

893--B

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I N S E N A T E

January 7, 2015

Introduced by Sens. AVELLA, KLEIN, STAVISKY -- 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 -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- 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, the administrative code of the city of New York and the real property law, in relation to classifying properties held in condominium and cooperative form for assessment purposes as class one-a properties; and to repeal certain provisions of the real property tax law relating thereto

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

1 Section 1. Subdivision 1 of section 1802 of the real property tax law,
2 as separately amended by chapters 123 and 529 of the laws of 1990, para-
3 graph class one as amended by chapter 332 of the laws of 2008, is
4 amended to read as follows:
5 1. All real property, for the purposes of this article, in a special
6 assessing unit shall be classified as follows:
7 Class one: (a) all one, two and three family residential real proper-
8 ty, including such dwellings used in part for nonresidential
9 purposes but which are used primarily for residential purposes,
10 except such property held in cooperative or condominium forms of
11 ownership other than (i) property defined in subparagraphs (b)
12 and (c) of this paragraph and (ii) property which contains no
13 more than three dwelling units held in condominium form of
14 ownership and which was classified within this class on a previ-
15 ous assessment roll; and provided that, notwithstanding the
16 provisions of paragraph (g) of subdivision twelve of section one

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

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hundred two of this chapter, a mobile home or a trailer shall not be classified within this class unless it is owner-occupied and separately assessed; and (b) residential real property not more than three stories in height held in condominium form of ownership, provided that no dwelling unit therein previously was on an assessment roll as a dwelling unit in other than condominium form of ownership; and (c) residential real property consisting of one family house structures owned by the occupant, situated on land held in cooperative ownership by owner occupiers, provided that; (i) such house structures and land constituted bungalow colonies in existence prior to nineteen hundred forty; and (ii) the land is held in cooperative ownership for the sole purpose of maintaining one family residences for members own use; and (d) all vacant land located within a special assessing unit which is a city (i) other than such land in the borough of Manhattan, provided that any such vacant land which is not zoned residential must be situated immediately adjacent to property improved with a residential structure as defined in subparagraphs (a) and (b) of this paragraph, be owned by the same owner as such immediately adjacent residential property immediately prior to and since January 1, 1989, and have a total area not exceeding 10,000 square feet; and (ii) located in the borough of Manhattan north of or adjacent to the north side of 110th street provided such vacant land was classified within this class on the assessment roll with a taxable status date of January 5, 2008 and the owner of such land has entered into a recorded agreement with a governmental entity on or before December 31, 2008 requiring construction of housing affordable to persons or families of low income in accordance with the provisions of the private housing finance law. Notwithstanding the foregoing, such vacant land shall be classified according to its use on the assessment roll with a taxable status date immediately following commencement of construction, provided further, that construction pursuant to an approved plan for affordable housing shall commence no later than December 31, 2010; and (e) all vacant land located within a special assessing unit which is not a city, provided that such vacant land which is not zoned residential must be situated immediately adjacent to real property defined in subparagraph (a), (b) or (c) of this paragraph and be owned by the same person or persons who own the real property defined in such subparagraph immediately prior to and since January 1, 2003;

CLASS ONE-A: ALL OTHER RESIDENTIAL REAL PROPERTY HELD IN CONDOMINIUM OR COOPERATIVE FORM OF OWNERSHIP WHICH IS NOT DESIGNATED AS CLASS ONE; THE DEPARTMENT OF FINANCE OF ANY CITY ENACTING A LOCAL LAW PURSUANT TO THIS SECTION SHALL RECLASSIFY CLASS ONE-A PROPERTIES USED PRIMARILY TO GENERATE RENTAL INCOME TO CLASS TWO. THE DEPARTMENT OF FINANCE OF ANY CITY ENACTING A LOCAL LAW PURSUANT TO THIS SECTION SHALL HAVE, IN ADDITION TO ANY OTHER FUNCTIONS, POWERS AND DUTIES WHICH HAVE BEEN OR MAY BE CONFERRED ON IT BY LAW, THE POWER TO MAKE AND PROMULGATE RULES TO CARRY OUT THE PURPOSES OF THIS SECTION INCLUDING, BUT NOT LIMITED TO, RULES DEFINING THE CLASS ONE-A PROPERTIES PRIMARILY USED TO GENERATE RENTAL INCOME, AND RELATING TO THE TIMING, FORM AND MANNER OF ANY CERTIFICATION REQUIRED TO BE SUBMITTED UNDER THIS SECTION. IF A PROPERTY PREVIOUSLY RECLASSIFIED FROM CLASS ONE-A

TO CLASS TWO CEASES TO BE USED PRIMARILY TO GENERATE RENTAL INCOME, THE DEPARTMENT SHALL RECLASSIFY SUCH PROPERTY TO CLASS ONE-A. THE DEPARTMENT SHALL USE A FIVE-YEAR PERIOD WHEN DETERMINING WHETHER A PROPERTY IS USED PRIMARILY TO GENERATE RENTAL INCOME;

Class two: all other residential real property which is not designated as class one OR CLASS ONE-A, except hotels and motels and other similar commercial property;

Class three: utility real property and property subject to former section four hundred seventy of this chapter;

Class four: all other real property which is not designated as class one, CLASS ONE-A, class two, or class three.

S 1-a. The real property tax law is amended by adding a new section 1803-c to read as follows:

S 1803-C. 1. FOR THE CALENDAR YEAR TWO THOUSAND SEVENTEEN, NOTWITHSTANDING THE PROVISIONS OF SECTIONS EIGHTEEN HUNDRED THREE, EIGHTEEN HUNDRED THREE-A, AND EIGHTEEN HUNDRED THREE-B OF THIS ARTICLE TO THE CONTRARY, THE NEW YORK CITY COMMISSIONER OF FINANCE SHALL ESTABLISH A NEW CLASS ONE-A PURSUANT TO SUBDIVISION ONE OF SECTION EIGHTEEN HUNDRED TWO OF THIS ARTICLE AND SHALL CALCULATE SHARES FOR CLASS ONE, CLASS ONE-A, CLASS TWO, CLASS THREE AND CLASS FOUR WHERE THE BASE YEAR USED IN THE CALCULATION OF THE CURRENT BASE PROPORTION SHALL BE THE 2016 ASSESSMENT ROLL AND THE SUM OF CLASS ONE-A AND CLASS TWO SHALL NOT EXCEED THE PRIOR YEAR ADJUSTED BASE PROPORTION FOR SUCH CLASSES.

2. AFTER TWO THOUSAND EIGHTEEN, ASSESSMENT ROLLS PREPARED ACCORDING TO JANUARY 1, 2018, THE ADJUSTED BASE PROPORTIONS FOR CLASS ONE AND CLASS ONE-A, SHALL NOT EXCEED EACH CLASS' PRIOR ADJUSTED BASE PROPORTION BY MORE THAN FIVE PERCENT.

3. IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, SUCH CITY'S TAX FIXING RESOLUTION SHALL SET A TAX RATE FOR CLASS ONE-A IN THE SAME MANNER AS ALL CLASS SHARES ARE CALCULATED PURSUANT TO SECTIONS EIGHTEEN HUNDRED THREE, EIGHTEEN HUNDRED THREE-A AND EIGHTEEN HUNDRED THREE-B OF THIS ARTICLE.

