

10651

I N A S S E M B L Y

June 10, 2016

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Braunstein)
-- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to the eligibility for J-51 tax abatements to reflect cost of living adjustments

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

1 Section 1. Subdivision 17 of section 489 of the real property tax law,
2 as added by chapter 4 of the laws of 2013, is amended to read as
3 follows:
4 17. (a) For purposes of this subdivision, "substantial governmental
5 assistance" shall mean:
6 (i) grants, loans or subsidies from any federal, state or local agency
7 or instrumentality in furtherance of a program for the development of
8 affordable housing approved by the local housing agency, including,
9 without limitation, financing or insurance provided by the state of New
10 York mortgage agency of the New York city residential mortgage insurance
11 corporation; or
12 (ii) a written agreement between a housing development fund corporation
13 and the local housing agency limiting the incomes of persons
14 entitled to purchase shares or rent housing accommodations therein.
15 (b) Any local law or ordinance providing for benefits pursuant to this
16 section must also provide the following with respect to conversions,
17 alterations or improvements completed on or after December thirty-first,
18 two thousand eleven:
19 (i) except as otherwise provided in this section with respect to
20 multiple dwellings, buildings and structures owned and operated either
21 by limited-profit housing companies established pursuant to article two
22 of the private housing finance law or redevelopment companies established
23 pursuant to article five of the private housing finance law, or
24 with respect to a group of multiple dwellings that was developed as a
25 planned community and that is owned as two separate condominiums
26 containing a total of ten thousand or more dwelling units, any multiple
27 dwelling, building or structure that is owned as a cooperative or a
28 condominium that has an average assessed value [of thirty thousand

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

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1 dollars or more] per dwelling unit THAT EXCEEDS THE ASSESSED VALUATION
2 LIMITATION AS PROVIDED IN PARAGRAPH (C) OF THIS SUBDIVISION shall only
3 be eligible for such benefits if the alterations or improvements for
4 which such multiple dwelling, building or structure has applied for the
5 benefits pursuant to this section were carried out with substantial
6 governmental assistance; and

7 (ii) no benefits pursuant to this section shall be granted for the
8 conversion of any non-residential building or structure into a class A
9 multiple dwelling unless such conversion was carried out with substan-
10 tial governmental assistance.

11 (C) ASSESSED VALUE LIMITATION. (I) FOR FINAL ASSESSMENT ROLLS TO BE
12 COMPLETED PRIOR TO TWO THOUSAND SEVENTEEN, THE ASSESSED VALUE LIMITATION
13 SHALL BE THIRTY THOUSAND DOLLARS.

14 (II) FOR THE FINAL ASSESSMENT ROLL TO BE COMPLETED IN TWO THOUSAND
15 SEVENTEEN THE ASSESSED VALUE LIMITATION SHALL BE THIRTY-TWO THOUSAND
16 DOLLARS INCREASED BY THE COST-OF-LIVING ADJUSTMENT PERCENTAGE OF TWO
17 THOUSAND SEVENTEEN. FOR THE PURPOSES OF THIS COMPUTATION, THE COST-OF-
18 LIVING ADJUSTMENT PERCENTAGE OF TWO THOUSAND SEVENTEEN SHALL BE EQUAL TO
19 THE "APPLICABLE INCREASE PERCENTAGE" USED BY THE UNITED STATES COMMIS-
20 SIONER OF SOCIAL SECURITY TO DETERMINE THE MONTHLY SOCIAL SECURITY BENE-
21 FITS PAYABLE IN TWO THOUSAND SEVENTEEN TO INDIVIDUALS, AS PROVIDED BY
22 SUBSECTION (I) OF SECTION FOUR HUNDRED FIFTEEN OF TITLE FORTY-TWO OF THE
23 UNITED STATES CODE.

24 (III) FOR FINAL ASSESSMENT ROLLS TO BE COMPLETED IN EACH ENSUING YEAR,
25 THE APPLICABLE ASSESSED VALUE LIMITATION, COST-OF-LIVING ADJUSTMENT
26 PERCENTAGE AND APPLICABLE INCREASE PERCENTAGE SHALL ALL BE ADVANCED BY
27 ONE YEAR, AND THE ASSESSED VALUATION LIMITATION SHALL BE THE PREVIOUSLY
28 APPLICABLE ASSESSED VALUE LIMITATION INCREASED BY THE NEW COST-OF-LIVING
29 ADJUSTMENT PERCENTAGE. IF THERE SHOULD BE A YEAR FOR WHICH THERE IS NO
30 APPLICABLE INCREASE PERCENTAGE DUE TO A GENERAL BENEFIT INCREASE AS
31 DEFINED BY SUBDIVISION THREE OF SUBSECTION (I) OF SECTION FOUR HUNDRED
32 FIFTEEN OF TITLE FORTY-TWO OF THE UNITED STATES CODE, THE APPLICABLE
33 INCREASE PERCENTAGE FOR PURPOSES OF THIS COMPUTATION SHALL BE DEEMED TO
34 BE THE PERCENTAGE WHICH WOULD HAVE YIELDED THAT GENERAL BENEFIT
35 INCREASE.

36 (IV) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE
37 ASSESSED VALUE LIMITATION SHALL NOT AT ANY TIME EXCEED THIRTY-FIVE THOU-
38 SAND DOLLARS.

39 S 2. This act shall take effect immediately.