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

7091--A

I N S E N A T E

April 27, 2012

Introduced by Sens. GOLDEN, ADAMS, AVELLA, DUANE, GIANARIS, HUNTLEY, KRUEGER, LANZA, MONTGOMERY, PERALTA, SAVINO, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to partial abatement of real property taxes; and to amend the real property tax law, in relation to exemption from taxation of alterations and improvements to multiple dwellings

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

Section 1. Subparagraph (xvi) of paragraph (c) of subdivision 2 of section 467-a of the real property tax law, as added by chapter 109 of the laws of 2008, is amended and three new subparagraphs (xvii), (xviii) and (xix) are added to read as follows:

(xvi) twenty-five percent in the fiscal year commencing in calendar year two thousand eleven[.];

(XVII) TWENTY-FIVE PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE;

(XVIII) TWENTY-FIVE PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND THIRTEEN;

(XIX) TWENTY-FIVE PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND FOURTEEN.

S 2. Subparagraph (xvi) of paragraph (d) of subdivision 2 of section 467-a of the real property tax law, as added by chapter 109 of the laws of 2008, is amended and three new subparagraphs (xvii), (xviii) and (xix) are added to read as follows:

(xvi) seventeen and one-half percent in the fiscal year commencing in calendar year two thousand eleven[.];

(XVII) SEVENTEEN AND ONE-HALF PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE;

(XVIII) SEVENTEEN AND ONE-HALF PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND THIRTEEN;

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

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(XIX) SEVENTEEN AND ONE-HALF PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND FOURTEEN.

S 3. Paragraphs (a) and (c) of subdivision 3 of section 467-a of the real property tax law, as amended by chapter 109 of the laws of 2008, are amended to read as follows:

(a) An application for an abatement pursuant to this section for the fiscal year commencing in calendar year nineteen hundred ninety-six shall be made no later than the fifteenth day of September, nineteen hundred ninety-six. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year nineteen hundred ninety-seven shall be made no later than the first day of April, nineteen hundred ninety-seven. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year nineteen hundred ninety-eight shall be made no later than the first day of April, nineteen hundred ninety-eight. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year nineteen hundred ninety-nine shall be made in accordance with this subdivision and subdivision three-a of this section. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand shall be made no later than the fifteenth day of February, two thousand. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand one shall be made in accordance with this subdivision and subdivision three-b of this section. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand two shall be made no later than the fifteenth day of February, two thousand two. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand three shall be made no later than the fifteenth day of February, two thousand three. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand four shall be made in accordance with this subdivision and subdivision three-c of this section. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand five shall be made no later than the fifteenth day of February, two thousand five. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand six shall be made no later than the fifteenth day of February, two thousand six. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand seven shall be made no later than the fifteenth day of February, two thousand seven. An application for abatement pursuant to this section for the fiscal year commencing in calendar year two thousand eight shall be made in accordance with this subdivision and subdivision three-d of this section. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand nine shall be made no later than the fifteenth day of February, two thousand nine. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand ten shall be made no later than the fifteenth day of February, two thousand ten. An application for an abatement pursuant to this section for the fiscal year commencing in calendar year two thousand eleven shall be made no later than the fifteenth day of February, two thousand eleven. AN APPLICATION FOR ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE SHALL BE MADE IN ACCORDANCE WITH THIS SUBDIVISION AND SUBDIVISION THREE-E OF THIS SECTION. AN APPLICATION FOR AN ABATEMENT PURSUANT

TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND THIRTEEN SHALL BE MADE NO LATER THAN THE FIFTEENTH DAY OF FEBRUARY, TWO THOUSAND THIRTEEN. AN APPLICATION FOR AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND FOURTEEN SHALL BE MADE NO LATER THEN THE FIFTEENTH DAY OF FEBRUARY, TWO THOUSAND FOURTEEN.

(c) No abatement pursuant to this section shall be granted unless the applicant files an application for an abatement within the time periods prescribed in paragraph (a) of this subdivision or subdivision three-a, three-b, three-c [or], three-d OR THREE-E of this section, provided, however, that the commissioner of finance may, for good cause shown, extend the time for filing an application.

