

9587--A

I N   A S S E M B L Y

March 21, 2016

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Introduced by M. of A. SCHIMMINGER -- read once and referred to the Committee on Real Property Taxation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to residential investment exemptions in certain cities

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

1     Section 1. The real property tax law is amended by adding a new  
2     section 485-s to read as follows:  
3     S 485-S. RESIDENTIAL INVESTMENT EXEMPTION; CERTAIN CITIES. 1. RESI-  
4     DENTIAL REAL PROPERTY CONSTRUCTED ON OR AFTER THE FIRST DAY OF JULY, TWO  
5     THOUSAND SIXTEEN IN CITIES WITH A POPULATION OF NOT LESS THAN FIFTEEN  
6     THOUSAND ONE HUNDRED AND NOT MORE THAN FIFTEEN THOUSAND TWO HUNDRED,  
7     DETERMINED IN ACCORDANCE WITH THE LATEST DECENNIAL CENSUS, MAY BE EXEMPT  
8     FROM CITY TAXATION AND SPECIAL AD VALOREM LEVIES AS PROVIDED IN THIS  
9     SECTION, PROVIDED SUCH CITY HAS PASSED A LOCAL LAW, PROVIDING THEREFOR.  
10    2. (A) (I) SUCH REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE YEAR  
11    TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE  
12    THEREOF ATTRIBUTABLE TO SUCH CONSTRUCTION AND FOR AN ADDITIONAL PERIOD  
13    OF NINE YEARS PROVIDED, HOWEVER, THAT THE EXTENT OF SUCH EXEMPTION SHALL  
14    BE DECREASED BY FIVE PER CENTUM EACH YEAR DURING SUCH ADDITIONAL PERIOD  
15    OF NINE YEARS AND SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO THE  
16    "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE THE INCREASE IN ASSESSED  
17    VALUE AS DETERMINED IN THE INITIAL YEAR OF SUCH TEN YEAR PERIOD FOLLOW-  
18    ING THE FILING OF AN ORIGINAL APPLICATION, EXCEPT AS PROVIDED IN SUBPAR-  
19    AGRAPH (II) OF THIS PARAGRAPH.  
20    (II) IN ANY YEAR IN WHICH A CHANGE IN LEVEL OF ASSESSMENT OF FIFTEEN  
21    PERCENT OR MORE IS CERTIFIED FOR A FINAL ASSESSMENT ROLL PURSUANT TO THE  
22    RULES OF THE COMMISSIONER, THE EXEMPTION BASE SHALL BE MULTIPLIED BY A  
23    FRACTION, THE NUMERATOR OF WHICH SHALL BE THE TOTAL ASSESSED VALUE OF  
24    THE PARCEL ON SUCH FINAL ASSESSMENT ROLL (AFTER ACCOUNTING FOR ANY PHYS-  
25    ICAL OR QUANTITY CHANGES TO THE PARCEL SINCE THE IMMEDIATELY PRECEDING  
26    ASSESSMENT ROLL), AND THE DENOMINATOR OF WHICH SHALL BE THE TOTAL

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

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1 ASSESSED VALUE OF THE PARCEL ON THE IMMEDIATELY PRECEDING FINAL ASSESS-  
 2 MENT ROLL. THE RESULT SHALL BE THE NEW EXEMPTION BASE. THE EXEMPTION  
 3 SHALL THEREUPON BE RECOMPUTED TO TAKE INTO ACCOUNT THE NEW EXEMPTION  
 4 BASE, NOTWITHSTANDING THE FACT THAT THE ASSESSOR RECEIVES THE CERTIF-  
 5 ICATION OF THE CHANGE IN LEVEL OF ASSESSMENT AFTER THE COMPLETION,  
 6 VERIFICATION AND FILING OF THE FINAL ASSESSMENT ROLL. IN THE EVENT THE  
 7 ASSESSOR DOES NOT HAVE CUSTODY OF THE ROLL WHEN SUCH CERTIFICATION IS  
 8 RECEIVED, THE ASSESSOR SHALL CERTIFY THE RECOMPUTED EXEMPTION TO THE  
 9 LOCAL OFFICERS HAVING CUSTODY AND CONTROL OF THE ROLL, AND SUCH LOCAL  
 10 OFFICERS ARE HEREBY DIRECTED AND AUTHORIZED TO ENTER THE RECOMPUTED  
 11 EXEMPTION CERTIFIED BY THE ASSESSOR ON THE ROLL. THE ASSESSOR SHALL GIVE  
 12 WRITTEN NOTICE OF SUCH RECOMPUTED EXEMPTION TO THE PROPERTY OWNER, WHO  
 13 MAY, IF HE OR SHE BELIEVES THAT THE EXEMPTION WAS RECOMPUTED INCORRECT-  
 14 LY, APPLY FOR A CORRECTION IN THE MANNER PROVIDED BY TITLE THREE OF  
 15 ARTICLE FIVE OF THIS CHAPTER FOR THE CORRECTION OF CLERICAL ERRORS.

