed value and the building assessed value in tax year 2001-2002 multiplied by the then current class 2 tax rate.

(e) for tax year 2034-2035, the exemption benefit shall equal twenty percent of the difference between the then current building assessed value and the building assessed value in tax year 2001-2002 multiplied by the then current class 2 tax rate.

3. For tax lots granted benefits under this section pursuant to certificates of eligibility issued on January 30, 2002, exemption benefits shall be based upon all increases in the buildings assessed valuation, without regard to whether such increases were the result of physical or equalization increases, as follows:

(a) beginning in tax year 2002-2003 and ending at the completion of tax year 2031-2032, the exemption benefit shall equal the difference between the building assessed value for that tax year and tax year 1998-1999 multiplied by the then current overall class 2 tax rate;

(b) for tax year 2032-2033, the exemption benefit shall equal eighty percent of the difference between the then current building assessed value and the building assessed value in tax year 2002-2003 multiplied by the then current class 2 tax rate;

(c) for tax year 2033-2034, the exemption benefit shall equal sixty percent of the difference between the then current building assessed value and the building assessed value in tax year 2002-2003 multiplied by the then current class 2 tax rate;

(d) for tax year 2034-2035, the exemption benefit shall equal forty percent of the difference between the then current building assessed value and the building assessed value in tax year 2002-2003 multiplied by the then current class 2 tax rate;

(e) for tax year 2035-2036, the exemption benefit shall equal twenty percent of the difference between the then current building assessed value and the building assessed value in tax year 2002-2003 multiplied by the then current class 2 tax rate;

4. For all tax years prior to the tax year in which this act takes effect, all exemption benefits created pursuant to subdivisions two and three of this section shall result in the creation of credits. The total of all credits for tax years prior to the tax year in which this act takes effect shall be applied by the New York city department of finance to reduce taxes for the remainder of the benefit period, beginning in the first tax year in which this act takes effect through tax year 2035-2036.

5. The New York city department of housing preservation and development is hereby empowered to grant an extension of the period of completion for any project described in subdivision one of this section if such alterations or improvements are completed within 96 months from commencement of construction; provided that such conversion, alterations or improvements shall in any event be completed prior to December 31, 2013.

S 2. This act shall take effect immediately.