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

3853--A

2015-2016 Regular Sessions

I N S E N A T E

February 20, 2015

Introduced by Sens. LANZA, AVELLA -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs -- recommitted to the Committee on Veterans, Homeland Security and Military Affairs in accordance with Senate Rule 6, sec. 8 -- 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 real property tax exemptions for property in cities having a population of one million or more and owned by certain veterans or their family members

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

Section 1. Paragraphs 2 and 3 of subdivision 1 of section 458 of the real property tax law, paragraph 2 as amended by chapter 425 of the laws of 2014 and paragraph 3 as amended by chapter 733 of the laws of 1959, are amended to read as follows:

(2) Except as provided in subdivision five of this section, no such exemption on account of eligible funds paid on account of military or naval services rendered by an individual shall be allowed in excess of seven thousand five hundred dollars; PROVIDED, HOWEVER, IN A CITY WITH A POPULATION OF ONE MILLION OR MORE, AN EXEMPTION ON ACCOUNT OF ELIGIBLE FUNDS PAID ON ACCOUNT OF MILITARY OR NAVAL SERVICES RENDERED BY AN INDIVIDUAL SHALL EQUAL FORTY PERCENT OF ELIGIBLE FUNDS, BUT IN NO CASE SHALL SUCH EXEMPTION BE ALLOWED IN EXCESS OF TWO THOUSAND DOLLARS. For the purposes of this subdivision any established exemption, or newly claimed exemption, or an aggregate thereof, as the case may be, in excess of any multiple of fifty dollars shall be regarded as being the nearest multiple of fifty dollars and allowed in such amount. If the amount of such exemption has no nearest multiple of fifty dollars, it shall be regarded as being the next higher multiple of fifty dollars and allowed in such amount. The mingling of such eligible funds with other funds or their

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

LBD01388-02-6

retention by the United States for insurance premiums shall not bar the granting of a claim for such exemption.

(3) If the assessors are satisfied that the applicant is entitled to any exemption, they shall make appropriate entries upon the assessment-roll opposite the description of such property and subtract the total amount of such exemption from the total amount assessed pursuant to the provisions of paragraph one of this subdivision. Such entries shall be made and continued in each assessment of the property so long as it is exempt from taxation for any purpose. Such real property, to the extent of the exemption entered by the assessors, shall be exempt from state, county and general municipal taxation, but shall be taxable for local school purposes; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, SUCH REAL PROPERTY, TO THE EXTENT OF THE EXEMPTION ENTERED BY THE ASSESSORS, SHALL BE EXEMPT FROM STATE, COUNTY AND GENERAL MUNICIPAL TAXATION AND SHALL NOT BE TAXABLE FOR LOCAL SCHOOL PURPOSES. The provisions herein, relating to the assessment and exemption of property purchased with eligible funds apply and shall be enforced in each municipal corporation authorized to levy taxes.

S 2. Subdivision 2 of section 458 of the real property tax law, as amended by chapter 63 of the laws of 1976, is amended to read as follows:

2. Real property purchased with moneys collected by popular subscription in partial recognition of extraordinary services rendered by any honorably discharged veteran of world war one, world war two, or of the hostilities which commenced June twenty-seventh, nineteen hundred fifty, who sustained permanent disability while on military duty, either total or partial, and owned by the person who sustained such injuries, or by his or her spouse or unremarried surviving spouse, or dependent father or mother, is subject to taxation as herein provided. Such property shall be assessed in the same manner as other real property in the tax district. At the meeting of the assessors to hear complaints concerning the assessments, a verified application for the exemption of such real property from taxation may be presented to them by or on behalf of the owner thereof, which application must show the facts on which the exemption is claimed, including the amount of moneys so raised and used in or toward the purchase of such property. No exemption on account of any such gift shall be allowed in excess of five thousand dollars; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, NO EXEMPTION ON ACCOUNT OF ANY GIFT SHALL BE ALLOWED IN EXCESS OF TWO THOUSAND DOLLARS. The application for exemption shall be presented and action thereon taken in the manner provided by subdivision one of this section. If no application for exemption be granted, the property shall be subject to taxation for all purposes. The provisions herein, relating to the assessment and exemption of property purchased with moneys raised by popular subscription, apply and shall be enforced in each municipal corporation authorized to levy taxes.