S 4. Paragraph (h) of subdivision 3 of section 467-a of the real property tax law, as amended by chapter 109 of the laws of 2008, is amended to read as follows:

(h) Notwithstanding any other provision of law to the contrary, application by the board of directors of a cooperative apartment corporation for an abatement pursuant to this section for either the fiscal year commencing in calendar year two thousand five or the fiscal year commencing in the calendar year two thousand six or the fiscal year commencing in the calendar year two thousand seven or the fiscal year commencing in the calendar year two thousand eight or the fiscal year commencing in the calendar year two thousand nine or the fiscal year commencing in the calendar year two thousand ten or the fiscal year commencing in the calendar year two thousand eleven OR THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR TWO THOUSAND TWELVE OR THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR TWO THOUSAND THIRTEEN OR THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR TWO THOUSAND FOURTEEN shall be made by the filing of an information return pursuant to subdivision (g) of section 11-2105 of the administrative code of the city of New York, as added by local law number fifty-eight of the city of New York for the year nineteen hundred eighty-nine, including an election by such board of directors that such information return be deemed an application for an abatement pursuant to this section for such fiscal year, provided, however, that where the board of directors files an application on behalf of a cooperative apartment corporation that is not receiving an abatement pursuant to this section for the fiscal year immediately preceding the fiscal year for which the application is filed, then the board of directors shall be required to file, in addition to the information return pursuant to subdivision (g) of section 11-2105 of the administrative code of the city of New York, as added by local law number fifty-eight of the city of New York for the year nineteen hundred eighty-nine, any information return covering a reporting period beginning on or after January first, nineteen hundred ninety-six, that has not been filed previously. Information returns that are deemed to be applications for an abatement pursuant to this paragraph shall be subject to the provisions of this section relating to such applications including, but not limited to, the provisions of this subdivision and subdivision four of this section.

S 5. Section 467-a of the real property tax law is amended by adding a new subdivision 3-e to read as follows:

3-E. (A) AN APPLICANT WHOSE PROPERTY DID NOT RECEIVE AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND ELEVEN SHALL SUBMIT AN APPLICATION FOR AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO

THOUSAND TWELVE NO LATER THAN SIXTY DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SUBDIVISION.

(B) THE ABATEMENT FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE OF A COOPERATIVE APARTMENT CORPORATION THAT RECEIVED AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND ELEVEN AND THAT SUBMITTED AN INFORMATION RETURN ON OR BEFORE FEBRUARY FIFTEENTH, TWO THOUSAND TWELVE, THAT INCLUDED AN ELECTION BY THE BOARD OF DIRECTORS OF SUCH COOPERATIVE APARTMENT CORPORATION THAT SUCH INFORMATION RETURN BE DEEMED AN APPLICATION FOR AN ABATEMENT PURSUANT TO THIS SECTION FOR SUCH FISCAL YEAR, SHALL BE BASED ON THE INFORMATION CONTAINED IN SUCH INFORMATION RETURN.

(C) THE ABATEMENT FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE OF A COOPERATIVE APARTMENT CORPORATION THAT RECEIVED AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND ELEVEN AND THAT SUBMITTED AN INFORMATION RETURN ON OR BEFORE FEBRUARY FIFTEENTH, TWO THOUSAND TWELVE, THAT DID NOT INCLUDE AN ELECTION BY THE BOARD OF DIRECTORS OF SUCH COOPERATIVE APARTMENT CORPORATION THAT SUCH INFORMATION RETURN BE DEEMED AN APPLICATION FOR AN ABATEMENT PURSUANT TO THIS SECTION FOR SUCH FISCAL YEAR, SHALL BE BASED ON THE INFORMATION CONTAINED IN THE APPLICATION SUBMITTED IN TWO THOUSAND ELEVEN OR ON THE INFORMATION CONTAINED IN SUCH INFORMATION RETURN, OR BOTH, PROVIDED THAT NOTHING IN THIS PARAGRAPH SHALL AUTHORIZE OR REQUIRE THE COMMISSIONER OF FINANCE TO GRANT AN ABATEMENT WITH RESPECT TO A PROPERTY OR A DWELLING UNIT THAT IS NOT ELIGIBLE AS OF THE APPLICABLE TAXABLE STATUS DATE FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE.

