

5743

2013-2014 Regular Sessions

I N   A S S E M B L Y

March 6, 2013

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

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 ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Section 485-m of the real property tax law, as added by  
2 chapter 370 of the laws of 2008 is REPEALED and a new section 485-o is  
3 added to read as follows:  
4     S 485-O. NEW RESIDENTIAL PROPERTY EXEMPTION; CERTAIN CITIES. 1.  
5 CONSTRUCTION OF QUALIFIED NEW RESIDENTIAL STRUCTURES OR TOTAL REHABILI-  
6 TATION OF QUALIFIED VACANT RESIDENTIAL STRUCTURES DETERMINED TO BE UNOC-  
7 CUPIED HAZARDS INITIATED ON OR AFTER THE FIRST DAY OF JANUARY, TWO THOU-  
8 SAND THIRTEEN IN CITIES WITH A POPULATION OF NOT LESS THAN ONE HUNDRED  
9 THIRTY THOUSAND AND NOT MORE THAN ONE HUNDRED SIXTY THOUSAND, BASED UPON  
10 THE TWO THOUSAND TEN FEDERAL CENSUS MAY BE EXEMPT FROM CITY AND SCHOOL  
11 TAXATION AS PROVIDED IN THIS SECTION.  
12     2. (A) (I) SUCH QUALIFIED RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT IN  
13 ACCORDANCE WITH THE APPLICABLE EXEMPTION SCHEDULES SET FORTH IN THIS  
14 SUBPARAGRAPH AND SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO THE  
15 "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE THE INCREASE IN THE  
16 ASSESSED VALUE DUE TO QUALIFIED IMPROVEMENTS AS DETERMINED IN THE  
17 INITIAL YEAR OF THE APPLICABLE EXEMPTION PRICE FOLLOWING THE FILING OF  
18 AN ORIGINAL APPLICATION, PROVIDED THAT THE APPLICATION RELATIVE TO THE  
19 REHABILITATION OF A QUALIFIED VACANT RESIDENTIAL STRUCTURE DETERMINED TO  
20 BE AN UNOCCUPIED HAZARD SHALL BE PRE-APPROVED BY THE CITY AS PROVIDED IN  
21 THIS SECTION.  
22     (II)  
23                                 CONSTRUCTION OF QUALIFIED LEED CERTIFIED  
24                                 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	100%	100%	100%
10	100%	100%	100%
11	80%	100%	100%
12	60%	80%	100%
13	40%	60%	100%
14	20%	40%	75%
15	0%	20%	50%
16	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 ENVI-  
RONMENTAL DESIGN BUILDING RATING SYSTEM PUBLISHED BY THE UNITED STATES

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

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

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

18 (B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

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

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

28 (III) THE VALUE OF SUCH CONSTRUCTION EXCEEDS THE SUM OF TWENTY THOU-  
29 SAND DOLLARS; AND

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

33 (C) FOR PURPOSES OF THIS SECTION THE TERM "CONSTRUCTION OF IMPROVE-  
34 MENTS" SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

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

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

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

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

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

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