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

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I N S E N A T E

May 26, 2016

Introduced by Sens. STEWART-COUSINS, CARLUCCI -- 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 a residential revaluation exemption

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 REVALUATION EXEMPTION. 1. APPLICABILITY. THE GOVERNING BODY OF AN ASSESSING UNIT LOCATED WITHIN A COUNTY WITH A POPULATION OF NOT LESS THAN NINE HUNDRED THIRTY THOUSAND AND NOT MORE THAN ONE MILLION TWO HUNDRED THOUSAND BASED UPON THE LATEST DECENNIAL CENSUS, MAY, AFTER A PUBLIC HEARING, ADOPT THE PROVISIONS OF THIS SECTION BY LOCAL LAW IN THE FIRST YEAR OF A FULL VALUE REVALUATION TO PROVIDE A RESIDENTIAL REVALUATION EXEMPTION. IF THE GOVERNING BODY OF AN ASSESSING UNIT PASSES A LOCAL LAW PURSUANT TO THIS SUBDIVISION, SUCH EXEMPTION SHALL ALSO APPLY IN THE SAME MANNER AND TO THE SAME EXTENT TO EACH VILLAGE, COUNTY, SPECIAL DISTRICT OR SCHOOL DISTRICT THAT LEVIES TAXES ON THE ASSESSMENT ROLL PREPARED BY SUCH ASSESSING UNIT. A VILLAGE ASSESSING UNIT, WITHIN AN ASSESSING UNIT THAT HAS CONDUCTED A REVALUATION AND THAT CHOOSES TO ADOPT THAT ASSESSING UNIT'S LATEST FINAL ASSESSMENT ROLL IS PERMITTED TO ADOPT THE PROVISIONS OF THIS SECTION WITHIN TWO YEARS OF ITS IMPLEMENTATION.

2. ELIGIBILITY. (A) THE ASSESSORS IN EACH ASSESSING UNIT THAT HAVE ADOPTED THE PROVISIONS OF THIS SECTION SHALL, IN THE FIRST YEAR IN WHICH REVALUATION ASSESSMENTS ARE TO BE ENTERED ON THE ASSESSMENT ROLL AND FOR THE NEXT SUCCEEDING YEAR, APPLY TO EACH ELIGIBLE RESIDENTIAL PROPERTY AN EXEMPTION AS PROVIDED IN SUBDIVISION THREE OF THIS SECTION. FOR THE PURPOSE OF THIS SECTION, TO BE AN "ELIGIBLE RESIDENTIAL PROPERTY" THE FOLLOWING CRITERIA MUST BE MET:

(I) THE PROPERTY MUST BE A ONE-, TWO-, OR THREE-FAMILY RESIDENTIAL PROPERTY, PROVIDED THAT IN AN APPROVED ASSESSING UNIT DWELLING UNITS

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

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HELD IN CONDOMINIUM FORM OF OWNERSHIP THAT ARE CLASSIFIED IN THE HOMESTEAD CLASS SHALL ALSO BE ELIGIBLE;

(II) THE PROPERTY MUST BE ELIGIBLE TO RECEIVE THE STAR EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THIS TITLE OR THE OWNER OR OWNERS MUST BE ELIGIBLE TO RECEIVE THE PERSONAL INCOME TAX SCHOOL TAX RELIEF (STAR) CREDIT AUTHORIZED BY SUBSECTION (EEE) OF SECTION SIX HUNDRED SIX OF THE TAX LAW, AS ADDED BY SECTION SIX OF PART A OF CHAPTER SIXTY OF THE LAWS OF TWO THOUSAND SIXTEEN, FOR SUCH PROPERTY.

(III) IN ANY GIVEN YEAR, THE OWNER OR OWNERS RECEIVING THE EXEMPTION PURSUANT TO THIS SECTION MUST BE THE SAME AS THE OWNER OR OWNERS THAT APPEARED ON THE ASSESSMENT ROLL UPON WHICH THE REVALUATION IS IMPLEMENTED;

(IV) THE PROPERTY MUST HAVE A CERTIFICATE OF OCCUPANCY OR A TEMPORARY CERTIFICATE OF OCCUPANCY; AND

(V) THE PROPERTY MUST NOT HAVE ANY DELINQUENT TAXES AS OF THE TAXABLE STATUS DATE FOR THE ROLL ON WHICH AN EXEMPTION IS APPLIED.

(B) IN ADDITION TO THE CRITERIA PROVIDED IN PARAGRAPH (A) OF THIS SUBDIVISION, AN ASSESSING UNIT MAY FURTHER LIMIT THE ELIGIBILITY TO ELIGIBLE RESIDENTIAL PROPERTY WHOSE FULL VALUE INCREASE EXCEEDED A SET VALUE THRESHOLD AS SPECIFIED IN THEIR LOCAL LAW ADOPTING THE PROVISIONS OF THIS SECTION. IF PROVIDED BY LOCAL LAW, THE ASSESSING UNIT MAY ELECT TO GRANT EXEMPTIONS TO ONLY THOSE PROPERTIES THAT DO NOT HAVE OUTSTANDING BUILDING CODE VIOLATIONS.