4. THE ASSESSMENT RATIO FOR CLASS ONE-A SHALL BE SIX PERCENT.

S 2. Subdivision 1, paragraph (c) of subdivision 2 and subdivision 4 of section 307-a of the real property tax law, as added by section 1 of part G of chapter 63 of the laws of 2003, are amended to read as follows:

1. Generally. Notwithstanding any provision of any general, special or local law to the contrary, any city with a population of one million or more is hereby authorized and empowered to adopt and amend local laws in accordance with this section imposing an additional tax on certain class one AND CLASS ONE-A properties, as such properties are defined in section eighteen hundred two of this chapter, excluding vacant land.

(c) "Net real property tax" means the real property tax assessed on A class one OR CLASS ONE-A property after deduction for any exemption or abatement received pursuant to this chapter.

4. Property subject to additional tax. Such surcharge shall be imposed on class one AND CLASS ONE-A property, excluding vacant land, that provides rental income and is not the primary residence of the owner or owners of such class one OR CLASS ONE-A property, or the primary residence of the parent or child of such owner or owners.

S 3. Paragraph (f) of subdivision 1 of section 467-a of the real property tax law, as added by chapter 273 of the laws of 1996, is amended and a new paragraph (i) is added to read as follows:

(f) "Property" means real property designated as class [two] ONE-A, pursuant to section eighteen hundred two of this chapter, held in the cooperative or condominium form of ownership.

(I) "MARKET VALUE" SHALL BE CALCULATED BY THE NEW YORK CITY DEPARTMENT OF FINANCE BASED UPON COMPARABLE SALES.

S 4. Paragraphs (d-1), (d-2), (d-3) and (d-4) of subdivision 2 of section 467-a of the real property tax law, as amended by section 62 of part A of chapter 20 of the laws of 2015, are amended and seven new paragraphs (d-7), (d-8), (d-9), (d-10), (d-11), (d-12) and (d-13) are added to read as follows:

(d-1) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is less than or equal to fifty thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-five percent, twenty-six and one-half percent and twenty-eight and one-tenth percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is less than or equal to fifty thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-eight and one-tenth percent.

(d-2) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is more than fifty thousand dollars, but less than or equal to fifty-five thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-two and one-half percent, twenty-three and eight-tenths percent and twenty-five and two-tenths percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is more than fifty thousand dollars, but less than or equal to fifty-five thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-five and two-tenths percent.

(d-3) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is more than fifty-five thousand dollars, but less than or equal to sixty thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty percent, twenty-one and two-tenths percent, and twenty-two and five-tenths percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is more than fifty-five thousand dollars, but less than or equal to sixty thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-two and five-tenths percent.

(d-4) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen, two thousand fourteen, two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen,] eligible dwelling units in property whose average unit assessed value is more than sixty thousand dollars shall receive a

1 partial abatement of the real property taxes attributable to or due on
2 such dwelling units of seventeen and one-half percent.

3 (D-7) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
4 VALUE IS LESS THAN OR EQUAL TO SIX HUNDRED FIFTY THOUSAND DOLLARS SHALL
5 RECEIVE A PARTIAL ABATEMENT OF REAL PROPERTY TAXES ATTRIBUTABLE TO OR
6 DUE ON SUCH DWELLING UNITS, NOT TO EXCEED THIRTY-THREE PERCENT IN THE
7 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THERE-
8 EAFTER.

9 (D-8) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
10 VALUE IS BETWEEN SIX HUNDRED FIFTY THOUSAND ONE DOLLARS TO SEVEN HUNDRED
11 FIFTY THOUSAND DOLLARS SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL
12 PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO
13 EXCEED TWENTY-TWO AND FIVE-TENTHS PERCENT IN THE FISCAL YEAR COMMENCING
14 IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

15 (D-9) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
16 VALUE IS BETWEEN SEVEN HUNDRED FIFTY THOUSAND ONE AND ONE MILLION FIVE
17 HUNDRED THOUSAND DOLLARS SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL
18 PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO
19 EXCEED SEVENTEEN AND FIVE-TENTHS PERCENT IN THE FISCAL YEAR COMMENCING
20 IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

21 (D-10) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
22 VALUE IS BETWEEN ONE MILLION FIVE HUNDRED THOUSAND ONE DOLLARS AND TWO
23 MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SEVEN DOLLARS
24 SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL PROPERTY TAXES ATTRIBUT-
25 ABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO EXCEED THIRTEEN AND THIR-
26 TEEN-HUNDREDTHS PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR
27 TWO THOUSAND SEVENTEEN AND THEREAFTER.

28 (D-11) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
29 VALUE IS BETWEEN TWO MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED
30 SIXTY-EIGHT DOLLARS AND THREE MILLION EIGHT HUNDRED THIRTY-THREE THOU-
31 SAND THREE HUNDRED THIRTY-THREE DOLLARS SHALL RECEIVE A PARTIAL ABATE-
32 MENT OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING
33 UNITS, NOT TO EXCEED EIGHT AND SEVENTY-FIVE HUNDREDTH PERCENT IN THE
34 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THERE-
35 EAFTER.

36 (D-12) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
37 VALUE IS BETWEEN THREE MILLION EIGHT HUNDRED THIRTY-THREE THOUSAND THREE
38 HUNDRED THIRTY-FOUR DOLLARS AND FIVE MILLION DOLLARS SHALL RECEIVE A
39 PARTIAL ABATEMENT OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON
40 SUCH DWELLING UNITS, NOT TO EXCEED FOUR AND THIRTY-EIGHT HUNDREDTHS
41 PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND
42 SEVENTEEN AND THEREAFTER.

43 (D-13) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET
44 VALUE IS FIVE MILLION DOLLARS OR MORE SHALL RECEIVE A PARTIAL ABATEMENT
45 OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING
46 UNITS, NOT TO EXCEED ZERO PERCENT IN THE FISCAL YEAR COMMENCING IN
47 CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

48 S 4-a. The real property tax law is amended by adding a new section
49 467-a-1 to read as follows:

50 S 467-A-1. ENHANCED PARTIAL ABATEMENT FOR CERTAIN CONDOMINIUMS AND
51 COOPERATIVE RESIDENCES. 1. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED
52 PURSUANT TO SECTION FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE
53 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN, ELIGIBLE
54 UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX
55 HUNDRED FIFTY THOUSAND DOLLARS SHALL RECEIVE AN ENHANCED ABATEMENT EQUAL

1 TO THE EXCESS ABOVE TWO PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR
2 YEAR'S PROPERTY TAX AND THE CURRENT YEAR'S PROPERTY TAX.

3 2. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED PURSUANT TO SECTION
4 FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE FISCAL YEAR COMMENC-
5 ING IN CALENDAR YEAR TWO THOUSAND EIGHTEEN, ELIGIBLE UNITS IN PROPERTY
6 WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX HUNDRED FIFTY THOUSAND
7 DOLLARS SHALL RECEIVE AN ENHANCED ABATEMENT EQUAL TO THE EXCESS ABOVE
8 FOUR PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR YEAR'S PROPERTY TAX AND
9 THE CURRENT YEAR'S PROPERTY TAX.