S 3. Paragraph (a) of subdivision 1 of section 458-a of the real property tax law, as amended by chapter 179 of the laws of 2006, is amended to read as follows:

(a) "Period of war" means the Spanish-American war; the Mexican border period; World War I; World War II; the hostilities, known as the Korean war, which commenced June twenty-seventh, nineteen hundred fifty and terminated on January thirty-first, nineteen hundred fifty-five; the hostilities, known as the Vietnam war, which commenced February twenty-eighth, nineteen hundred sixty-one and terminated on May seventh, nineteen hundred seventy-five; [and] the hostilities, known as the Persian

Gulf conflict, which commenced August second, nineteen hundred ninety; IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, THE HOSTILITIES, KNOWN AS THE IRAQ WAR, WHICH COMMENCED MARCH, TWO THOUSAND THREE; AND IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, THE HOSTILITIES, KNOWN AS THE AFGHANISTAN WAR, WHICH COMMENCED OCTOBER SEVENTH, TWO THOUSAND ONE.

S 4. Subdivision 2 of section 458-a of the real property tax law, as added by chapter 525 of the laws of 1984, paragraph (a) as amended by chapter 899 of the laws of 1985, paragraph (b) as amended by chapter 473 of the laws of 2004, paragraph (c) as amended by chapter 100 of the laws of 1988, subparagraph (i) of paragraph (d) as amended by chapter 430 of the laws of 2014 and subparagraph (ii) of paragraph (d) as amended by chapter 381 of the laws of 2015, is amended to read as follows:

2. (a) Qualifying residential real property shall be exempt from taxation to the extent of fifteen percent of the assessed value of such property; provided, however, that such exemption shall not exceed twelve thousand dollars or the product of twelve thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, QUALIFYING RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT OF SIX PERCENT OF THE ASSESSED VALUE OF SUCH PROPERTY; PROVIDED, FURTHER, THAT SUCH EXEMPTION SHALL NOT EXCEED FOUR THOUSAND EIGHT HUNDRED DOLLARS OR THE PRODUCT OF FOUR THOUSAND EIGHT HUNDRED DOLLARS MULTIPLIED BY THE LATEST CLASS RATIO, WHICHEVER IS LESS.

(b) In addition to the exemption provided by paragraph (a) of this subdivision, where the veteran served in a combat theatre or combat zone of operations, as documented by the award of a United States campaign ribbon or service medal, or the armed forces expeditionary medal, navy expeditionary medal, marine corps expeditionary medal, or global war on terrorism expeditionary medal, qualifying residential real property also shall be exempt from taxation to the extent of ten percent of the assessed value of such property; provided, however, that such exemption shall not exceed eight thousand dollars or the product of eight thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the class ratio, whichever is less; PROVIDED FURTHER, THAT, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, WHERE THE VETERAN SERVED IN A COMBAT THEATRE OR COMBAT ZONE OF OPERATIONS, AS DOCUMENTED BY THE AWARD OF A UNITED STATES CAMPAIGN RIBBON OR SERVICE MEDAL, OR THE ARMED FORCES EXPEDITIONARY MEDAL, NAVY EXPEDITIONARY MEDAL, MARINE CORPS EXPEDITIONARY MEDAL, OR GLOBAL WAR ON TERRORISM EXPEDITIONARY MEDAL, QUALIFYING RESIDENTIAL REAL PROPERTY ALSO SHALL BE EXEMPT FROM TAXATION TO THE EXTENT OF FOUR PERCENT OF THE ASSESSED VALUE OF SUCH PROPERTY; PROVIDED FURTHER, THAT SUCH EXEMPTION SHALL NOT EXCEED THREE THOUSAND TWO HUNDRED DOLLARS OR THE PRODUCT OF THREE THOUSAND TWO HUNDRED DOLLARS MULTIPLIED BY THE CLASS RATIO, WHICHEVER IS LESS.

