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

4022

2013-2014 Regular Sessions

I N S E N A T E

March 5, 2013

Introduced by Sen. VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to establishing a new residential property exemption in certain cities; and to repeal section 485-m of the real property tax law relating thereto

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

Section 1. Section 485-m of the real property tax law, as added by chapter 370 of the laws of 2008 is REPEALED and a new section 485-o is added to read as follows:

S 485-O. NEW RESIDENTIAL PROPERTY EXEMPTION; CERTAIN CITIES. 1. CONSTRUCTION OF QUALIFIED NEW RESIDENTIAL STRUCTURES OR TOTAL REHABILITATION OF QUALIFIED VACANT RESIDENTIAL STRUCTURES DETERMINED TO BE UNOCCUPIED HAZARDS INITIATED ON OR AFTER THE FIRST DAY OF JANUARY, TWO THOUSAND THIRTEEN IN CITIES WITH A POPULATION OF NOT LESS THAN ONE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND, BASED UPON THE TWO THOUSAND TEN FEDERAL CENSUS MAY BE EXEMPT FROM CITY AND SCHOOL TAXATION AS PROVIDED IN THIS SECTION.

2. (A) (I) SUCH QUALIFIED RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT IN ACCORDANCE WITH THE APPLICABLE EXEMPTION SCHEDULES SET FORTH IN THIS SUBPARAGRAPH AND SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO THE "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE THE INCREASE IN THE ASSESSED VALUE DUE TO QUALIFIED IMPROVEMENTS AS DETERMINED IN THE INITIAL YEAR OF THE APPLICABLE EXEMPTION PRICE FOLLOWING THE FILING OF AN ORIGINAL APPLICATION, PROVIDED THAT THE APPLICATION RELATIVE TO THE REHABILITATION OF A QUALIFIED VACANT RESIDENTIAL STRUCTURE DETERMINED TO BE AN UNOCCUPIED HAZARD SHALL BE PRE-APPROVED BY THE CITY AS PROVIDED IN THIS SECTION.

(II)

CONSTRUCTION OF QUALIFIED LEED CERTIFIED
NEW RESIDENTIAL STRUCTURES

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

LBD07647-02-3

| | PERCENTAGE OF EXEMPTION | | |
|---|---|---|---|
| YEAR | CERTIFIED/SILVER | GOLD | PLATINUM |
| 1 | 100% | 100% | 100% |
| 2 | 100% | 100% | 100% |
| 3 | 100% | 100% | 100% |
| 4 | 100% | 100% | 100% |
| 5 | 100% | 100% | 100% |
| 6 | 100% | 100% | 100% |
| 7 | 100% | 100% | 100% |
| 8 | 100% | 100% | 100% |
| 9 | 80% | 100% | 100% |
| 10 | 60% | 80% | 100% |
| 11 | 40% | 60% | 100% |
| 12 | 20% | 40% | 75% |
| 13 | 0% | 20% | 50% |
| 14 | 0% | 0% | 25% |

(III)

CONSTRUCTION OF QUALIFIED NEW RESIDENTIAL STRUCTURE
OR TOTAL REHABILITATION OF PRE-APPROVED QUALIFIED
RESIDENTIAL STRUCTURE DETERMINED TO BE AN
UNOCCUPIED HAZARD

| YEAR | PERCENTAGE OF EXEMPTION |
|---|---|
| 1 | 100% |
| 2 | 100% |
| 3 | 100% |
| 4 | 100% |
| 5 | 100% |
| 6 | 100% |
| 7 | 100% |
| 8 | 75% |
| 9 | 50% |
| 10 | 25% |

(IV) ANY APPLICATION SUBMITTED BY THE PROPERTY OWNER FOR THE EXEMPTION RELATIVE TO THE REHABILITATION OF A RESIDENTIAL STRUCTURE DETERMINED TO BE AN OCCUPIED HAZARD SHALL REQUIRE PRE-APPROVAL BY THE ASSESSOR OF SUCH CITY AND THE DIRECTOR OF CODE ENFORCEMENT WHICH PRE-APPROVAL SHALL BE IN WRITING AND SHALL CERTIFY THAT THE STRUCTURE TO BE TOTALLY REHABILITATED QUALIFIES AS AN UNOCCUPIED HAZARD. THE FAILURE OF THE APPLICANT TO APPLY OR RECEIVE SUCH PRE-APPROVAL FOR ANY EXEMPTION RELATIVE TO THE TOTAL REHABILITATION OF A QUALIFIED RESIDENTIAL STRUCTURE DETERMINED TO BE AN UNOCCUPIED HAZARD SHALL DISQUALIFY THE SUBJECT PROPERTY FROM ELIGIBILITY FOR ANY EXEMPTION PURSUANT TO THIS SECTION AND THE CITY'S LOCAL LAW.