10 3. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED PURSUANT TO SECTION
11 FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE FISCAL YEAR COMMENC-
12 ING IN CALENDAR YEAR TWO THOUSAND NINETEEN AND THEREAFTER, ELIGIBLE
13 UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX
14 HUNDRED FIFTY THOUSAND DOLLARS SHALL RECEIVE AN ENHANCED ABETMENT EQUAL
15 TO THE EXCESS ABOVE SIX PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR
16 YEAR'S PROPERTY TAX AND THE CURRENT YEAR'S PROPERTY TAX. THE ENHANCED
17 CONDOMINIUM AND COOPERATIVE ABATEMENT SHALL NOT BE ELIGIBLE FOR UNITS
18 WHERE THE COMMISSIONER DETERMINES THAT RENOVATION OR CONSTRUCTION WITHIN
19 THE UNIT OR BUILDING HAS PRODUCED A SUBSTANTIAL YEARLY INCREASE IN THE
20 UNIT'S ASSESSED VALUE.

21 S 5. Subdivision 7 of section 499-aaa of the real property tax law, as
22 added by chapter 461 of the laws of 2008, is amended to read as follows:

23 7. "Eligible building" shall mean a class one, CLASS ONE-A, class two
24 or class four real property, as defined in subdivision one of section
25 eighteen hundred two of this chapter, located within a city having a
26 population of one million or more persons. No building shall be eligible
27 for more than one tax abatement pursuant to this title.

28 S 6. Subdivision 7 of section 499-aaaa of the real property tax law,
29 as added by chapter 473 of the laws of 2008, is amended to read as
30 follows:

31 7. "Eligible building" shall mean a class one, CLASS ONE-A, class two
32 or class four real property, as defined in subdivision one of section
33 eighteen hundred two of this chapter, located within a city having a
34 population of one million or more persons. No building shall be eligible
35 for more than one tax abatement pursuant to this title.

36 S 7. Paragraph (b) of subdivision 3 of section 522 of the real proper-
37 ty tax law, as added by chapter 714 of the laws of 1982, is amended to
38 read as follows:

39 (b) in a special assessing unit, the determination, pursuant to
40 section eighteen hundred two of this chapter, of whether real property
41 is included in class one, ONE-A, two, three or four.

42 S 8. Subdivision 10 of section 523-b of the real property tax law, as
43 added by chapter 593 of the laws of 1998, is amended to read as follows:

44 10. On or before April first, each year the commission shall mail to
45 each applicant, who has filed an application for the correction of the
46 assessment, a notice of the commission's determination of such appli-
47 cant's assessment. Such notice shall also contain the statement as to
48 the final determination of the assessment review commission, or a state-
49 ment that the commission has not yet made a determination as to the
50 final assessed valuation which shall be made as soon as the petitioners
51 application is reviewed or heard. If the applicants property is a prop-
52 erty defined in subdivision one of section eighteen hundred two of this
53 chapter as "Class 1", the commissions determination shall contain the
54 statement: "If you are dissatisfied with the determination of the
55 Assessment Review Commission and you are the owner of a one, two or
56 three family residential structure or residential real property not more

1 than three stories in height held in condominium form of ownership,
2 provided that no dwelling unit therein previously was on an assessment
3 roll as a dwelling unit in other than condominium form of ownership, and
4 you reside at such residence, you may seek judicial review of your
5 assessment either under title one of article seven of the real property
6 tax law or under small claims assessment review law provided by title
7 one-A of article seven of the real property tax law." Such notice shall
8 also state that the last date to file petitions for judicial review and
9 the location where small claims assessment review petitions may be
10 obtained.

11 Each applicant that has filed an application of a property as defined
12 in subdivision one of section eighteen hundred two of this chapter as
13 "CLASS 1-A", "Class 2", "Class 3" or "Class 4", shall receive a notice
14 as to the final determination of the assessment review commission or a
15 statement that the commission has not yet made a determination as to the
16 final assessed valuation which shall be made as soon as the petitioners
17 application is reviewed or heard. Such applicants determinations shall
18 contain the statement: "If you are dissatisfied with the determination
19 of the Assessment Review Commission you may seek judicial review of your
20 assessment under title one of article seven of the real property tax
21 law." Such notice shall also state the last date to file petitions for
22 judicial review. A final determination when rendered shall contain the
23 same statement. Failure to mail any such notice or failure of the appli-
24 cant to receive the same shall not affect the validity of the assess-
25 ment.

26 S 9. Paragraph (b) of subdivision 3 of section 701 of the real proper-
27 ty tax law, as added by chapter 714 of the laws of 1982, is amended to
28 read as follows:

29 (b) In a special assessing unit, the determination, pursuant to
30 section eighteen hundred two of this chapter, of whether real property
31 is included in class one, ONE-A, two, three or four.

32 S 10. Subparagraph 2 of paragraph (a) of subdivision 3 of section 720
33 of the real property tax law, as amended by chapter 679 of the laws of
34 1986, is amended to read as follows:

35 (2) "Major type of property" in special assessing units, for assess-
36 ments on rolls completed after December thirty-first, nineteen hundred
37 eighty-one, shall mean classes one, ONE-A, two, three and four as
38 defined in subdivision one of section eighteen hundred two of this chap-
39 ter.

40 S 11. The opening paragraph of subdivision 1 of section 1805 of the
41 real property tax law, as amended by chapter 935 of the laws of 1984, is
42 amended and two new subdivisions 1-a and 1-b are added to read as
43 follows:

44 The assessor of any special assessing unit shall not increase the
45 assessment of any individual parcel classified in class one OR CLASS
46 ONE-A in any one year, as measured from the assessment on the previous
47 year's assessment roll, by more than six percent and shall not increase
48 such assessment by more than twenty percent in any five-year period. The
49 first such five-year period shall be measured from the individual
50 assessment appearing on the assessment roll completed in nineteen
51 hundred eighty; provided that if such parcel would not have been subject
52 to the provisions of this subdivision in nineteen hundred eighty had
53 this subdivision then been in effect, the first such five-year period
54 shall be measured from the first year after nineteen hundred eighty in
55 which this subdivision applied to such parcel or would have applied to
56 such parcel had this subdivision been in effect in such year.

1 If, in respect to any individual parcel classified in class one on the
2 assessment roll completed and applicable for the year nineteen hundred
3 eighty-two, the assessment for the year nineteen hundred eighty-one
4 exceeds by more than twenty percent the assessment for the year nineteen
5 hundred eighty, such assessor shall compute the actual assessments to be
6 entered on assessment rolls applicable to the years nineteen hundred
7 eighty-two through nineteen hundred ninety as follows:

8 1-A. ASSESSMENT ROLLS COMPUTED FOR CLASS ONE-A SHALL INCLUDE ANY
9 OUTSTANDING PHASED-IN INCREASES ACCRUED PRIOR TO THE EFFECTIVE DATE OF
10 THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH ADDED THIS SUBDI-
11 VISION PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

12 1-B. CLASS ONE-A PARCELS SHALL BE ASSESSED IN A METHOD COMPARABLE TO
13 CLASS ONE PARCELS.

14 S 12. Subdivisions e and f of section 11-208.1 of the administrative
15 code of the city of New York, subdivision e as amended by local law
16 number 41 of the city of New York for the year 1986 and subdivision f as
17 amended by chapter 385 of the laws of 2006, are amended to read as
18 follows:

19 e. As used in this section, the term "income-producing property" means
20 property owned for the purpose of securing an income from the property
21 itself, but shall not include property with an assessed value of forty
22 thousand dollars or less, or residential property containing ten or
23 fewer dwelling units or property classified in class one, ONE-A or two
24 as defined in article eighteen of the real property tax law containing
25 six or fewer dwelling units and one retail store.

