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

May 27, 2014

Introduced by M. of A. ABINANTI -- read once and referred to the Committee on Veterans' Affairs

AN ACT to amend the real property tax law, in relation to veteran alternative tax exemptions

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

Section 1. Section 458-a of the real property tax law is amended by adding two new subdivisions 9 and 10 to read as follows:

9. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION ENTERED IN A SEPARATE COLUMN.

10. THE EXEMPTION AUTHORIZED BY THIS SECTION SHALL HAVE THE EFFECT SPECIFIED IN SECTION THIRTEEN HUNDRED SIX-B OF THIS CHAPTER. THE EXEMPTION SHALL NOT BE CONSIDERED WHEN DETERMINING STATE AID TO EDUCATION PURSUANT TO SECTION THIRTY-SIX HUNDRED TWO OF THE EDUCATION LAW, WHEN DETERMINING SCHOOL DISTRICT DEBT LIMITS PURSUANT TO LAW, WHEN DETERMINING THE AMOUNT OF TAXES TO BE LEVIED BY OR ON BEHALF OF A SCHOOL DISTRICT, WHEN CALCULATING TAX RATES FOR A SCHOOL DISTRICT, WHEN APPORTIONING TAXES BETWEEN OR AMONG SCHOOL DISTRICTS, WHEN APPORTIONING TAXES AMONG CLASSES IN A SPECIAL ASSESSING UNIT UNDER ARTICLE EIGHTEEN OF THIS CHAPTER, OR WHEN APPORTIONING TAXES BETWEEN CLASSES IN AN APPROVED ASSESSING UNIT UNDER ARTICLE NINETEEN OF THIS CHAPTER.

S 2. The real property tax law is amended by adding a new section 1306-b to read as follows:

S 1306-B. EFFECT OF VETERANS ALTERNATIVE EXEMPTION UPON SCHOOL DISTRICT TAXES; STATE AID. 1. LEVY OF TAXES; DETERMINATION OF TAXES DUE. THE AMOUNT OF TAXES TO BE LEVIED FOR ANY SCHOOL YEAR SHALL BE DETERMINED WITHOUT REGARD TO THE FACT THAT STATE AID WILL BE PAYABLE PURSUANT TO THIS SECTION. IN ADDITION, THE TAX RATE FOR ANY SCHOOL YEAR SHALL BE DETERMINED AS IF NO PARCELS WERE EXEMPT FROM TAXATION PURSUANT TO SECTION FOUR HUNDRED FIFTY-EIGHT-A OF THIS CHAPTER. HOWEVER, THE TAX RATE SO DETERMINED SHALL BE APPLIED TO THE TAXABLE ASSESSED VALUE OF EACH PARCEL AFTER ACCOUNTING FOR ALL APPLICABLE EXEMPTIONS, INCLUDING

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

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THE EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED FIFTY-EIGHT-A OF THIS CHAPTER.

2. TAX SAVINGS. THE TAX SAVINGS FOR EACH PARCEL RECEIVING THE EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED FIFTY-EIGHT-A OF THIS CHAPTER SHALL BE COMPUTED BY SUBTRACTING THE AMOUNT ACTUALLY LEVIED AGAINST THE PARCEL FROM THE AMOUNT THAT WOULD HAVE BEEN LEVIED IF NOT FOR THE EXEMPTION.

3. STATE AID. (A) THE TOTAL TAX SAVINGS DULY PROVIDED BY EACH SCHOOL DISTRICT PURSUANT TO THIS SECTION SHALL BE A STATE CHARGE, WHICH SHALL BE PAYABLE AS PROVIDED HEREIN.

(B) A SCHOOL DISTRICT SEEKING STATE AID PURSUANT TO THIS SECTION SHALL SUBMIT AN APPLICATION THEREFOR TO THE COMMISSIONER. THE APPLICATION SHALL INCLUDE SUCH INFORMATION AS THE COMMISSIONER SHALL REQUIRE.

(C) UPON APPROVING AN APPLICATION FOR STATE AID PURSUANT TO THIS SECTION, THE COMMISSIONER SHALL COMPUTE AND CERTIFY TO THE COMMISSIONER OF EDUCATION THE AMOUNTS PAYABLE TO THE SCHOOL DISTRICT. SUCH STATE AID SHALL BE PAYABLE UPON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER FROM VOUCHERS CERTIFIED AND APPROVED BY THE COMMISSIONER OF EDUCATION, AS PROVIDED BY SECTION THIRTY-SIX HUNDRED NINE-E OF THE EDUCATION LAW, AS APPLICABLE.

(D) THE COMMISSIONER MAY AUDIT AN APPLICATION FOR STATE AID PURSUANT TO THIS SECTION WITHIN ONE YEAR AFTER AUTHORIZING PAYMENT THEREON. IF THE COMMISSIONER SHOULD DISCOVER THAT A SCHOOL DISTRICT HAS RECEIVED A GREATER OR LESSER AMOUNT OF SUCH AID THAN IT SHOULD HAVE RECEIVED, THE COMMISSIONER SHALL SO NOTIFY THE SCHOOL DISTRICT, AND SHALL CAUSE THE NEXT PAYMENT OF SUCH AID TO THE SCHOOL DISTRICT TO BE ADJUSTED ACCORDINGLY.

(E) WHEN AN EXEMPTION PURSUANT TO SECTION FOUR HUNDRED FIFTY-EIGHT-A OF THIS CHAPTER HAS BEEN REVOKED, THE AID PAYABLE TO THE SCHOOL DISTRICT PURSUANT TO THIS SECTION SHALL BE REDUCED BY THE AMOUNT OF THE TAXES ATTRIBUTABLE TO THE REVOKED EXEMPTION.

S 3. Paragraph (c) of subdivision 1 of section 458-a of the real property tax law, as amended by chapter 100 of the laws of 1988, is amended to read as follows:

(c) "Qualified owner" means a veteran, the spouse of a veteran or the unremarried surviving spouse of a veteran, PROVIDED SUCH PERSON IS NOT EARNING AN ANNUAL INCOME EQUAL TO OR IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS. Where property is owned by more than one qualified owner, the exemption to which each is entitled may be combined. Where a veteran is also the unremarried surviving spouse of a veteran, such person may also receive any exemption to which the deceased spouse was entitled.

S 4. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2014.