(c) In addition to the exemptions provided by paragraphs (a) and (b) of this subdivision, where the veteran received a compensation rating from the United States veteran's administration or from the United States department of defense because of a service connected disability, qualifying residential real property shall be exempt from taxation to the extent of the product of the assessed value of such property multiplied by fifty percent of the veteran's disability rating; provided, however, that such exemption shall not exceed forty thousand dollars or the product of forty thousand dollars multiplied by the latest state

equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less. For purposes of this paragraph, where a person who served in the active military, naval or air service during a period of war died in service of a service connected disability, such person shall be deemed to have been assigned a compensation rating of one hundred percent; PROVIDED, HOWEVER, IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, IN ADDITION TO THE EXEMPTIONS PROVIDED BY PARAGRAPHS (A) AND (B) OF THIS SUBDIVISION, WHERE THE VETERAN RECEIVED A COMPENSATION RATING FROM THE UNITED STATES VETERAN'S ADMINISTRATION OR FROM THE UNITED STATES DEPARTMENT OF DEFENSE BECAUSE OF A SERVICE CONNECTED DISABILITY, QUALIFYING RESIDENTIAL REAL PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT OF THE PRODUCT OF THE ASSESSED VALUE OF SUCH PROPERTY MULTIPLIED BY TWENTY PERCENT OF THE VETERAN'S DISABILITY RATING; PROVIDED FURTHER, THAT SUCH EXEMPTION SHALL NOT EXCEED SIXTEEN THOUSAND DOLLARS OR THE PRODUCT OF SIXTEEN THOUSAND DOLLARS MULTIPLIED BY THE LATEST CLASS RATIO, WHICHEVER IS LESS.

(d) Limitations. (i) The exemption from taxation provided by this subdivision shall be applicable to county, city, town, village and school district taxation if the governing body of the school district in which the property is located, after public hearings, adopts a resolution providing such exemption, the procedure for such hearing and resolution shall be conducted separately from the procedure for any hearing and local law or resolution conducted pursuant to subparagraph (ii) of this paragraph, paragraph (b) of subdivision four, paragraph (d) of subdivision six and paragraph (b) of subdivision seven of this section; PROVIDED, HOWEVER, THAT IN ANY CITY WITH A POPULATION OF ONE MILLION OR MORE, THE EXEMPTION FROM TAXATION PROVIDED BY THIS SUBDIVISION SHALL BE APPLICABLE TO CITY TAXES AND TAXES LEVIED FOR LOCAL SCHOOL PURPOSES.

(ii) Each county, city, town, village or school district may adopt a local law to reduce the maximum exemption allowable in paragraphs (a), (b) and (c) of this subdivision to nine thousand dollars, six thousand dollars and thirty thousand dollars, respectively, or six thousand dollars, four thousand dollars and twenty thousand dollars, respectively. Each county, city, town, village or school district is also authorized to adopt a local law to increase the maximum exemption allowable in paragraphs (a), (b) and (c) of this subdivision to fifteen thousand dollars, ten thousand dollars and fifty thousand dollars, respectively; eighteen thousand dollars, twelve thousand dollars and sixty thousand dollars, respectively; twenty-one thousand dollars, fourteen thousand dollars, and seventy thousand dollars, respectively; twenty-four thousand dollars, sixteen thousand dollars, and eighty thousand dollars, respectively; twenty-seven thousand dollars, eighteen thousand dollars, and ninety thousand dollars, respectively; thirty thousand dollars, twenty thousand dollars, and one hundred thousand dollars, respectively; thirty-three thousand dollars, twenty-two thousand dollars, and one hundred ten thousand dollars, respectively; thirty-six thousand dollars, twenty-four thousand dollars, and one hundred twenty thousand dollars, respectively; thirty-nine thousand dollars, twenty-six thousand dollars, and one hundred thirty thousand dollars, respectively; forty-two thousand dollars, twenty-eight thousand dollars, and one hundred forty thousand dollars, respectively; and forty-five thousand dollars, thirty thousand dollars and one hundred fifty thousand dollars, respectively. In addition, a county, city, town, village or school district which is a "high-appreciation municipality" as defined in this subparagraph is authorized to adopt a local law to increase the maximum exemption allow-