26 f. Except in accordance with proper judicial order or as otherwise
27 provided by law, it shall be unlawful for the commissioner, any officer
28 or employee of the department, the president or a commissioner or
29 employee of the tax commission, any person engaged or retained by the
30 department or the tax commission on an independent contract basis, or
31 any person, who, pursuant to this section, is permitted to inspect any
32 income and expense statement or to whom a copy, an abstract or a portion
33 of any such statement is furnished, to divulge or make known in any
34 manner except as provided in this subdivision, the amount of income
35 and/or expense or any particulars set forth or disclosed in any such
36 statement required under this section. The commissioner, the president
37 of the tax commission, or any commissioner or officer or employee of the
38 department or the tax commission charged with the custody of such state-
39 ments shall not be required to produce any income and expense statement
40 or evidence of anything contained in them in any action or proceeding in
41 any court, except on behalf of the department or the tax commission.
42 Nothing herein shall be construed to prohibit the delivery to an owner
43 or his or her duly authorized representative of a certified copy of any
44 statement filed by such owner pursuant to this section or to prohibit
45 the publication of statistics so classified as to prevent the identifi-
46 cation of particular statements and the items thereof, or making known
47 aggregate income and expense information disclosed with respect to prop-
48 erty classified as class four as defined in article eighteen of the real
49 property tax law without identifying information about individual leas-
50 es, or making known a range as determined by the commissioner within
51 which the income and expenses of a property classified as CLASS ONE-A OR
52 class two falls, or the inspection by the legal representatives of the
53 department or of the tax commission of the statement of any owner who
54 shall bring an action to correct the assessment. Any violation of the
55 provisions of this subdivision shall be punished by a fine not exceeding
56 one thousand dollars or by imprisonment not exceeding one year, or both,

1 at the discretion of the court, and if the offender be an officer or
2 employee of the department or the tax commission, the offender shall be
3 dismissed from office.

4 S 13. Subdivision a of section 11-238 of the administrative code of
5 the city of New York, as amended by local law number 27 of the city of
6 New York for the year 2006, is amended to read as follows:

7 a. Imposition of surcharge. A real property tax surcharge is hereby
8 imposed on class one AND CLASS ONE-A property, as defined in section
9 eighteen hundred two of the real property tax law, excluding vacant
10 land, that provides rental income and is not the primary residence of
11 the owner or owners of such class one OR CLASS ONE-A property, or the
12 primary residence of the parent or child of such owner or owners, in an
13 amount equal to zero percent of the net real property taxes for fiscal
14 years beginning on or after July first, two thousand six. As used in
15 this section, "net real property tax" means the real property tax
16 assessed on class one property after deduction for any exemption or
17 abatement received pursuant to the real property tax law or this title.

18 S 14. Subdivisions a, a-1, a-2, a-3, a-4 and a-5 of section 11-319 of
19 the administrative code of the city of New York, subdivisions a, a-1,
20 a-2 and a-3 as amended and subdivisions a-4 and a-5 as added by local
21 law number 15 of the city of New York for the year 2011, are amended to
22 read as follows:

23 a. A tax lien or tax liens on a property or any component of the
24 amount thereof may be sold by the city as authorized by subdivision b of
25 this section, when such tax lien or tax liens shall have remained unpaid
26 in whole or in part for one year, provided, however, that a tax lien or
27 tax liens on any class one property or on class [two] ONE-A property
28 [that is a residential condominium or residential cooperative], as such
29 classes of property are defined in subdivision one of section eighteen
30 hundred two of the real property tax law, may be sold by the city only
31 when the real property tax component of such tax lien or tax liens shall
32 have remained unpaid in whole or in part for three years or, in the case
33 of any class two residential property owned by a company organized
34 pursuant to article XI of the state private housing finance law [that is
35 not a residential condominium or a residential cooperative], as such
36 class of property is defined in subdivision one of section eighteen
37 hundred two of the real property tax law, for two years, and equals or
38 exceeds the sum of five thousand dollars or, in the case of abandoned
39 class one property or abandoned class [two] ONE-A property [that is a
40 residential condominium or residential cooperative], for eighteen
41 months, and after such sale, shall be transferred, in the manner
42 provided by this chapter, and provided, further, however, that (i) the
43 real property tax component of such tax lien may not be sold pursuant to
44 this subdivision on any residential real property in class one that is
45 receiving an exemption pursuant to section 11-245.3 or 11-245.4 of this
46 title, or pursuant to section four hundred fifty-eight of the real prop-
47 erty tax law with respect to real property purchased with payments
48 received as prisoner of war compensation from the United States govern-
49 ment, or pursuant to paragraph (b) or (c) of subdivision two of section
50 four hundred fifty-eight-a of the real property tax law, or where the
51 owner of such residential real property in class one is receiving bene-
52 fits in accordance with department of finance memorandum 05-3, or any
53 successor memorandum thereto, relating to active duty military person-
54 nel, or where the owner of such residential real property in class one
55 has been allowed a credit pursuant to subsection (e) of section six
56 hundred six of the tax law for the calendar year in which the date of

1 the first publication, pursuant to subdivision a of section 11-320 of
2 this chapter, of the notice of sale, occurs or for the calendar year
3 immediately preceding such date and (ii) the sewer rents component,
4 sewer surcharges component or water rents component of such tax lien may
5 not be sold pursuant to this subdivision on any one family residential
6 real property in class one or on any two or three family residential
7 real property in class one that is receiving an exemption pursuant to
8 section 11-245.3 or 11-245.4 of this title, or pursuant to section four
9 hundred fifty-eight of the real property tax law with respect to real
10 property purchased with payments received as prisoner of war compen-
11 sation from the United States government, or pursuant to paragraph (b)
12 or (c) of subdivision two of section four hundred fifty-eight-a of the
13 real property tax law, or where the owner of any two or three family
14 residential real property in class one is receiving benefits in accord-
15 ance with department of finance memorandum 05-3, or any successor memo-
16 randum thereto, relating to active duty military personnel, or where the
17 owner of any two or three family residential real property in class one
18 has been allowed a credit pursuant to subsection (e) of section six
19 hundred six of the tax law for the calendar year in which the date of
20 the first publication, pursuant to subdivision a of section 11-320 of
21 this chapter, of the notice of sale, occurs or for the calendar year
22 immediately preceding such date. A tax lien or tax liens on any property
23 classified as a class two property, except [a class two property that is
24 a residential condominium or residential cooperative, or] a class two
25 residential property owned by a company organized pursuant to article XI
26 of the state private housing finance law [that is not a residential
27 condominium or a residential cooperative], or class three property, as
28 such classes of property are defined in subdivision one of section eigh-
29 teen hundred two of the real property tax law, shall not be sold by the
30 city unless such tax lien or tax liens include a real property tax
31 component as of the date of the first publication, pursuant to subdivi-
32 sion a of section 11-320 of this chapter, of the notice of sale.
33 Notwithstanding any provision of this subdivision to the contrary, any
34 such tax lien or tax liens that remain unpaid in whole or in part after
35 such date may be sold regardless of whether such tax lien or tax liens
36 include a real property tax component. A tax lien or tax liens on a
37 property classified as a class four property, as such class of property
38 is defined in subdivision one of section eighteen hundred two of the
39 real property tax law, shall not be sold by the city unless such tax
40 lien or tax liens include a real property tax component or sewer rents
41 component or sewer surcharges component or water rents component or
42 emergency repair charges component, where such emergency repair charges
43 accrued on or after January first, two thousand six and are made a lien
44 pursuant to section 27-2144 of this code, as of the date of the first
45 publication, pursuant to subdivision a of section 11-320 of this chap-
46 ter, of the notice of sale, provided, however, that any tax lien or tax
47 liens that remain unpaid in whole or in part after such date may be sold
48 regardless of whether such tax lien or tax liens include a real property
49 tax component, sewer rents component, sewer surcharges component, water
50 rents component or emergency repair charges component. For purposes of
51 this subdivision, the words "real property tax" shall not include an
52 assessment or charge upon property imposed pursuant to section 25-411 of
53 the administrative code. A sale of a tax lien or tax liens shall
54 include, in addition to such lien or liens that have remained unpaid in
55 whole or in part for one year, or, in the case of any class one property
56 or class [two] ONE-A property [that is a residential condominium or

