

4748--A

2015-2016 Regular Sessions

I N   S E N A T E

April 15, 2015

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Introduced by Sen. SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Aging -- 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 increasing the allowable maximum income of persons occupying rental units otherwise eligible for tax abatement in certain cases; and to amend section 4 of part U of chapter 55 of the laws of 2014, amending the real property tax law relating to the tax abatement and exemption for rent regulated and rent controlled property occupied by senior citizens, in relation to the effectiveness of certain provisions thereof

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

1     Section 1. Paragraph a of subdivision 3 of section 467-b of the real  
2     property tax law, as amended by section 2 of chapter 188 of the laws of  
3     2005, is amended to read as follows:  
4     a. for a dwelling unit where the head of the household is a person  
5     sixty-two years of age or older, no tax abatement shall be granted if  
6     the combined income of all members of the household for the income tax  
7     year immediately preceding the date of making application exceeds three  
8     thousand dollars, or such other sum not more than five thousand dollars,  
9     AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND SIXTEEN,  
10    as may be provided by the local law, ordinance or resolution adopted  
11    pursuant to this section, provided that when the head of the household  
12    retires before the commencement of such year and the date of filing the  
13    application, the income for such year may be adjusted by excluding sala-  
14    ry or earnings and projecting his retirement income over the entire  
15    period of such year.  
16    S 2. Section 4 of part U of chapter 55 of the laws of 2014, amending  
17    the real property tax law, relating to the tax abatement and exemption

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

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1 for rent regulated and rent controlled property occupied by senior citi-  
2 zens, is amended to read as follows:

3 S 4. This act shall take effect July 1, 2014[, and sections one and  
4 two of this act shall expire and be deemed repealed 2 years after the  
5 effective date thereof]; provided that the amendment to section 467-b of  
6 the real property tax law made by section one of this act shall not  
7 affect the expiration of such section and shall be deemed to expire  
8 therewith.

9 S 3. Paragraph b of subdivision 3 of section 467-b of the real proper-  
10 ty tax law, as amended by section 2 of chapter 188 of the laws of 2005,  
11 is amended to read as follows:

12 b. for a dwelling unit where the head of the household qualifies as a  
13 person with a disability pursuant to subdivision five of this section,  
14 no tax abatement shall be granted if the combined income for all members  
15 of the household for the current income tax year exceeds [the maximum  
16 income at which such head of the household would not be eligible to  
17 receive cash supplemental security income benefits under federal law  
18 during such tax year] FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO  
19 THOUSAND SIXTEEN, AS MAY BE PROVIDED BY THE LOCAL LAW, ORDINANCE OR  
20 RESOLUTION ADOPTED PURSUANT TO THIS SECTION.

21 S 4. Paragraph m of subdivision 1 of section 467-c of the real proper-  
22 ty tax law, as added by chapter 188 of the laws of 2005, is amended to  
23 read as follows:

24 m. "Person with a disability" means an individual who is currently  
25 receiving social security disability insurance (SSDI) or supplemental  
26 security income (SSI) benefits under the federal social security act or  
27 disability pension or disability compensation benefits provided by the  
28 United States department of veterans affairs or those previously eligi-  
29 ble by virtue of receiving disability benefits under the supplemental  
30 security income program or the social security disability program and  
31 currently receiving medical assistance benefits based on determination  
32 of disability as provided in section three hundred sixty-six of the  
33 social services law and whose income for the current income tax year,  
34 together with the income of all members of such individual's household,  
35 does not exceed [the maximum income at which such individual would be  
36 eligible to receive cash supplemental security income benefits under  
37 federal law during such tax year] FIFTY THOUSAND DOLLARS BEGINNING JULY  
38 FIRST, TWO THOUSAND SIXTEEN, AS MAY BE PROVIDED BY LOCAL LAW.

39 S 5. Paragraph (a) of subdivision 3 of section 467 of the real proper-  
40 ty tax law, as amended by chapter 259 of the laws of 2009, is amended to  
41 read as follows:

42 (a) if the income of the owner or the combined income of the owners of  
43 the property for the income tax year immediately preceding the date of  
44 making application for exemption exceeds the sum of three thousand  
45 dollars, or such other sum not less than three thousand dollars nor more  
46 than twenty-six thousand dollars beginning July first, two thousand six,  
47 twenty-seven thousand dollars beginning July first, two thousand seven,  
48 twenty-eight thousand dollars beginning July first, two thousand eight,  
49 [and] twenty-nine thousand dollars beginning July first, two thousand  
50 nine, AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND  
51 SIXTEEN, as may be provided by the local law, ordinance or resolution  
52 adopted pursuant to this section. Income tax year shall mean the twelve  
53 month period for which the owner or owners filed a federal personal  
54 income tax return, or if no such return is filed, the calendar year.  
55 Where title is vested in either the husband or the wife, their combined  
56 income may not exceed such sum, except where the husband or wife, or

