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

7015--A

I N S E N A T E

March 16, 2016

Introduced by Sen. PANEPINTO -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- 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:

Section 1. The real property tax law is amended by adding a new section 485-s to read as follows:

S 485-S. RESIDENTIAL INVESTMENT EXEMPTION; CERTAIN CITIES. 1. RESIDENTIAL REAL PROPERTY CONSTRUCTED ON OR AFTER THE FIRST DAY OF JULY, TWO THOUSAND SIXTEEN IN CITIES WITH A POPULATION OF NOT LESS THAN FIFTEEN THOUSAND ONE HUNDRED AND NOT MORE THAN FIFTEEN THOUSAND TWO HUNDRED, DETERMINED IN ACCORDANCE WITH THE LATEST DECENNIAL CENSUS, MAY BE EXEMPT FROM CITY TAXATION AND SPECIAL AD VALOREM LEVIES AS PROVIDED IN THIS SECTION, PROVIDED SUCH CITY HAS PASSED A LOCAL LAW, PROVIDING THEREFOR.

2. (A) (I) SUCH REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF ONE YEAR TO THE EXTENT OF FIFTY PER CENTUM OF THE INCREASE IN ASSESSED VALUE THEREOF ATTRIBUTABLE TO SUCH CONSTRUCTION AND FOR AN ADDITIONAL PERIOD OF NINE YEARS PROVIDED, HOWEVER, THAT THE EXTENT OF SUCH EXEMPTION SHALL BE DECREASED BY FIVE PER CENTUM EACH YEAR DURING SUCH ADDITIONAL PERIOD OF NINE YEARS AND SUCH EXEMPTION SHALL BE COMPUTED WITH RESPECT TO THE "EXEMPTION BASE". THE EXEMPTION BASE SHALL BE THE INCREASE IN ASSESSED VALUE AS DETERMINED IN THE INITIAL YEAR OF SUCH TEN YEAR PERIOD FOLLOWING THE FILING OF AN ORIGINAL APPLICATION, EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH.

(II) IN ANY YEAR IN WHICH A CHANGE IN LEVEL OF ASSESSMENT OF FIFTEEN PERCENT OR MORE IS CERTIFIED FOR A FINAL ASSESSMENT ROLL PURSUANT TO THE RULES OF THE COMMISSIONER, THE EXEMPTION BASE SHALL BE MULTIPLIED BY A FRACTION, THE NUMERATOR OF WHICH SHALL BE THE TOTAL ASSESSED VALUE OF THE PARCEL ON SUCH FINAL ASSESSMENT ROLL (AFTER ACCOUNTING FOR ANY PHYSICAL OR QUANTITY CHANGES TO THE PARCEL SINCE THE IMMEDIATELY PRECEDING 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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ASSESSED VALUE OF THE PARCEL ON THE IMMEDIATELY PRECEDING FINAL ASSESSMENT ROLL. THE RESULT SHALL BE THE NEW EXEMPTION BASE. THE EXEMPTION SHALL THEREUPON BE RECOMPUTED TO TAKE INTO ACCOUNT THE NEW EXEMPTION BASE, NOTWITHSTANDING THE FACT THAT THE ASSESSOR RECEIVES THE CERTIFICATION OF THE CHANGE IN LEVEL OF ASSESSMENT AFTER THE COMPLETION, VERIFICATION AND FILING OF THE FINAL ASSESSMENT ROLL. IN THE EVENT THE ASSESSOR DOES NOT HAVE CUSTODY OF THE ROLL WHEN SUCH CERTIFICATION IS RECEIVED, THE ASSESSOR SHALL CERTIFY THE RECOMPUTED EXEMPTION TO THE LOCAL OFFICERS HAVING CUSTODY AND CONTROL OF THE ROLL, AND SUCH LOCAL OFFICERS ARE HEREBY DIRECTED AND AUTHORIZED TO ENTER THE RECOMPUTED EXEMPTION CERTIFIED BY THE ASSESSOR ON THE ROLL. THE ASSESSOR SHALL GIVE WRITTEN NOTICE OF SUCH RECOMPUTED EXEMPTION TO THE PROPERTY OWNER, WHO MAY, IF HE OR SHE BELIEVES THAT THE EXEMPTION WAS RECOMPUTED INCORRECTLY, APPLY FOR A CORRECTION IN THE MANNER PROVIDED BY TITLE THREE OF ARTICLE FIVE OF THIS CHAPTER FOR THE CORRECTION OF CLERICAL ERRORS.

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

YEAR OF EXEMPTION	PERCENTAGE OF EXEMPTION
1	50
2	45
3	40
4	35
5	30
6	25
7	20
8	15
9	10
10	5

(B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS:

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

(II) THE RESIDENTIAL REAL PROPERTY IS SITUATE IN A CITY WITH A POPULATION OF NOT LESS THAN FIFTEEN THOUSAND ONE HUNDRED AND NOT MORE THAN FIFTEEN THOUSAND TWO HUNDRED, DETERMINED IN ACCORDANCE WITH THE LATEST DECENNIAL CENSUS;

(III) THE COST OF SUCH CONSTRUCTION EXCEEDS THE SUM OF SEVENTY THOUSAND DOLLARS; AND

(IV) SUCH CONSTRUCTION IS COMPLETED AS MAY BE EVIDENCED BY A CERTIFICATE OF OCCUPANCY OR OTHER APPROPRIATE DOCUMENTATION AS PROVIDED BY THE OWNER.

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

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

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

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

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

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

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

S 2. This act shall take effect immediately.