(D) THE BOARD OF MANAGERS OF A CONDOMINIUM THAT RECEIVED AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND ELEVEN SHALL SUBMIT AN APPLICATION FOR AN ABATEMENT PURSUANT TO THIS SECTION FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE NO LATER THAN SIXTY DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SUBDIVISION. IF SUCH BOARD OF MANAGERS DOES NOT SUBMIT SUCH APPLICATION WITHIN SIXTY DAYS FOLLOWING THE EFFECTIVE DATE OF THIS SUBDIVISION, THEN THE ABATEMENT FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE FOR SUCH CONDOMINIUM SHALL BE BASED ON THE INFORMATION CONTAINED IN THE APPLICATION SUBMITTED IN TWO THOUSAND ELEVEN, PROVIDED THAT NOTHING IN THIS PARAGRAPH SHALL AUTHORIZE OR REQUIRE THE COMMISSIONER OF FINANCE TO GRANT AN ABATEMENT WITH RESPECT TO A PROPERTY OR A DWELLING UNIT THAT IS NOT ELIGIBLE AS OF THE APPLICABLE TAXABLE STATUS DATE FOR THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND TWELVE.

S 6. The opening paragraph of paragraph (a) of subdivision 1 of section 489 of the real property tax law, as amended by chapter 244 of the laws of 2006, is amended to read as follows:

Any city to which the multiple dwelling law is applicable, acting through its local legislative body or other governing agency, is hereby authorized and empowered, to and including June [first] FIFTEENTH, two thousand [eleven] FIFTEEN, to adopt and amend local laws or ordinances providing that any increase in assessed valuation of real property shall be exempt from taxation for local purposes, as provided herein, to the extent such increase results from:

S 7. The closing paragraph of subparagraph 6 of paragraph (a) of subdivision 1 of section 489 of the real property tax law, as amended by chapter 244 of the laws of 2006, is amended to read as follows:

Such conversion, alterations or improvements shall be completed within thirty-six months after the date on which same shall be started except

that such thirty-six month limitation shall not apply to conversions of residential units which are registered with the loft board in accordance with article seven-C of the multiple dwelling law pursuant to subparagraph one of this paragraph. Notwithstanding the foregoing, a sixty month period for completion shall be available for alterations or improvements undertaken by a housing development fund company organized pursuant to article eleven of the private housing finance law, which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from such city if alterations and improvements are completed within seven years after the date of transfer. In addition, the local housing agency is hereby empowered to grant an extension of the period of completion for any project carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality, if such alterations or improvements are completed within sixty months from commencement of construction. Provided, further, that such conversion, alterations or improvements shall in any event be completed prior to December thirty-first, two thousand [eleven] FIFTEEN. Exemption for conversions, alterations or improvements pursuant to subparagraph one, two, three or four of this paragraph shall continue for a period not to exceed fourteen years and begin no sooner than the first quarterly tax bill immediately following the completion of such conversion, alterations or improvements. Exemption for alterations or improvements pursuant to this subparagraph or subparagraph five of this paragraph shall continue for a period not to exceed thirty-four years and shall begin no sooner than the first quarterly tax bill immediately following the completion of such alterations or improvements. Such exemption shall be equal to the increase in the valuation which is subject to exemption in full or proportionally under this subdivision for ten or thirty years, whichever is applicable. After such period of time, the amount of such exempted assessed valuation of such improvements shall be reduced by twenty percent in each succeeding year until the assessed value of the improvements are fully taxable. Provided, however, exemption for any conversion, alterations or improvements which are aided by a loan or grant under article eight, eight-A, eleven, twelve, fifteen or twenty-two of the private housing finance law, section six hundred ninety-six-a or section ninety-nine-h of the general municipal law, or section three hundred twelve of the housing act of nineteen hundred sixty-four (42 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing act (42 U.S.C.A. 12701 et. seq.), or started after July first, nineteen hundred eighty-three by a housing development fund company organized pursuant to article eleven of the private housing finance law which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from any city and where alterations and improvements are completed within seven years after the date of transfer may commence at the beginning of any tax quarter subsequent to the start of such conversion, alterations or improvements and prior to the completion of such conversion, alterations or improvements.

S 8. The city of New York shall present a plan to the legislature, no later than February 1, 2016, containing recommendations to address the disparity in real property taxation between residential real property in class one and residential real property in class two held in the cooperative or condominium form of ownership.

S 9. This act shall take effect immediately; provided, however that sections six and seven of this act shall be deemed to have been in full force and effect on and after June 1, 2011.