able in paragraphs (a), (b) and (c) of this subdivision to thirty-nine thousand dollars, twenty-six thousand dollars, and one hundred thirty thousand dollars, respectively; forty-two thousand dollars, twenty-eight thousand dollars, and one hundred forty thousand dollars, respectively; forty-five thousand dollars, thirty thousand dollars and one hundred fifty thousand dollars, respectively; forty-eight thousand dollars, thirty-two thousand dollars and one hundred sixty thousand dollars, respectively; fifty-one thousand dollars, thirty-four thousand dollars and one hundred seventy thousand dollars, respectively; fifty-four thousand dollars, thirty-six thousand dollars and one hundred eighty thousand dollars, respectively; fifty-seven thousand dollars, thirty-eight thousand dollars and one hundred ninety thousand dollars, respectively; sixty thousand dollars, forty thousand dollars and two hundred thousand dollars, respectively; sixty-three thousand dollars, forty-two thousand dollars and two hundred ten thousand dollars, respectively; sixty-six thousand dollars, forty-four thousand dollars and two hundred twenty thousand dollars, respectively; sixty-nine thousand dollars, forty-six thousand dollars and two hundred thirty thousand dollars, respectively; seventy-two thousand dollars, forty-eight thousand dollars and two hundred forty thousand dollars, respectively; seventy-five thousand dollars, fifty thousand dollars and two hundred fifty thousand dollars, respectively; PROVIDED, HOWEVER, A HIGH-APPRECIATION MUNICIPALITY THAT IS A SPECIAL ASSESSING UNIT THAT IS A CITY WITH A POPULATION OF ONE MILLION OR MORE, IS AUTHORIZED TO ADOPT A LOCAL LAW TO INCREASE THE MAXIMUM EXEMPTION ALLOWABLE IN PARAGRAPHS (A), (B) AND (C) OF THIS SUBDIVISION TO FIFTEEN THOUSAND SIX HUNDRED DOLLARS, TEN THOUSAND FOUR HUNDRED DOLLARS, AND FIFTY-TWO THOUSAND DOLLARS, RESPECTIVELY; SIXTEEN THOUSAND EIGHT HUNDRED DOLLARS, ELEVEN THOUSAND TWO HUNDRED DOLLARS, AND FIFTY-SIX THOUSAND DOLLARS, RESPECTIVELY; EIGHTEEN THOUSAND DOLLARS, TWELVE THOUSAND DOLLARS, AND SIXTY THOUSAND DOLLARS, RESPECTIVELY; NINETEEN THOUSAND TWO HUNDRED DOLLARS, TWELVE THOUSAND EIGHT HUNDRED DOLLARS, AND SIXTY-FOUR THOUSAND DOLLARS, RESPECTIVELY; TWENTY THOUSAND FOUR HUNDRED DOLLARS, THIRTEEN THOUSAND SIX HUNDRED DOLLARS, AND SIXTY-EIGHT THOUSAND DOLLARS, RESPECTIVELY; TWENTY-ONE THOUSAND SIX HUNDRED DOLLARS, FOURTEEN THOUSAND FOUR HUNDRED DOLLARS, AND SEVENTY-TWO THOUSAND DOLLARS, RESPECTIVELY. For purposes of this subparagraph, a "high-appreciation municipality" means: (A) a special assessing unit that is a city, (B) a county for which the commissioner has established a sales price differential factor for purposes of the STAR exemption authorized by section four hundred twenty-five of this title in three consecutive years, and (C) a city, town, village or school district which is wholly or partly located within such a county.

S 5. An exemption granted pursuant to section 458 or 458-a of the real property tax law that precedes the effective date of this act shall be calculated on subsequent assessment rolls as if the original exemption had been granted pursuant to the provisions of such section, as amended by this act.

S 6. This act shall take effect immediately and apply to assessment rolls based upon the taxable status date occurring on or after the fifth day of January next succeeding the date on which it shall have become a law.