(V) FOR PURPOSES OF ELIGIBILITY FOR THE TOTAL REHABILITATION OF A RESIDENTIAL STRUCTURE, A QUALIFIED RESIDENTIAL STRUCTURE DETERMINED TO BE AN UNOCCUPIED HAZARD, AN UNOCCUPIED HAZARD SHALL BE DEFINED AS ANY RESIDENTIAL BUILDING OR STRUCTURE OR A SUBSTANTIAL PART THEREOF WHICH REMAINS UNOCCUPIED FOR A PERIOD OF MORE THAN ONE YEAR WITH EITHER DOORS, WINDOWS, OR OTHER OPENINGS BROKEN, REMOVED, BOARDED OR SEALED UP.

(VI) FOR PURPOSES OF ELIGIBILITY FOR THE CONSTRUCTION OF A QUALIFIED NEW RESIDENTIAL STRUCTURE, THE NEW RESIDENTIAL PROPERTY MUST BE A ONE OR TWO FAMILY RESIDENCE. NEW RESIDENTIAL REAL PROPERTY CONSTRUCTED WHICH IS GREATER THAN A ONE OR TWO FAMILY RESIDENCE SHALL IN NO EVENT BE ELIGIBLE FOR REAL PROPERTY TAX EXEMPTIONS AUTHORIZED BY THIS SECTION.

(VII) (A) FOR THE PURPOSES OF ELIGIBILITY UNDER A LEED CERTIFICATION STANDARD THE TERM "LEED" SHALL MEAN THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN BUILDING RATING SYSTEM PUBLISHED BY THE UNITED STATES

GREEN BUILDING COUNCIL. SUCH RESIDENTIAL REAL PROPERTY WHICH IS CERTIFIED UNDER A LEED CERTIFICATION STANDARD WHICH IS DETERMINED TO BE FOR THE CATEGORIES OF CERTIFIED, SILVER, GOLD OR PLATINUM AS MEETING GREEN BUILDING STANDARDS, AS DETERMINED BY A LEED ACCREDITED PROFESSIONAL SHALL BE EXEMPT AS PROVIDED IN SUBPARAGRAPH (II) OF PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION FOR THE RESPECTIVE PERCENTAGES PROVIDED THAT A COPY OF THE CERTIFICATION FOR A QUALIFIED CATEGORY IS FILED WITH THE CITY'S COMMISSIONER OF ASSESSMENT AND THE COMMISSIONER OF ASSESSMENT APPROVES THE APPLICATION FOR THE APPLICABLE CATEGORY AS MEETING THE REQUIREMENTS OF THIS SECTION AND THE CITY'S LOCAL LAW.

(B) CONSTRUCTION OF A QUALIFIED NEW RESIDENTIAL STRUCTURE WHICH DOES NOT MEET THE CERTIFIED, SILVER, GOLD OR PLATINUM STANDARD AS DETERMINED BY THE CITY SHALL BE EXEMPT UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH PROVIDED IT MEETS THE APPLICABLE REQUIREMENTS OF THIS SECTION AND THE CITY'S LOCAL LAW.

(VIII) EXEMPTIONS GRANTED PURSUANT TO THIS SECTION SHALL APPLY TO REAL PROPERTY TAXES IMPOSED FOR BOTH CITY AND SCHOOL DISTRICT PURPOSES.

(B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

(I) SUCH CONSTRUCTION OF A QUALIFIED NEW RESIDENTIAL REAL PROPERTY OR THE TOTAL REHABILITATION OF A QUALIFIED RESIDENTIAL STRUCTURE DETERMINED TO BE AN UNOCCUPIED HAZARD COMMENCED ON OR AFTER THE FIRST DAY OF JANUARY, TWO THOUSAND THIRTEEN OR SUCH LATER DATE AS MAY BE SPECIFIED BY LOCAL LAW TO QUALIFY FOR THE ENHANCED EXEMPTION;

(II) THE QUALIFIED RESIDENTIAL REAL PROPERTY IS SITUATED IN A CITY WITH A POPULATION OF NOT LESS THAN ONE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND BASED ON THE TWO THOUSAND TEN FEDERAL CENSUS;

(III) THE VALUE OF SUCH CONSTRUCTION EXCEEDS THE SUM OF TWENTY THOUSAND DOLLARS; AND

(IV) SUCH CONSTRUCTION IS DOCUMENTED BY A BUILDING PERMIT, IF REQUIRED, FOR THE IMPROVEMENTS, OR OTHER APPROPRIATE DOCUMENTATION AS REQUIRED BY THE ASSESSOR.