1 residential cooperative], when the real property tax component of such
2 lien or liens has remained unpaid in whole or in part for three years,
3 or, in the case of any class two residential property owned by a company
4 organized pursuant to article XI of the state private housing finance
5 law [that is not a residential condominium or a residential cooper-
6 ative], when the real property tax component of such lien or liens has
7 remained unpaid in whole or in part for two years, and equals or exceeds
8 the sum of five thousand dollars, any taxes, assessments, sewer rents,
9 sewer surcharges, water rents, any other charges that are made a lien
10 subject to the provisions of this chapter, the costs of any advertise-
11 ments and notices given pursuant to this chapter, any other charges that
12 are due and payable, a surcharge pursuant to section 11-332 of this
13 chapter, and interest and penalties thereon or such component of the
14 amount thereof as shall be determined by the commissioner of finance.
15 The commissioner of finance may promulgate rules defining "abandoned"
16 property, as such term is used in this subdivision.

17 a-1. A subsequent tax lien or tax liens on a property or any component
18 of the amount thereof may be sold by the city pursuant to this chapter,
19 provided, however, that notwithstanding any provision in this chapter to
20 the contrary, such tax lien or tax liens may be sold regardless of
21 whether such tax lien or tax liens have remained unpaid in whole or in
22 part for one year and, notwithstanding any provision in this chapter to
23 the contrary, in the case of any class one property or class [two] ONE-A
24 property [that is a residential condominium or residential cooperative]
25 or, beginning January first, two thousand twelve, in the case of any
26 class two residential property owned by a company organized pursuant to
27 article XI of the state private housing finance law [that is not a resi-
28 dential condominium or a residential cooperative], such tax lien or tax
29 liens may be sold if the real property tax component of such tax lien or
30 tax liens has remained unpaid in whole or in part for one year, and
31 provided, further, however, that (i) the real property tax component of
32 such tax lien may not be sold pursuant to this subdivision on any resi-
33 dential real property in class one that is receiving an exemption pursu-
34 ant to section 11-245.3 or 11-245.4 of this title, or pursuant to
35 section four hundred fifty-eight of the real property tax law with
36 respect to real property purchased with payments received as prisoner of
37 war compensation from the United States government, or pursuant to para-
38 graph (b) or (c) of subdivision two of section four hundred
39 fifty-eight-a of the real property tax law, or where the owner of such
40 residential real property in class one is receiving benefits in accord-
41 ance with department of finance memorandum 05-3, or any successor memo-
42 randum thereto, relating to active duty military personnel, or where the
43 owner of such residential real property in class one has been allowed a
44 credit pursuant to subsection (e) of section six hundred six of the tax
45 law for the calendar year in which the date of the first publication,
46 pursuant to subdivision a of section 11-320 of this chapter, of the
47 notice of sale, occurs or for the calendar year immediately preceding
48 such date and (ii) the sewer rents component, sewer surcharges component
49 or water rents component of such tax lien may not be sold pursuant to
50 this subdivision on any one family residential real property in class
51 one or on any two or three family residential real property in class one
52 that is receiving an exemption pursuant to section 11-245.3 or 11-245.4
53 of this title, or pursuant to section four hundred fifty-eight of the
54 real property tax law with respect to real property purchased with
55 payments received as prisoner of war compensation from the United States
56 government, or pursuant to paragraph (b) or (c) of subdivision two of

1 section four hundred fifty-eight-a of the real property tax law, or
2 where the owner of any two or three family residential real property in
3 class one is receiving benefits in accordance with department of finance
4 memorandum 05-3, or any successor memorandum thereto, relating to active
5 duty military personnel, or where the owner of any two or three family
6 residential real property in class one has been allowed a credit pursu-
7 ant to subsection (e) of section six hundred six of the tax law for the
8 calendar year in which the date of the first publication, pursuant to
9 subdivision a of section 11-320 of this chapter, of the notice of sale,
10 occurs or for the calendar year immediately preceding such date. For
11 purposes of this subdivision, the term "subsequent tax lien or tax
12 liens" shall mean any tax lien or tax liens on property that become such
13 on or after the date of sale of any tax lien or tax liens on such prop-
14 erty that have been sold pursuant to this chapter, provided that the
15 prior tax lien or tax liens remain unpaid as of the date of the first
16 publication, pursuant to subdivision a of section 11-320 of this chap-
17 ter, of the notice of sale of the subsequent tax lien or tax liens. A
18 subsequent tax lien or tax liens on any property classified as a class
19 two property, except [a class two property that is a residential condo-
20 minium or residential cooperative, or] a class two residential property
21 owned by a company organized pursuant to article XI of the state private
22 housing finance law [that is not a residential condominium or a residen-
23 tial cooperative], or class three property, as such classes of property
24 are defined in subdivision one of section eighteen hundred two of the
25 real property tax law, shall not be sold by the city unless such tax
26 lien or tax liens include a real property tax component as of the date
27 of the first publication, pursuant to subdivision a of section 11-320 of
28 this chapter, of the notice of sale. Notwithstanding any provision of
29 this subdivision to the contrary, any such tax lien or tax liens that
30 remain unpaid in whole or in part after such date may be sold regardless
31 of whether such tax lien or tax liens include a real property tax compo-
32 nent. A subsequent tax lien or tax liens on a property classified as a
33 class four property, as such class of property is defined in subdivision
34 one of section eighteen hundred two of the real property tax law, shall
35 not be sold by the city unless such tax lien or tax liens include a real
36 property tax component or sewer rents component or sewer surcharges
37 component or water rents component or emergency repair charges compo-
38 nent, where such emergency repair charges accrued on or after January
39 first, two thousand six and are made a lien pursuant to section 27-2144
40 of this code, as of the date of the first publication, pursuant to
41 subdivision a of section 11-320 of this chapter, of the notice of sale,
42 provided, however, that any tax lien or tax liens that remain unpaid in
43 whole or in part after such date may be sold regardless of whether such
44 tax lien or tax liens include a real property tax component, sewer rents
45 component, sewer surcharges component, water rents component or emergen-
46 cy repair charges component. For purposes of this subdivision, the words
47 "real property tax" shall not include an assessment or charge upon prop-
48 erty imposed pursuant to section 25-411 of the administrative code.
49 Nothing in this subdivision shall be deemed to limit the rights
50 conferred by section 11-332 of this chapter on the holder of a tax lien
51 certificate with respect to a subsequent tax lien.

