

2043--B

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. KAVANAGH, COOK, DINOWITZ, FARRELL, CLARK, LENTOL, DenDEKKER -- Multi-Sponsored by -- M. of A. ABBATE, AUBRY, BRENNAN, BROOK-KRASNY, CAHILL, COLTON, CYMBROWITZ, GLICK, GOTTFRIED, JACOBS, MARKEY, MILLMAN, NOLAN, O'DONNELL, ORTIZ, PERRY, RIVERA, ROBINSON, WEINSTEIN, WRIGHT -- read once and referred to the Committee on Aging -- recommitted to the Committee on Aging 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 increasing the allowable maximum income of persons occupying rental units otherwise eligible for tax abatement in certain cases; and to amend section 4 of part U of chapter 55 of the laws of 2014, amending the real property tax law, relating to the tax abatement and exemption for rent regulated and rent controlled property occupied by senior citizens, in relation to the effectiveness of certain provisions thereof

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

1 Section 1. Paragraph a of subdivision 3 of section 467-b of the real
2 property tax law, as amended by section 1 of part U of chapter 55 of the
3 laws of 2014, is amended to read as follows:
4 a. for a dwelling unit where the head of the household is a person
5 sixty-two years of age or older, no tax abatement shall be granted if
6 the combined income of all members of the household for the income tax
7 year immediately preceding the date of making application exceeds four
8 thousand dollars, or such other sum not more than twenty-five thousand
9 dollars beginning July first, two thousand five, twenty-six thousand
10 dollars beginning July first, two thousand six, twenty-seven thousand
11 dollars beginning July first, two thousand seven, twenty-eight thousand

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

LBD00448-06-4

1 dollars beginning July first, two thousand eight, twenty-nine thousand
2 dollars beginning July first, two thousand nine, [and] fifty thousand
3 dollars beginning July first, two thousand fourteen, AND FIFTY-ONE THOU-
4 SAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND SIXTEEN, as may be
5 provided by the local law, ordinance or resolution adopted pursuant to
6 this section, provided that when the head of the household retires
7 before the commencement of such income tax year and the date of filing
8 the application, the income for such year may be adjusted by excluding
9 salary or earnings and projecting his or her retirement income over the
10 entire period of such year.

11 S 2. Paragraph a of subdivision 3 of section 467-b of the real proper-
12 ty tax law, as amended by section 2 of chapter 188 of the laws of 2005,
13 is amended to read as follows:

14 a. for a dwelling unit where the head of the household is a person
15 sixty-two years of age or older, no tax abatement shall be granted if
16 the combined income of all members of the household for the income tax
17 year immediately preceding the date of making application exceeds three
18 thousand dollars, or such other sum not more than five thousand dollars,
19 AND FIFTY-ONE THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
20 SIXTEEN, as may be provided by the local law, ordinance or resolution
21 adopted pursuant to this section, provided that when the head of the
22 household retires before the commencement of such year and the date of
23 filing the application, the income for such year may be adjusted by
24 excluding salary or earnings and projecting his retirement income over
25 the entire period of such year.

26 S 3. Section 4 of part U of chapter 55 of the laws of 2014, amending
27 the real property tax law, relating to the tax abatement and exemption
28 for rent regulated and rent controlled property occupied by senior citi-
29 zens, is amended to read as follows:

30 S 4. This act shall take effect July 1, 2014[, and sections one and
31 two of this act shall expire and be deemed repealed 2 years after the
32 effective date thereof]; provided that the amendment to section 467-b of
33 the real property tax law made by section one of this act shall not
34 affect the expiration of such section and shall be deemed to expire
35 therewith.

36 S 4. Subparagraph 1 of paragraph d of subdivision 1 of section 467-c
37 of the real property tax law, as amended by section 2 of part U of chap-
38 ter 55 of the laws of 2014, is amended to read as follows:

39 (1) a person or his or her spouse who is sixty-two years of age or
40 older and is entitled to the possession or to the use and occupancy of a
41 dwelling unit, provided, however, with respect to a dwelling which was
42 subject to a mortgage insured or initially insured by the federal
43 government pursuant to section two hundred thirteen of the National
44 Housing Act, as amended "eligible head of the household" shall be limit-
45 ed to that person or his or her spouse who was entitled to possession or
46 the use and occupancy of such dwelling unit at the time of termination
47 of such mortgage, and whose income when combined with the income of all
48 other members of the household, does not exceed six thousand five
49 hundred dollars for the taxable period, or such other sum not less than
50 sixty-five hundred dollars nor more than twenty-five thousand dollars
51 beginning July first, two thousand five, twenty-six thousand dollars
52 beginning July first, two thousand six, twenty-seven thousand dollars
53 beginning July first, two thousand seven, twenty-eight thousand dollars
54 beginning July first, two thousand eight, twenty-nine thousand dollars
55 beginning July first, two thousand nine, [and] fifty thousand dollars
56 beginning July first, two thousand fourteen, AND FIFTY-ONE THOUSAND

1 DOLLARS BEGINNING JULY FIRST, TWO THOUSAND SIXTEEN, as may be provided
2 by local law; or

3 S 5. Paragraph b of subdivision 3 of section 467-b of the real proper-
4 ty tax law, as amended by section 1 of chapter 129 of the laws of 2014,
5 is amended to read as follows:

6 b. for a dwelling unit where the head of the household qualifies as a
7 person with a disability pursuant to subdivision five of this section,
8 no tax abatement shall be granted if the combined income for all members
9 of the household for the current income tax year exceeds fifty THOUSAND
10 DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FOURTEEN, AND FIFTY-ONE thou-
11 sand dollars beginning July first, two thousand [fourteen] SIXTEEN, as
12 may be provided by the local law, ordinance or resolution adopted pursu-
13 ant to this section.