(C) FOR PURPOSES OF THIS SECTION THE TERM "CONSTRUCTION OF IMPROVEMENTS" SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

3. SUCH EXEMPTION FOR THE CONSTRUCTION OF A QUALIFIED NEW RESIDENTIAL REAL PROPERTY SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OF SUCH REAL PROPERTY. SUCH EXEMPTION FOR A TOTAL REHABILITATION OF A QUALIFIED RESIDENTIAL STRUCTURE DETERMINED TO BE AN UNOCCUPIED HAZARD SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OF SUCH REAL PROPERTY WHO HAS BEEN PRE-APPROVED IN ACCORDANCE WITH THE REQUIREMENTS OF SUBPARAGRAPH (IV) OF PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION. SUCH APPLICATION SHALL BE FILED WITH THE ASSESSOR OF A CITY WITH A POPULATION OF NOT LESS THAN ONE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND BASED UPON THE TWO THOUSAND TEN FEDERAL CENSUS, ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE OF SUCH CITY AND WITHIN ONE YEAR FROM THE DATE OF COMPLETION OF SUCH CONSTRUCTION OF QUALIFIED RESIDENTIAL STRUCTURE IMPROVEMENTS.

4. IF THE ASSESSOR OF SUCH CITY IS SATISFIED THAT THE APPLICANT IS ENTITLED TO AN EXEMPTION PURSUANT TO THIS SECTION, HE OR SHE SHALL APPROVE THE APPLICATION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES BY A CITY WITH A POPULATION OF NOT LESS THAN ONE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND BASED UPON THE TWO THOUSAND TEN FEDERAL CENSUS, AS PROVIDED IN THIS SECTION COMMENCING WITH THE ASSESSMENT ROLL PREPARED AFTER THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVISION THREE OF THIS SECTION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO

THIS SECTION SHALL BE ENTERED BY THE ASSESSOR OF SUCH CITY ON THE ASSESSMENT ROLL WITH THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN. IN ANY CASE WHERE THERE IS AN ADDITIONAL PARTIAL EXEMPTION BASED ON A LEED CERTIFICATION, A COPY OF SUCH CERTIFICATION SHALL BE FILED IN THE SUBJECT REAL PROPERTY FILE.

5. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO THIS SECTION CEASES TO BE USED PRIMARILY FOR PURPOSES AS PROVIDED IN SUBPARAGRAPH (VI) OF PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION THE EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

6. A CITY WITH A POPULATION OF NOT LESS THAN ONE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND, BASED UPON THE TWO THOUSAND TEN FEDERAL CENSUS MAY ESTABLISH BY A LOCAL LAW A DATE FOR THE COMMENCEMENT OF EFFECTIVENESS OF THE EXEMPTION OFFERED PURSUANT TO THIS SECTION. IN ADDITION, SUCH CITY IS AUTHORIZED TO ESTABLISH PROCEDURES IN SUCH LOCAL LAW FOR THE ELIMINATION OF THE EXEMPTION FOR AN OTHERWISE QUALIFIED RESIDENTIAL PROPERTY WHICH IS DETERMINED BY THE ASSESSOR OF SUCH CITY AND THE DIRECTOR OF CODE ENFORCEMENT TO HAVE SERIOUS CODE VIOLATIONS, AS DEFINED BY THE CITY IN SUCH LOCAL LAW, AT ANY TIME SUBSEQUENT TO THE APPROVAL OF THE APPLICATION FOR REAL PROPERTY TAX EXEMPTION PURSUANT TO THIS SECTION AND WHICH SERIOUS CODE VIOLATIONS HAVE NOT BEEN CORRECTED AND ANY JUDGMENTS AND/OR FINES, PENALTIES AND COSTS, IF ANY, HAVE NOT BEEN PAID IN ACCORDANCE WITH THE APPLICABLE LAWS, LOCAL LAW, ORDINANCES, RULES AND REGULATIONS. NOTWITHSTANDING THE FOREGOING, THE ELIMINATION OF ANY SUCH EXEMPTION SHALL TAKE EFFECT ON THE ASSESSMENT ROLL BASED ON THE NEXT TAXABLE STATUS DATE SUBSEQUENT TO THE CITY'S DETERMINATION TO ELIMINATE THE EXEMPTION. A COPY OF ALL SUCH LOCAL LAWS SHALL BE FILED WITH THE COMMISSIONER AND THE ASSESSOR OF SUCH CITY.

S 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2013.