52 a-2. In addition to any sale authorized pursuant to subdivision a or
53 subdivision a-1 of this section and notwithstanding any provision of
54 this chapter to the contrary, beginning on December first, two thousand
55 seven, the water rents, sewer rents and sewer surcharges components of
56 any tax lien on any class of real property, as such real property is

1 classified in subdivision one of section eighteen hundred two of the
2 real property tax law, may be sold by the city pursuant to this chapter,
3 where such water rents, sewer rents or sewer surcharges component of
4 such tax lien, as of the date of the first publication, pursuant to
5 subdivision a of section 11-320 of this chapter, of the notice of sale:
6 (i) shall have remained unpaid in whole or in part for one year and (ii)
7 equals or exceeds the sum of one thousand dollars or, beginning on March
8 first, two thousand eleven, in the case of any two or three family resi-
9 dential real property in class one, for one year, and equals or exceeds
10 the sum of two thousand dollars, or, beginning on January first, two
11 thousand twelve, in the case of any class two residential property owned
12 by a company organized pursuant to article XI of the state private hous-
13 ing finance law [that is not a residential condominium or a residential
14 cooperative], as such class of property is defined in subdivision one of
15 section eighteen hundred two of the real property tax law, for two
16 years, and equals to exceeds the sum of five thousand dollars; provided,
17 however, that such water rents, sewer rents or sewer surcharges compo-
18 nent of such tax lien may not be sold pursuant to this subdivision on
19 any one family residential real property in class one or on any two or
20 three family residential real property in class one that is receiving an
21 exemption pursuant to section 11-245.3 or 11-245.4 of this title, or
22 pursuant to section four hundred fifty-eight of the real property tax
23 law with respect to real property purchased with payments received as
24 prisoner of war compensation from the United States government, or
25 pursuant to paragraph (b) or (c) of subdivision two of section four
26 hundred fifty-eight-a of the real property tax law, or where the owner
27 of any two or three family residential real property in class one is
28 receiving benefits in accordance with department of finance memorandum
29 05-3, or any successor memorandum thereto, relating to active duty mili-
30 tary personnel, or where the owner of any two or three family residen-
31 tial real property in class one has been allowed a credit pursuant to
32 subsection (e) of section six hundred six of the tax law for the calen-
33 dar year in which the date of the first publication, pursuant to subdi-
34 vision a of section 11-320 of this chapter, of the notice of sale,
35 occurs or for the calendar year immediately preceding such date. After
36 such sale, any such water rents, sewer rents or sewer surcharges compo-
37 nent of such tax lien may be transferred in the manner provided by this
38 chapter.

39 a-3. In addition to any sale authorized pursuant to subdivision a or
40 subdivision a-1 of this section and notwithstanding any provision of
41 this chapter to the contrary, beginning on December first, two thousand
42 seven, a subsequent tax lien on any class of real property, as such real
43 property is classified in subdivision one of section eighteen hundred
44 two of the real property tax law, may be sold by the city pursuant to
45 this chapter, regardless of whether such subsequent tax lien, or any
46 component of the amount thereof, shall have remained unpaid in whole or
47 in part for one year, and regardless of whether such subsequent tax
48 lien, or any component of the amount thereof, equals or exceeds the sum
49 of one thousand dollars or beginning on March first, two thousand elev-
50 en, in the case of any two or three family residential real property in
51 class one, a subsequent tax lien on such property may be sold by the
52 city pursuant to this chapter, regardless of whether such subsequent tax
53 lien, or any component of the amount thereof, shall have remained unpaid
54 in whole or in part for one year, and regardless of whether such subse-
55 quent tax lien, or any component of the amount thereof, equals or
56 exceeds the sum of two thousand dollars, or, beginning on January first,

1 two thousand twelve, in the case of any class two residential property
2 owned by a company organized pursuant to article XI of the state private
3 housing finance law [that is not a residential condominium or a residen-
4 tial cooperative], as such class of property is defined in subdivision
5 one of section eighteen hundred two of the real property tax law, a
6 subsequent tax lien on such property may be sold by the city pursuant to
7 this chapter, regardless of whether such subsequent tax lien, or any
8 component of the amount thereof, shall have remained unpaid in whole or
9 in part for two years, and regardless of whether such subsequent tax
10 lien, or any component of the amount thereof, equals or exceeds the sum
11 of five thousand dollars; provided, however, that such subsequent tax
12 lien may not be sold pursuant to this subdivision on any one family
13 residential real property in class one or on any two or three family
14 residential real property in class one that is receiving an exemption
15 pursuant to section 11-245.3 or 11-245.4 of this title, or pursuant to
16 section four hundred fifty-eight of the real property tax law with
17 respect to real property purchased with payments received as prisoner of
18 war compensation from the United States government, or pursuant to para-
19 graph (b) or (c) of subdivision two of section four hundred
20 fifty-eight-a of the real property tax law, or where the owner of any
21 two or three family residential real property in class one is receiving
22 benefits in accordance with department of finance memorandum 05-3, or
23 any successor memorandum thereto, relating to active duty military
24 personnel, or where the owner of any two or three family residential
25 real property in class one has been allowed a credit pursuant to
26 subsection (e) of section six hundred six of the tax law for the calen-
27 dar year in which the date of the first publication, pursuant to subdi-
28 vision a of section 11-320 of this chapter, of the notice of sale,
29 occurs or for the calendar year immediately preceding such date. After
30 such sale, any such subsequent tax lien, or any component of the amount
31 thereof, may be transferred in the manner provided by this chapter. For
32 purposes of this subdivision, the term "subsequent tax lien" shall mean
33 the water rents, sewer rents or sewer surcharges component of any tax
34 lien on property that becomes such on or after the date of sale of any
35 water rents, sewer rents or sewer surcharges component of any tax lien
36 on such property that has been sold pursuant to this chapter, provided
37 that the prior tax lien remains unpaid as of the date of the first
38 publication, pursuant to subdivision a of section 11-320 of this chap-
39 ter, of the notice of sale of the subsequent tax lien. Nothing in this
40 subdivision shall be deemed to limit the rights conferred by section
41 11-332 of this chapter on the holder of a tax lien certificate with
42 respect to a subsequent tax lien.

43 a-4. In addition to any sale authorized pursuant to subdivision a,
44 a-1, a-2 or a-3 of this section and notwithstanding any provision of
45 this chapter to the contrary, beginning on March first, two thousand
46 eleven, the emergency repair charges component or alternative enforce-
47 ment expenses and fees component, where such emergency repair charges
48 accrued on or after January first, two thousand six and are made a lien
49 pursuant to section 27-2144 of this code, or where such alternative
50 enforcement expenses and fees are made a lien pursuant to section
51 27-2153 of this code, of any tax lien on any class of real property, as
52 such real property is defined in subdivision one of section eighteen
53 hundred two of the real property tax law, may be sold by the city pursu-
54 ant to this chapter, where such emergency repair charges component or
55 alternative enforcement expenses and fees component of such tax lien, as
56 of the date of the first publication, pursuant to subdivision a of

1 section 11-320 of this chapter, of the notice of sale: (i) shall have
2 remained unpaid in whole or in part for one year, and (ii) equals or
3 exceeds the sum of one thousand dollars or, beginning on January first,
4 two thousand twelve, in the case of any class two residential property
5 owned by a company organized pursuant to article XI of the state private
6 housing finance law [that is not a residential condominium or a residen-
7 tial cooperative], as such class of property is defined in subdivision
8 one of section eighteen hundred two of the real property tax law, for
9 two years, and equals or exceeds the sum of five thousand dollars;
10 provided, however, that such emergency repair charges component or
11 alternative enforcement expenses and fees component of such tax lien may
12 not be sold pursuant to this subdivision on any one, two or three family
13 residential real property in class one, except a three family residen-
14 tial property in class one where such property is subject to the
15 provisions of section 27-2153 of this code and is not the primary resi-
16 dence of the owner. After such sale, any such emergency repair charges
17 component or alternative enforcement expenses and fees component of such
18 tax lien may be transferred in the manner provided by this chapter.

