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

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I N A S S E M B L Y

January 23, 2014

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

AN ACT to amend the real property tax law, in relation to the eligibility for J-51 tax abatements to reflect cost of living adjustments

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

Section 1. Subdivision 17 of section 489 of the real property tax law, as added by chapter 4 of the laws of 2013, is amended to read as follows:

17. (a) For purposes of this subdivision, "substantial governmental assistance" shall mean:

(i) grants, loans or subsidies from any federal, state or local agency or instrumentality in furtherance of a program for the development of affordable housing approved by the local housing agency, including, without limitation, financing or insurance provided by the state of New York mortgage agency of the New York city residential mortgage insurance corporation; or

(ii) a written agreement between a housing development fund corporation and the local housing agency limiting the incomes of persons entitled to purchase shares or rent housing accommodations therein.

(b) Any local law or ordinance providing for benefits pursuant to this section must also provide the following with respect to conversions, alterations or improvements completed on or after December thirty-first, two thousand eleven:

(i) except as otherwise provided in this section with respect to multiple dwellings, buildings and structures owned and operated either by limited-profit housing companies established pursuant to article two of the private housing finance law or redevelopment companies established pursuant to article five of the private housing finance law, or with respect to a group of multiple dwellings that was developed as a planned community and that is owned as two separate condominiums containing a total of ten thousand or more dwelling units, any multiple dwelling, building or structure that is owned as a cooperative or a condominium that has an average assessed value [of thirty thousand

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

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dollars or more] per dwelling unit THAT EXCEEDS THE ASSESSED VALUATION LIMITATION AS PROVIDED IN PARAGRAPH (C) OF THIS SUBDIVISION shall only be eligible for such benefits if the alterations or improvements for which such multiple dwelling, building or structure has applied for the benefits pursuant to this section were carried out with substantial governmental assistance; and

(ii) no benefits pursuant to this section shall be granted for the conversion of any non-residential building or structure into a class A multiple dwelling unless such conversion was carried out with substantial governmental assistance.

(C) ASSESSED VALUE LIMITATION. (I) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED PRIOR TO TWO THOUSAND FIFTEEN, THE ASSESSED VALUE LIMITATION SHALL BE THIRTY THOUSAND DOLLARS.

(II) FOR THE FINAL ASSESSMENT ROLL TO BE COMPLETED IN TWO THOUSAND FIFTEEN THE ASSESSED VALUE LIMITATION SHALL BE THE PREVIOUSLY APPLICABLE ASSESSED VALUE LIMITATION OF THIRTY THOUSAND DOLLARS INCREASED BY THE COST-OF-LIVING ADJUSTMENT PERCENTAGE OF TWO THOUSAND FIFTEEN. FOR THE PURPOSES OF THIS COMPUTATION, THE COST-OF-LIVING ADJUSTMENT PERCENTAGE OF TWO THOUSAND FIFTEEN SHALL BE EQUAL TO THE "APPLICABLE INCREASE PERCENTAGE" USED BY THE UNITED STATES COMMISSIONER OF SOCIAL SECURITY TO DETERMINE THE MONTHLY SOCIAL SECURITY BENEFITS PAYABLE IN TWO THOUSAND FIFTEEN TO INDIVIDUALS, AS PROVIDED BY SUBSECTION (I) OF SECTION FOUR HUNDRED FIFTEEN OF TITLE FORTY-TWO OF THE UNITED STATES CODE.

(III) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED IN EACH ENSUING YEAR, THE APPLICABLE ASSESSED VALUE LIMITATION, COST-OF-LIVING ADJUSTMENT PERCENTAGE AND APPLICABLE INCREASE PERCENTAGE SHALL ALL BE ADVANCED BY ONE YEAR, AND THE ASSESSED VALUATION LIMITATION SHALL BE THE PREVIOUSLY APPLICABLE ASSESSED VALUE LIMITATION INCREASED BY THE NEW COST-OF-LIVING ADJUSTMENT PERCENTAGE. IF THERE SHOULD BE A YEAR FOR WHICH THERE IS NO APPLICABLE INCREASE PERCENTAGE DUE TO A GENERAL BENEFIT INCREASE AS DEFINED BY SUBDIVISION THREE OF SUBSECTION (I) OF SECTION FOUR HUNDRED FIFTEEN OF TITLE FORTY-TWO OF THE UNITED STATES CODE, THE APPLICABLE INCREASE PERCENTAGE FOR PURPOSES OF THIS COMPUTATION SHALL BE DEEMED TO BE THE PERCENTAGE WHICH WOULD HAVE YIELDED THAT GENERAL BENEFIT INCREASE.

S 2. This act shall take effect immediately.