3. EXEMPTION CALCULATION. (A)(I) THE EXEMPTION SHALL BE COMPUTED WITH RESPECT TO A PERCENTAGE OF THE "EXEMPTION BASE." THE EXEMPTION BASE SHALL BE THE AMOUNT BY WHICH THE ASSESSED VALUE OF A PROPERTY ON THE ASSESSMENT ROLL UPON WHICH THE REVALUATION IS IMPLEMENTED EXCEEDS THE PRIOR YEAR'S EQUALIZED ASSESSED VALUE, AS DETERMINED IN THE INITIAL YEAR. THE PRIOR YEAR'S EQUALIZED ASSESSED VALUE SHALL BE DETERMINED BY APPLYING THE APPLICABLE CHANGE IN LEVEL OF ASSESSMENT FACTOR TO THE PRIOR YEAR'S ASSESSED VALUE. SUCH EXEMPTION BASE SHALL NOT INCLUDE INCREASES DUE TO A PHYSICAL IMPROVEMENT OR A REMOVAL OR REDUCTION OF AN EXEMPTION ON PROPERTY.

(II) ANY INCREASE IN THE ASSESSMENT OF A PROPERTY DUE TO PHYSICAL CHANGES IN THE YEAR FOLLOWING THE IMPLEMENTATION ROLL SHALL NOT BE ELIGIBLE FOR THE EXEMPTION. IN THE EVENT THAT ANY PORTION OF A PARCEL IS FULLY OR PARTIALLY REMOVED FROM THE ROLL DURING THE YEAR FOLLOWING THE IMPLEMENTATION ROLL BY REASON OF FIRE, DEMOLITION, DESTRUCTION OR NEW EXEMPTION, THE ASSESSOR SHALL REDUCE THE EXEMPTION FOR ANY REMAINING PORTION IN THE SAME PROPORTION ASSESSMENT IS REDUCED FOR SUCH FIRE, DEMOLITION, DESTRUCTION OR NEW EXEMPTION. IF A PROPERTY'S REVALUATION ASSESSMENT IS REDUCED PURSUANT TO TITLE ONE-A OF ARTICLE FIVE, OR TITLE ONE OR ONE-A OF ARTICLE SEVEN OF THIS CHAPTER, THE EXEMPTION SHALL BE RECOMPUTED ACCORDINGLY.

(B)(I) THE EXEMPTION SHALL BE TO THE EXTENT OF SIXTY-SIX PER CENTUM OF THE EXEMPTION BASE IN YEAR ONE AND THIRTY-THREE PER CENTUM OF THE EXEMPTION BASE IN YEAR TWO.

(II) THE FOLLOWING TABLE SHALL ILLUSTRATE THE COMPUTATION OF THE EXEMPTION:

YEAR OF EXEMPTION	PERCENTAGE OF EXEMPTION
1	66% OF EXEMPTION BASE
2	33% OF EXEMPTION BASE

4. GRANTING OF EXEMPTION. (A) SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OR OWNERS OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE COMMISSIONER. SUCH APPLICATION SHALL BE FILED WITH THE

ASSESSOR ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE FOR THE ASSESSMENT ROLL UPON WHICH THE REVALUATION IS IMPLEMENTED.

(B) 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 THE TAXABLE ASSESSED VALUE SHALL BE REDUCED BY THE EXEMPTION, AS IN THIS SECTION PROVIDED COMMENCING WITH THE ASSESSMENT ROLL PREPARED AFTER THE TAXABLE STATUS DATE. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE AMOUNT OF THE EXEMPTION SHOWN IN A SEPARATE COLUMN.

(C) IN THE EVENT THAT THE RESIDENTIAL PROPERTY GRANTED AN EXEMPTION PURSUANT TO THIS SECTION TRANSFERS OWNERSHIP OR OTHERWISE CEASES TO MEET THE ELIGIBILITY REQUIREMENTS OF THE EXEMPTION IN SUBDIVISION TWO OF THIS SECTION, THE EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE DISCONTINUED. UPON DETERMINING THAT AN EXEMPTION GRANTED PURSUANT TO THIS SECTION SHOULD BE DISCONTINUED, THE ASSESSOR SHALL MAIL A NOTICE SO STATING TO THE OWNER OR OWNERS THEREOF AT THE TIME AND IN THE MANNER PROVIDED BY SECTION FIVE HUNDRED TEN OF THIS CHAPTER.

S 2. The following provisions shall apply in an assessing unit that adopts the provisions of section 485-s of the real property tax law for an assessment roll finalized in the year 2016. Notwithstanding paragraph (a) of subdivision 4 of section 485-s of the real property tax law, applications for exemption shall be filed with the assessor on or before a date specified in the local law adopting the provisions of section 485-s of the real property tax law on a form prescribed by the assessing unit. Notwithstanding any other section of law to the contrary, to the extent the taxable assessed value of the property originally appearing on such roll exceeds the amount to which it should be reduced pursuant to section 485-s of the real property tax law, the assessor shall amend the assessment roll accordingly. The assessor shall give written notice of such exemption to the property owner. Where the assessor denies an exemption or incorrectly calculates the exemption pursuant to section 485-s of the real property tax law for the 2016 assessment roll, the property owner may file a complaint with the board of assessment review. Such board shall reconvene on a date or dates established by the assessing unit, provided at least ten days' notice is given in writing; by certified mail, return receipt requested, to the property owner, to hear the appeal and determine the matter, and shall mail written notice of its determination to the assessor and property owner. Notwithstanding sections 283.161 and 283.171 of the Westchester County Administrative Code, for the purpose of implementing the residential revaluation exemption, the assessor or assessors shall file the 2016 assessment roll on or before the first day of December. The rights contained in this act shall not otherwise diminish any other legally available right of any property owner or party who may otherwise lawfully challenge the valuation or assessment of any real property or improvements thereon. All remaining rights hereby remain and shall be available to the party to whom such rights would otherwise be available notwithstanding this act.

S 3. This act shall take effect immediately and shall apply to assessment rolls prepared on and after January 1, 2016.