19 a-5. In addition to any sale authorized pursuant to subdivision a,
20 a-1, a-2 or a-3 of this section and notwithstanding any provision of
21 this chapter to the contrary, beginning on March first, two thousand
22 eleven, a subsequent tax lien on any class of real property, or begin-
23 ning on January first, two thousand twelve in the case of any class two
24 residential property owned by a company organized pursuant to article XI
25 of the state private housing finance law [that is not a residential
26 condominium or a residential cooperative], a subsequent tax lien on such
27 property, may be sold by the city pursuant to this chapter, regardless
28 of the length of time such subsequent tax lien, or any component of the
29 amount thereof, shall have remained unpaid, and regardless of the amount
30 of such subsequent tax lien. After such sale, any such subsequent tax
31 lien, or any component of the amount thereof, may be transferred in the
32 manner provided by this chapter. For purposes of this subdivision, the
33 term "subsequent tax lien" shall mean the emergency repair charges
34 component or alternative enforcement expenses and fees component, where
35 such emergency repair charges accrued on or after January first, two
36 thousand six and are made a lien pursuant to section 27-2144 of this
37 code, or where such alternative enforcement expenses and fees are made a
38 lien pursuant to section 27-2153 of this code, of any tax lien on prop-
39 erty that becomes such on or after the date of sale of any emergency
40 repair charges component or alternative enforcement expenses and fees
41 component, of any tax lien on such property that has been sold pursuant
42 to this chapter, provided that the prior tax lien remains unpaid as of
43 the date of the first publication, pursuant to subdivision a of section
44 11-320 of this chapter, of the notice of sale of the subsequent tax
45 lien. Nothing in this subdivision shall be deemed to limit the rights
46 conferred by section 11-332 of this chapter on the holder of a tax lien
47 certificate with respect to a subsequent tax lien.

48 S 15. Subparagraph (i) of paragraph 2 of subdivision b and subpara-
49 graph (ii) of paragraph 1 of subdivision h of section 11-320 of the
50 administrative code of the city of New York, subparagraph (i) of para-
51 graph 2 of subdivision b as amended by local law number 147 of the city
52 of New York for the year 2013 and subparagraph (ii) of paragraph 1 of
53 subdivision h as added by local law number 15 of the city of New York
54 for the year 2011, are amended to read as follows:

55 (i) Such notices shall also include, with respect to any property
56 owner in class one, CLASS ONE-A or class two, as such classes of proper-

ty are defined in subdivision one of section eighteen hundred two of the real property tax law, an exemption eligibility checklist. The exemption eligibility checklist shall also be posted on the website of the department no later than the first business day after March fifteenth of every year prior to the date of sale, and shall continue to be posted on such website until ten days prior to the date of sale. Within ten business days of receipt of a completed exemption eligibility checklist from such property owner, provided that such receipt occurs prior to the date of sale of any tax lien or tax liens on his or her property, the department of finance shall review such checklist to determine, based on the information provided by the property owner, whether such property owner could be eligible for any exemption, credit or other benefit that would entitle them to be excluded from a tax lien sale and, if the department determines that such property owner could be eligible for any such exemption, credit or other benefit, shall mail such property owner an application for the appropriate exemption, credit or other benefit. If, within twenty business days of the date the department mailed such application, the department has not received a completed application from such property owner, the department shall mail such property owner a second application, and shall telephone the property owner, if the property owner has included his or her telephone number on the exemption eligibility checklist.

(ii) all class two residential property owned by a company organized pursuant to article XI of the state private housing finance law [that is not a residential condominium or a residential cooperative] on which any tax lien has been sold pursuant to subdivision a, a-2 or a-4 of section 11-319 of this title.

S 16. Subdivision (a) of section 11-354 of the administrative code of the city of New York, as amended by local law number 37 of the city of New York for the year 1996, is amended to read as follows:

(a) Notwithstanding any other provision of law and notwithstanding any omission to hold a tax lien sale, whenever any tax, assessment, sewer rent, sewer surcharge, water rent, any charge that is made a lien subject to the provisions of this chapter or chapter four of this title, or interest and penalties thereon, has been due and unpaid for a period of at least one year from the date on which the tax, assessment or other legal charge represented thereby became a lien, or in the case of any class one property or any class [two] ONE-A property [that is a residential condominium or residential cooperative], as such classes of property are defined in subdivision one of section eighteen hundred two of the real property tax law, or in the case of a multiple dwelling owned by a company organized pursuant to article XI of the private housing finance law with the consent and approval of the department of housing preservation and development, for a period of at least three years from the date on which the tax, assessment or other legal charge became a lien, the city, as owner of a tax lien, may maintain an action in the supreme court to foreclose such lien. Such action shall be governed by the procedures set forth in section 11-335 of this chapter; provided, however, that such parcel shall only be sold to the highest responsible bidder. Such purchaser shall be deemed qualified as a responsible bidder pursuant to such criteria as are established in rules promulgated by the commissioner of finance after consultation with the commissioner of housing preservation and development.

S 17. The opening paragraph of subdivision 4 of section 11-401 of the administrative code of the city of New York, as added by local law

1 number 37 of the city of New York for the year 1996, is amended to read
2 as follows:

3 "Distressed property." Any parcel of class one, CLASS ONE-A or class
4 two real property that is subject to a tax lien or liens with a lien or
5 liens to value ratio, as determined by the commissioner of finance,
6 equal to or greater than fifteen percent and that meets one of the
7 following two criteria:

8 S 18. Subdivisions a and b of section 11-401.1 of the administrative
9 code of the city of New York, as added by local law number 37 of the
10 city of New York for the year 1996, are amended to read as follows:

11 a. The commissioner of finance shall, not less than sixty days preced-
12 ing the date of the sale of a tax lien or tax liens, submit to the
13 commissioner of housing preservation and development a description by
14 block and lot, or by such other identification as the commissioner of
15 finance may deem appropriate, of any parcel of class one, CLASS ONE-A or
16 class two real property on which there is a tax lien that may be fore-
17 closed by the city. The commissioner of housing preservation and devel-
18 opment shall determine, and direct the commissioner of finance, not less
19 than ten days preceding the date of the sale of a tax lien or tax liens,
20 whether any such parcel is a distressed property as defined in subdivi-
21 sion four of section 11-401 of this chapter. Any tax lien on a parcel so
22 determined to be a distressed property shall not be included in such
23 sale. In connection with a subsequent sale of a tax lien or tax liens,
24 the commissioner of finance may, not less than sixty days preceding the
25 date of the sale, resubmit to the commissioner of housing preservation
26 and development a description by block and lot, or by such other iden-
27 tification as the commissioner of finance may deem appropriate, of any
28 parcel of class one, CLASS ONE-A or class two real property that was
29 previously determined to be a distressed property pursuant to this para-
30 graph and on which there is a tax lien that may be included in such
31 sale. The commissioner of housing preservation and development shall
32 determine, and direct the commissioner of finance, not less than ten
33 days preceding the date of the sale, whether such parcel remains a
34 distressed property. If the commissioner of housing preservation and
35 development determines that the parcel is not a distressed property,
36 then the tax lien on the parcel may be included in the sale.

