

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

10512

I N A S S E M B L Y

May 31, 2016

Introduced by M. of A. FARRELL -- read once and referred to the Committee on Ways and Means

AN ACT to amend the administrative code of the city of New York, in relation to the taxation of the transfer of real property

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

1 Section 1. Subdivision b of section 11-2106 of the administrative code
2 of the city of New York is amended by adding a new paragraph 9 to read
3 as follows:
4 9. A DEED, INSTRUMENT OR TRANSACTION CONVEYING OR TRANSFERRING REAL
5 PROPERTY OR AN ECONOMIC INTEREST THEREIN BY OR TO ANY HOUSING DEVELOP-
6 MENT FUND COMPANY ORGANIZED PURSUANT TO ARTICLE ELEVEN OF THE PRIVATE
7 HOUSING FINANCE LAW OR TO AN ENTITY, THE CONTROLLING INTEREST OF WHICH
8 IS HELD BY SUCH A COMPANY, IF AT THE TIME OF SUCH CONVEYANCE OR TRANS-
9 FER, SUCH REAL PROPERTY IS SUBJECT TO, OR SIMULTANEOUSLY WITH SUCH
10 CONVEYANCE OR TRANSFER IS MADE SUBJECT TO, A REGULATORY AGREEMENT WITH,
11 OR A RESTRICTIVE COVENANT IN FAVOR OF, THE STATE OF NEW YORK, A MUNICI-
12 PAL CORPORATION OR ANY OTHER PUBLIC CORPORATION CREATED BY OR PURSUANT
13 TO ANY LAW OF THE STATE OF NEW YORK THAT: ENCUMBERS THE REAL PROPERTY
14 FOR THIRTY YEARS OR MORE; REQUIRES MUTUAL CONSENT FOR REVOCATION OR
15 AMENDMENT; RESTRICTS MORE THAN FIFTY PERCENT OF THE FLOOR AREA, OTHER
16 THAN COMMON AREAS, TO RESIDENTIAL REAL PROPERTY; AND RESTRICTS AT LEAST
17 SIXTY-SIX AND TWO-THIRDS PERCENT OF SUCH RESIDENTIAL REAL PROPERTY TO
18 PURCHASE, LEASE, LICENSE OR OTHER USE BY PERSONS OF LOW INCOME AND FAMI-
19 LIES OF LOW INCOME WITHIN THE MEANING OF SECTION TWO OF THE PRIVATE
20 HOUSING FINANCE LAW; PROVIDED, HOWEVER, THAT IF SUCH REGULATORY AGREE-
21 MENT OR RESTRICTIVE COVENANT RESTRICTS LESS THAN ONE HUNDRED PERCENT OF
22 THE FLOOR AREA, OTHER THAN COMMON AREAS, TO PURCHASE, LEASE, LICENSE OR
23 OTHER USE BY PERSONS OF LOW INCOME AND FAMILIES OF LOW INCOME WITHIN THE
24 MEANING OF SECTION TWO OF THE PRIVATE HOUSING FINANCE LAW, THE TAX SHALL
25 APPLY TO THE CONSIDERATION LESS THE PRODUCT OF THE CONSIDERATION AND A
26 FRACTION, THE NUMERATOR OF WHICH IS THE FLOOR AREA THAT SUCH REGULATORY
27 AGREEMENT OR RESTRICTIVE COVENANT RESTRICTS TO PURCHASE, LEASE, LICENSE
28 OR OTHER USE BY PERSONS OF LOW INCOME AND FAMILIES OF LOW INCOME WITHIN

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

LBD15655-01-6

1 THE MEANING OF SECTION TWO OF THE PRIVATE HOUSING FINANCE LAW AND THE
2 DENOMINATOR OF WHICH IS THE ENTIRE FLOOR AREA, MINUS THE FLOOR AREA OF
3 COMMON AREAS.
4 S 2. This act shall take effect immediately and shall be retroactive
5 to, and be deemed to apply to, all conveyances or transfers occurring on
6 or after January 1, 2011.