

6546--A

Cal. No. 1625

I N S E N A T E

January 25, 2016

Introduced by Sen. BONACIC -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property tax law, in relation to technical amendments to the assessment and payment of taxes on watershed and agricultural easements

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

1 Section 1. Subdivision 4 of section 583 of the real property tax law,
2 as added by chapter 2 of the laws of 1997, is amended to read as
3 follows:
4 4. "Watershed conservation easement" means an easement, covenant,
5 restriction or other interest in real property purchased by or on behalf
6 of the city of New York [on or before December thirty-first, two thou-
7 sand sixteen] THAT IS located in those areas of the counties of Dela-
8 ware, Dutchess, Greene, Putnam, Schoharie, Sullivan, Ulster and West-
9 chester located in the watershed of the New York city water supply,
10 created under and subject to the provisions of article forty-nine of the
11 environmental conservation law which, for the purpose of maintaining the
12 open space, natural condition, or character of the real property in a
13 manner consistent with the protection of water quality generally and the
14 New York city water supply specifically, limits or restricts develop-
15 ment, management or use of such real property.
16 S 2. Section 585 of the real property tax law, as added by chapter 2
17 of the laws of 1997, is amended to read as follows:
18 S 585. Taxation or exemption of watershed agricultural easements. 1.
19 Any watershed agricultural easement ACQUIRED BEFORE JANUARY FIRST, TWO
20 THOUSAND ELEVEN shall be exempt from taxation on any assessment roll on
21 which the land subject to the easement qualifies for and receives an
22 agricultural assessment pursuant to article twenty-five-AA of the agri-
23 culture and markets law.

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

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1 2. Any watershed agricultural easement that burdens land which does
2 not receive an agricultural assessment pursuant to article twenty-five-
3 AA of the agriculture and markets law OR WHICH IS ACQUIRED ON OR AFTER
4 JANUARY FIRST, TWO THOUSAND SEVENTEEN shall be subject to taxation for
5 all purposes. The taxes levied on such easement shall be levied as
6 provided in this title.

7 S 3. Subdivision 2, subparagraphs i and ii of paragraph a and para-
8 graph b of subdivision 5 and subdivisions 6 and 7 of section 586 of the
9 real property tax law, as added by chapter 2 of the laws of 1997, are
10 amended to read as follows:

11 2. The assessment of a watershed conservation easement or watershed
12 agricultural easement shall be determined by multiplying the allocation
13 factor for that easement as computed in subdivision one of this section
14 by the assessment determined by the assessor for the land subject to
15 such easement exclusive of the improvements thereon. After subtracting
16 the assessment for each watershed conservation easement or watershed
17 agricultural easement from the parcel's total assessment, the remaining
18 assessment shall be entered on the assessment roll as taxable to the
19 owner of the property. Each watershed conservation easement or watershed
20 agricultural easement, WHETHER IT ENCUMBERS THE ENTIRE PARCEL OR ONLY A
21 PORTION THEREOF, shall be entered as a separate parcel on the taxable
22 portion of the assessment roll and shall be assessed in the name of the
23 city of New York.

24 (i) On a parcel of property which is otherwise fully exempt from taxa-
25 tion, the assessor shall determine the taxable [assessment] ASSESSED
26 VALUE of the easement by multiplying the allocation factor by the total
27 assessed value of the land; or

28 (ii) On a parcel of property which is partially exempt from taxation,
29 the assessor shall determine the taxable [assessment] ASSESSED VALUE of
30 the easement by multiplying the allocation factor by the total assessed
31 value of the land; or

32 (b) The provisions of this subdivision shall not apply to [parcels
33 receiving an agricultural assessment pursuant to article twenty-five-AA
34 of the agriculture and markets law] WATERSHED AGRICULTURAL EASEMENTS AS
35 DESCRIBED IN SUBDIVISION ONE OF SECTION FIVE HUNDRED EIGHTY-FIVE OF THIS
36 TITLE OR TO PARCELS BURDENED BY SUCH EASEMENTS.

37 6. [Whenever a watershed conservation easement or watershed agricul-
38 tural easement encumbers only a portion of a parcel, the assessor shall
39 henceforth enter that portion of the parcel encumbered by such easement
40 as a separate parcel on all subsequent assessment rolls.

41 7.] Whenever a watershed conservation easement or watershed agricul-
42 tural easement encumbers a parcel containing improvements, those
43 improvements shall be separately assessed in the name of the owner ther-
44 eof.

45 S 4. Section 589 of the real property tax law, as added by chapter 2
46 of the laws of 1997, subdivisions 2 and 4 as further amended by subdivi-
47 sion (b) of section 1 of part W of chapter 56 of the laws of 2010, is
48 amended to read as follows:

49 S 589. Change in allocation factor. 1. [The allocation factor deter-
50 mined in subdivision one of section five hundred eighty-six of this
51 title shall remain in effect for at least twenty years from the date it
52 is initially certified to the assessing unit.

53 2.] At any time after [twenty years from the date] the allocation
54 factor is initially certified to the assessing unit, upon the request of
55 the city or the owner of the parcel burdened by the easement, the
56 commissioner may compute and certify a new allocation factor based on a

1 change in circumstances. A request for a review of the allocation factor
2 shall be made by submitting to the commissioner (a) a written request by
3 the landowner, (b) a written request by the city setting forth the
4 claimed change in circumstances, (c) a written stipulation entered into
5 by the city and the landowner setting forth the new allocation factor,
6 or (d) an appraisal or appraisals performed by a licensed real estate
7 appraiser within one year of submission setting forth the current fair
8 market value of the easement and the current fair market value of the
9 land subject to the easement exclusive of improvements and unencumbered
10 by the easement. The commissioner shall define the changes in circum-
11 stances required to change the allocation factor. The party seeking the
12 change in allocation factor shall provide copies of the appraisals and
13 written request to the other party.

14 [3.] 2. If one party objects to a change in the allocation factor, the
15 party may submit the appraisals specified in subdivision [two] ONE of
16 this section within ninety days of receipt of the other parties'
17 appraisal or written request.

18 [4.] 3. The commissioner shall review the materials submitted and
19 issue a current allocation factor determined by the materials submitted.

20 [5.] 4. If judicial review is sought to challenge a determination
21 under this section, the action shall be commenced in the county in which
22 the real property is located.

23 S 5. This act shall take effect immediately.