37 b. The commissioner of housing preservation and development may peri-
38 odically review whether a parcel of class one, CLASS ONE-A or class two
39 real property that is subject to subdivision c of this section or subdivi-
40 sion j of section 11-412.1 of this chapter remains a distressed prop-
41 erty. If the commissioner determines that the parcel is not a distressed
42 property as defined in subdivision four of section 11-401 of this chap-
43 ter, then the parcel shall not be subject to such subdivisions.

44 S 19. Subdivision b of section 11-404 of the administrative code of
45 the city of New York, as amended by local law number 37 of the city of
46 New York for the year 1996, is amended to read as follows:

47 b. A tax lien on any class one property or any class [two] ONE-A prop-
48 erty [that is a residential condominium or residential cooperative], as
49 such classes of property are defined in subdivision one of section eigh-
50 teen hundred two of the real property tax law, and on any multiple
51 dwelling owned by a company organized pursuant to article XI of the
52 private housing finance law with the consent and approval of the depart-
53 ment of housing preservation and development, shall not be foreclosed in
54 the manner provided in this chapter until such tax lien has been due and
55 unpaid for a period of at least three years from the date on which the
56 tax, assessment or other legal charge represented thereby became a lien.

1 S 20. Paragraph 5 of subdivision c of section 11-405 of the adminis-
2 trative code of the city of New York, as added by local law number 37 of
3 the city of New York for the year 1996, is amended to read as follows:

4 (5) Notwithstanding paragraph one, two or three of this subdivision,
5 with respect to installment agreements duly made, executed and filed on
6 or after the date on which this paragraph takes effect, the commissioner
7 of finance may also exclude or thereafter remove from such list any
8 parcel of class one, CLASS ONE-A or class two real property, other than
9 a parcel described in paragraph four of this subdivision, as to which an
10 agreement has been duly made, executed and filed with such commissioner
11 for the payment of the delinquent taxes, assessments or other legal
12 charges, and the interest and penalties thereon, in installments. The
13 first installment thereof shall be paid upon the filing of the install-
14 ment agreement with the commissioner and shall be in an amount equal to
15 not less than fifteen percent of the total amount of such delinquent
16 taxes, assessments or other legal charges and the interest and penalties
17 thereon. The remaining installments, which shall be twice the number of
18 unpaid quarters of real estate taxes or the equivalent thereof, but
19 which shall in no event exceed thirty-two in number, shall be payable
20 quarterly on the first days of July, October, January and April. For the
21 purposes of calculating the number of such remaining installments,
22 unpaid real estate taxes that are due and payable on other than a quar-
23 terly basis shall be deemed to be payable on a quarterly basis.

24 S 21. Section 581 of the real property tax law is REPEALED.

25 S 22. Subdivision 1 of section 339-y of the real property law, as
26 amended by chapter 218 of the laws of 1986, subparagraph (ii) of para-
27 graph (d) as amended by chapter 223 of the laws of 1989, paragraph (e)
28 as added by chapter 135 of the laws of 1996 and paragraph (f) as added
29 by chapter 293 of the laws of 1997, is amended to read as follows:

30 1. (a) With respect to all property submitted to the provisions of
31 this article other than property which is the subject of a qualified
32 leasehold condominium, each unit and its common interest, not including
33 any personal property, shall be deemed to be a parcel and shall be
34 subject to separate assessment and taxation by each assessing unit,
35 school district, special district, county or other taxing unit, for all
36 types of taxes authorized by law including but not limited to special ad
37 valorem levies and special assessments, except that the foregoing shall
38 not apply to a unit held under lease or sublease unless the declaration
39 requires the unit owner to pay all taxes attributable to his unit.
40 Neither the building, the property nor any of the common elements shall
41 be deemed to be a parcel.

42 (b) [In no event shall the aggregate of the assessment of the units
43 plus their common interests exceed the total valuation of the property
44 were the property assessed as a parcel.

45 (c)] For the purposes of this and the next succeeding section the
46 terms "assessing unit", "assessment", "parcel", "special ad valorem
47 levy", "special assessment", "special district", "taxation" and "taxes"
48 shall have the meanings specified in section one hundred two of the real
49 property tax law.

50 [(d) The provisions of paragraph (b) of this subdivision shall not
51 apply to such real property classified within:

52 (i) on and after January first, nineteen hundred eighty-six, class one
53 of section one thousand eight hundred two of the real property tax law;
54 or

55 (ii) on and after January first, nineteen hundred eighty-four, the
56 homestead class of an approved assessing unit which has adopted the

1 provisions of section one thousand nine hundred three of the real prop-
2 erty tax law, or the homestead class of the portion outside an approved
3 assessing unit of an eligible split school district which has adopted
4 the provisions of section nineteen hundred three-a of the real property
5 tax law; provided, however, that, in an approved assessing unit which
6 adopted the provisions of section one thousand nine hundred three of the
7 real property tax law prior to the effective date of this subdivision,
8 paragraph (b) of this subdivision shall apply to all such real property
9 (i) which is classified within the homestead class pursuant to paragraph
10 one of subdivision (e) of section one thousand nine hundred one of the
11 real property tax law and (ii) which, regardless of classification, was
12 on the assessment roll prior to the effective date of this subdivision
13 unless the governing body of such approved assessing unit provides by
14 local law adopted after a public hearing, prior to the taxable status
15 date of such assessing unit next occurring after December thirty-first,
16 nineteen hundred eighty-three, that such paragraph (b) shall not apply
17 to such real property to which this clause applies. Provided further,
18 however, real property subject to the provisions of this subparagraph
19 shall be assessed pursuant to subdivision two of section five hundred
20 eighty-one of the real property tax law.

21 (e)] (C) On the first assessment roll with a taxable status date on or
22 after the effective date of a declaration filed with the recording offi-
23 cer and on every assessment roll thereafter, the assessor shall enter
24 each unit as a parcel, as provided in paragraph (a) of this subdivision,
25 based upon the condition and ownership of each such unit on the appro-
26 priate valuation and taxable status dates. Units owned by a developer
27 may be entered as a single parcel with a parcel description correspond-
28 ing to the entire development, including the land under such develop-
29 ment, and excluding those units appearing separately. Upon the first
30 assessment roll where each unit is separately assessed, only an individ-
31 ual unit and its common interest shall constitute a parcel.

32 [(f) The provisions of paragraph (b) of this subdivision shall not
33 apply to a converted condominium unit in a municipal corporation other
34 than a special assessing unit, which has adopted, prior to the taxable
35 status date of the assessment roll upon which its taxes will be levied,
36 a local law or, for a school district, a resolution providing that the
37 provisions of paragraph (b) of this subdivision shall not apply to a
38 converted condominium unit within that municipal corporation. A
39 converted condominium unit for purposes of this paragraph shall mean a
40 dwelling unit held in condominium form of ownership that has previously
41 been on an assessment roll as a dwelling unit in other than condominium
42 form of ownership, and has not been previously subject to the provisions
43 of paragraph (b) of this subdivision.]

44 S 23. This act shall take effect on the first of January next succeed-
45 ing the date on which it shall have become a law and shall apply to
46 assessment rolls prepared pursuant to a taxable status date occurring on
47 or after such date; provided, however, that effective immediately, the
48 addition, amendment and/or repeal of any rule or regulation necessary
49 for the implementation of this act on its effective date are authorized
50 and directed to be made and completed on or before such effective date.