1 ex-husband or ex-wife is absent from the property as provided in subpar-  
2 agraph (ii) of paragraph (d) of this subdivision, then only the income  
3 of the spouse or ex-spouse residing on the property shall be considered  
4 and may not exceed such sum. Such income shall include social security  
5 and retirement benefits, interest, dividends, total gain from the sale  
6 or exchange of a capital asset which may be offset by a loss from the  
7 sale or exchange of a capital asset in the same income tax year, net  
8 rental income, salary or earnings, and net income from self-employment,  
9 but shall not include a return of capital, gifts, inheritances, payments  
10 made to individuals because of their status as victims of Nazi perse-  
11 cution, as defined in P.L. 103-286 or monies earned through employment  
12 in the federal foster grandparent program and any such income shall be  
13 offset by all medical and prescription drug expenses actually paid which  
14 were not reimbursed or paid for by insurance, if the governing board of  
15 a municipality, after a public hearing, adopts a local law, ordinance or  
16 resolution providing therefor. Furthermore, such income shall not  
17 include the proceeds of a reverse mortgage, as authorized by section  
18 six-h of the banking law, and sections two hundred eighty and two  
19 hundred eighty-a of the real property law; provided, however, that  
20 monies used to repay a reverse mortgage may not be deducted from income,  
21 and provided additionally that any interest or dividends realized from  
22 the investment of reverse mortgage proceeds shall be considered income.  
23 The provisions of this paragraph notwithstanding, such income shall not  
24 include veterans disability compensation, as defined in Title 38 of the  
25 United States Code provided the governing board of such municipality,  
26 after public hearing, adopts a local law, ordinance or resolution  
27 providing therefor. In computing net rental income and net income from  
28 self-employment no depreciation deduction shall be allowed for the  
29 exhaustion, wear and tear of real or personal property held for the  
30 production of income;

31 S 6. Paragraph (a) of subdivision 5 of section 459-c of the real prop-  
32 erty tax law, as separately amended by chapters 187 and 252 of the laws  
33 of 2006, is amended to read as follows:

34 (a) if the income of the owner or the combined income of the owners of  
35 the property for the income tax year immediately preceding the date of  
36 making application for exemption exceeds the sum of three thousand  
37 dollars, or such other sum not less than three thousand dollars nor more  
38 than twenty-six thousand dollars beginning July first, two thousand six,  
39 twenty-seven thousand dollars beginning July first, two thousand seven,  
40 twenty-eight thousand dollars beginning July first, two thousand eight,  
41 [and] twenty-nine thousand dollars beginning July first, two thousand  
42 nine, AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND  
43 SIXTEEN, as may be provided by the local law or resolution adopted  
44 pursuant to this section. Income tax year shall mean the twelve month  
45 period for which the owner or owners filed a federal personal income tax  
46 return, or if no such return is filed, the calendar year. Where title is  
47 vested in either the husband or the wife, their combined income may not  
48 exceed such sum, except where the husband or wife, or ex-husband or  
49 ex-wife is absent from the property due to divorce, legal separation or  
50 abandonment, then only the income of the spouse or ex-spouse residing on  
51 the property shall be considered and may not exceed such sum. Such  
52 income shall include social security and retirement benefits, interest,  
53 dividends, total gain from the sale or exchange of a capital asset which  
54 may be offset by a loss from the sale or exchange of a capital asset in  
55 the same income tax year, net rental income, salary or earnings, and net  
56 income from self-employment, but shall not include a return of capital,

1 gifts, inheritances or monies earned through employment in the federal  
2 foster grandparent program and any such income shall be offset by all  
3 medical and prescription drug expenses actually paid which were not  
4 reimbursed or paid for by insurance, if the governing board of a munici-  
5 pality, after a public hearing, adopts a local law or resolution provid-  
6 ing therefor. In computing net rental income and net income from self-  
7 employment no depreciation deduction shall be allowed for the  
8 exhaustion, wear and tear of real or personal property held for the  
9 production of income;

10 S 7. This act shall take effect immediately; provided that:

11 a. the amendments to subdivision 3 of section 467-b of the real prop-  
12 erty tax law made by sections one and three of this act shall take  
13 effect on the same date as the reversion of such section pursuant to  
14 section 17 of chapter 576 of the laws of 1974, as amended; and

15 b. the amendments to paragraph m of subdivision 1 of section 467-c of  
16 the real property tax law, made by section four of this act shall take  
17 effect on the same date as the reversion of such paragraph as provided  
18 in section four of chapter 129 of the laws of 2014, as amended.