14 S 6. Paragraph b of subdivision 3 of section 467-b of the real proper-
15 ty tax law, as amended by section 2 of chapter 129 of the laws of 2014,
16 is amended to read as follows:

17 b. for a dwelling unit where the head of the household qualifies as a
18 person with a disability pursuant to subdivision five of this section,
19 no tax abatement shall be granted if the combined income for all members
20 of the household for the current income tax year exceeds fifty THOUSAND
21 DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FOURTEEN, AND FIFTY-ONE thou-
22 sand dollars beginning July first, two thousand [fourteen] SIXTEEN, as
23 may be provided by the local law, ordinance or resolution adopted pursu-
24 ant to this section.

25 S 7. Paragraph b of subdivision 3 of section 467-b of the real proper-
26 ty tax law, as amended by section 2 of chapter 188 of the laws of 2005,
27 is amended to read as follows:

28 b. for a dwelling unit where the head of the household qualifies as a
29 person with a disability pursuant to subdivision five of this section,
30 no tax abatement shall be granted if the combined income for all members
31 of the household for the current income tax year exceeds [the maximum
32 income at which such head of the household would not be eligible to
33 receive cash supplemental security income benefits under federal law
34 during such tax year] FIFTY-ONE THOUSAND DOLLARS BEGINNING JULY FIRST,
35 TWO THOUSAND SIXTEEN, AS MAY BE PROVIDED BY THE LOCAL LAW, ORDINANCE OR
36 RESOLUTION ADOPTED PURSUANT TO THIS SECTION.

37 S 8. Paragraph m of subdivision 1 of section 467-c of the real proper-
38 ty tax law, as amended by chapter 129 of the laws of 2014, is amended to
39 read as follows:

40 m. "Person with a disability" means an individual who is currently
41 receiving social security disability insurance (SSDI) or supplemental
42 security income (SSI) benefits under the federal social security act or
43 disability pension or disability compensation benefits provided by the
44 United States department of veterans affairs or those previously eligi-
45 ble by virtue of receiving disability benefits under the supplemental
46 security income program or the social security disability program and
47 currently receiving medical assistance benefits based on determination
48 of disability as provided in section three hundred sixty-six of the
49 social services law and whose income for the current income tax year,
50 together with the income of all members of such individual's household,
51 does not exceed fifty THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOU-
52 SAND FOURTEEN, AND FIFTY-ONE thousand dollars beginning July first, two
53 thousand [fourteen] SIXTEEN, as may be provided by local law.

54 S 9. Paragraph m of subdivision 1 of section 467-c of the real proper-
55 ty tax law, as added by chapter 188 of the laws of 2005, is amended to
56 read as follows:

1 m. "Person with a disability" means an individual who is currently
2 receiving social security disability insurance (SSDI) or supplemental
3 security income (SSI) benefits under the federal social security act or
4 disability pension or disability compensation benefits provided by the
5 United States department of veterans affairs or those previously eligi-
6 ble by virtue of receiving disability benefits under the supplemental
7 security income program or the social security disability program and
8 currently receiving medical assistance benefits based on determination
9 of disability as provided in section three hundred sixty-six of the
10 social services law and whose income for the current income tax year,
11 together with the income of all members of such individual's household,
12 does not exceed [the maximum income at which such individual would be
13 eligible to receive cash supplemental security income benefits under
14 federal law during such tax year] FIFTY-ONE THOUSAND DOLLARS BEGINNING
15 JULY FIRST, TWO THOUSAND SIXTEEN, AS MAY BE PROVIDED BY LOCAL LAW.

16 S 10. Paragraph (a) of subdivision 3 of section 467 of the real prop-
17 erty tax law, as amended by chapter 259 of the laws of 2009, is amended
18 to read as follows:

19 (a) if the income of the owner or the combined income of the owners of
20 the property for the income tax year immediately preceding the date of
21 making application for exemption exceeds the sum of three thousand
22 dollars, or such other sum not less than three thousand dollars nor more
23 than twenty-six thousand dollars beginning July first, two thousand six,
24 twenty-seven thousand dollars beginning July first, two thousand seven,
25 twenty-eight thousand dollars beginning July first, two thousand eight,
26 [and] twenty-nine thousand dollars beginning July first, two thousand
27 nine, FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FIFTEEN,
28 AND FIFTY-ONE THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
29 SIXTEEN, as may be provided by the local law, ordinance or resolution
30 adopted pursuant to this section. Income tax year shall mean the twelve
31 month period for which the owner or owners filed a federal personal
32 income tax return, or if no such return is filed, the calendar year.
33 Where title is vested in either the husband or the wife, their combined
34 income may not exceed such sum, except where the husband or wife, or
35 ex-husband or ex-wife is absent from the property as provided in subpar-
36 agraph (ii) of paragraph (d) of this subdivision, then only the income
37 of the spouse or ex-spouse residing on the property shall be considered
38 and may not exceed such sum. Such income shall include social security
39 and retirement benefits, interest, dividends, total gain from the sale
40 or exchange of a capital asset which may be offset by a loss from the
41 sale or exchange of a capital asset in the same income tax year, net
42 rental income, salary or earnings, and net income from self-employment,
43 but shall not include a return of capital, gifts, inheritances, payments
44 made to individuals because of their status as victims of Nazi perse-
45 cution, as defined in P.L. 103-286 or monies earned through employment
46 in the federal foster grandparent program and any such income shall be
47 offset by all medical and prescription drug expenses actually paid which
48 were not reimbursed or paid for by insurance, if the governing board of
49 a municipality, after a public hearing, adopts a local law, ordinance or
50 resolution providing therefor. Furthermore, such income shall not
51 include the proceeds of a reverse mortgage, as authorized by section
52 six-h of the banking law, and sections two hundred eighty and two
53 hundred eighty-a of the real property law; provided, however, that
54 monies used to repay a reverse mortgage may not be deducted from income,
55 and provided additionally that any interest or dividends realized from
56 the investment of reverse mortgage proceeds shall be considered income.

1 The provisions of this paragraph notwithstanding, such income shall not
2 include veterans disability compensation, as defined in Title 38 of the
3 United States Code provided the governing board of such municipality,
4 after public hearing, adopts a local law, ordinance or resolution
5 providing therefor. In computing net rental income and net income from
6 self-employment no depreciation deduction shall be allowed for the
7 exhaustion, wear and tear of real or personal property held for the
8 production of income;

9 S 11. Paragraph (a) of subdivision 5 of section 459-c of the real
10 property tax law, as separately amended by chapters 187 and 252 of the
11 laws of 2006, is amended to read as follows:

12 (a) if the income of the owner or the combined income of the owners of
13 the property for the income tax year immediately preceding the date of
14 making application for exemption exceeds the sum of three thousand
15 dollars, or such other sum not less than three thousand dollars nor more
16 than twenty-six thousand dollars beginning July first, two thousand six,
17 twenty-seven thousand dollars beginning July first, two thousand seven,
18 twenty-eight thousand dollars beginning July first, two thousand eight,
19 [and] twenty-nine thousand dollars beginning July first, two thousand
20 nine, FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FIFTEEN,
21 AND FIFTY-ONE THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
22 SIXTEEN, as may be provided by the local law or resolution adopted
23 pursuant to this section. Income tax year shall mean the twelve month
24 period for which the owner or owners filed a federal personal income tax
25 return, or if no such return is filed, the calendar year. Where title is
26 vested in either the husband or the wife, their combined income may not
27 exceed such sum, except where the husband or wife, or ex-husband or
28 ex-wife is absent from the property due to divorce, legal separation or
29 abandonment, then only the income of the spouse or ex-spouse residing on
30 the property shall be considered and may not exceed such sum. Such
31 income shall include social security and retirement benefits, interest,
32 dividends, total gain from the sale or exchange of a capital asset which
33 may be offset by a loss from the sale or exchange of a capital asset in
34 the same income tax year, net rental income, salary or earnings, and net
35 income from self-employment, but shall not include a return of capital,
36 gifts, inheritances or monies earned through employment in the federal
37 foster grandparent program and any such income shall be offset by all
38 medical and prescription drug expenses actually paid which were not
39 reimbursed or paid for by insurance, if the governing board of a munici-
40 pality, after a public hearing, adopts a local law or resolution provid-
41 ing therefor. In computing net rental income and net income from self-
42 employment no depreciation deduction shall be allowed for the
43 exhaustion, wear and tear of real or personal property held for the
44 production of income;

45 S 12. This act shall take effect immediately; provided that:

46 a. the amendments to paragraph a of subdivision 3 of section 467-b of
47 the real property tax law made by section one of this act shall be
48 subject to the expiration and reversion of such paragraph pursuant to
49 section 17 of chapter 576 of the laws of 1974, when upon such date the
50 provisions of section two of this act shall take effect;

51 b. the amendments to paragraph b of subdivision 3 of section 467-b of
52 the real property tax law, made by section five of this act shall be
53 subject to the expiration and reversion of such paragraph, when upon
54 such date the provisions of section six of this act shall take effect;

55 c. the amendments to paragraph b of subdivision 3 of section 467-b of
56 the real property tax law, made by section six of this act shall be

1 subject to the expiration and reversion of such paragraph, when upon
2 such date the provisions of section seven of this act shall take effect;
3 and
4 d. the amendments to paragraph m of subdivision 1 of section 467-c of
5 the real property tax law, made by section eight of this act shall be
6 subject to the expiration and reversion of such paragraph, when upon
7 such date the provisions of section nine of this act shall take effect.