16 (III) THE FOLLOWING TABLE SHALL ILLUSTRATE THE COMPUTATION OF THE CITY  
 17 TAX EXEMPTION:

| 18 | YEAR OF EXEMPTION | PERCENTAGE OF EXEMPTION |
|----|-------------------|-------------------------|
| 19 | 1                 | 50                      |
| 20 | 2                 | 45                      |
| 21 | 3                 | 40                      |
| 22 | 4                 | 35                      |
| 23 | 5                 | 30                      |
| 24 | 6                 | 25                      |
| 25 | 7                 | 20                      |
| 26 | 8                 | 15                      |
| 27 | 9                 | 10                      |
| 28 | 10                | 5                       |

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

30 (I) SUCH CONSTRUCTION WAS COMMENCED ON OR AFTER THE FIRST DAY OF JULY,  
 31 TWO THOUSAND SIXTEEN OR SUCH LATER DATE AS MAY BE SPECIFIED BY LOCAL  
 32 LAW;

33 (II) THE RESIDENTIAL REAL PROPERTY IS SITUATE IN A CITY WITH A POPU-  
 34 LATION OF NOT LESS THAN FIFTEEN THOUSAND ONE HUNDRED AND NOT MORE THAN  
 35 FIFTEEN THOUSAND TWO HUNDRED, DETERMINED IN ACCORDANCE WITH THE LATEST  
 36 DECENNIAL CENSUS;

37 (III) THE COST OF SUCH CONSTRUCTION EXCEEDS THE SUM OF SEVENTY THOU-  
 38 SAND DOLLARS; AND

39 (IV) SUCH CONSTRUCTION IS COMPLETED AS MAY BE EVIDENCED BY A CERTIF-  
 40 ICATE OF OCCUPANCY OR OTHER APPROPRIATE DOCUMENTATION AS PROVIDED BY THE  
 41 OWNER.

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

44 3. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER  
 45 OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE COMMISSIONER. SUCH  
 46 APPLICATION SHALL BE FILED WITH THE ASSESSOR OF A CITY WITH A POPULATION  
 47 OF NOT LESS THAN FIFTEEN THOUSAND ONE HUNDRED AND NOT MORE THAN FIFTEEN  
 48 THOUSAND TWO HUNDRED, DETERMINED IN ACCORDANCE WITH THE LATEST DECENNIAL  
 49 CENSUS, ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE OF SUCH CITY  
 50 AND WITHIN ONE YEAR FROM THE DATE OF COMPLETION OF SUCH CONSTRUCTION.

51 4. IF THE ASSESSOR IS SATISFIED THAT THE APPLICANT IS ENTITLED TO AN  
 52 EXEMPTION PURSUANT TO THIS SECTION, HE OR SHE SHALL APPROVE THE APPLICA-  
 53 TION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AND  
 54 SPECIAL AD VALOREM LEVIES BY A CITY WITH A POPULATION OF NOT LESS THAN

1 FIFTEEN THOUSAND ONE HUNDRED AND NOT MORE THAN FIFTEEN THOUSAND TWO  
2 HUNDRED, DETERMINED IN ACCORDANCE WITH THE LATEST DECENNIAL CENSUS, AS  
3 PROVIDED IN THIS SECTION COMMENCING WITH THE ASSESSMENT ROLL PREPARED  
4 AFTER THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVISION THREE OF THIS  
5 SECTION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS  
6 SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE  
7 TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE  
8 COLUMN.

9 5. THE PROVISIONS OF THIS SECTION SHALL APPLY TO REAL PROPERTY USED AS  
10 THE PRIMARY RESIDENCE OF THE OWNER.

11 6. IN THE EVENT THAT REAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO  
12 THIS SECTION CEASES TO BE USED PRIMARILY FOR ELIGIBLE PURPOSES, THE  
13 EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

14 7. ANY CITY WHICH ADOPTS AN EXEMPTION PURSUANT TO THIS SECTION SHALL  
15 CAUSE INFORMATION RELATING TO THE AVAILABILITY OF SUCH EXEMPTION,  
16 INCLUDING REQUIREMENTS AND APPLICATION PROCEDURES, TO BE ATTACHED TO ALL  
17 BUILDING PERMIT APPLICATIONS AND COPIES OF SUCH INFORMATION SHALL BE  
18 POSTED IN A CONSPICUOUS LOCATION IN ANY OFFICE OR OFFICES WHERE SUCH  
19 PERMITS AND APPLICATIONS FOR PERMITS ARE ISSUED AND PROCESSED.

20 S 2. This act shall take effect immediately.