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

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2015-2016 Regular Sessions

I N A S S E M B L Y

January 16, 2015

Introduced by M. of A. ENGLEBRIGHT, ABBATE, COLTON -- Multi-Sponsored by -- M. of A. GALEF, HOOPER, PERRY, RAIA -- read once and referred to the Committee on Aging

AN ACT to amend the real property tax law, in relation to a program for senior citizen rent exemption and tax abatement

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 467-i to read as follows:

S 467-I. TENANTS SIXTY-FIVE YEARS OF AGE OR OLDER. 1. THE GOVERNING BODY OF ANY MUNICIPALITY IS HEREBY AUTHORIZED AND EMPOWERED TO ADOPT, AFTER PUBLIC HEARING AND IN ACCORDANCE WITH THIS SECTION, A LOCAL LAW, ORDINANCE OR RESOLUTION PROVIDING FOR A PROGRAM OF SENIOR CITIZEN RENT EXEMPTION AND TAX ABATEMENT. SUCH PROGRAM SHALL APPLY TO PERSONS SIXTY-FIVE YEARS OF AGE OR OLDER, WHO RESIDE IN RESIDENTIAL RENTAL UNITS, AND WHO ARE HEADS OF HOUSEHOLDS WHOSE INCOMES FALL WITHIN SPECIFIED LIMITS ADOPTED BY A MUNICIPALITY, AS SET FORTH IN PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION.

2. FOR THE PURPOSES OF THIS SECTION, "HEAD OF HOUSEHOLD" SHALL MEAN A PERSON WHO IS SIXTY-FIVE YEARS OF AGE OR OLDER AND IS ENTITLED TO THE POSSESSION OR TO THE USE OR OCCUPANCY OF A RESIDENTIAL RENTAL UNIT.

3. (A) NO EXEMPTION SHALL BE GRANTED IF THE INCOME OF THE RENTER OR THE COMBINED INCOME OF ALL THE RENTAL HOUSEHOLD MEMBERS FOR THE INCOME TAX YEAR IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR EXEMPTION EXCEEDS THE SUM OF THREE THOUSAND DOLLARS, OR SUCH OTHER SUM NOT LESS THAN THREE THOUSAND DOLLARS NOR MORE THAN TWELVE THOUSAND DOLLARS (HEREAFTER REFERRED TO IN THIS SECTION AS "M") AS MAY BE PROVIDED BY THE LOCAL LAW, ORDINANCE OR RESOLUTION ADOPTED PURSUANT TO THIS SECTION. A RENTER SHALL BE ELIGIBLE FOR A REDUCTION IN THEIR RENT WHICH SHALL REFLECT THE GRANTING OF A ONE HUNDRED PERCENT EXEMPTION OF THE REAL PROPERTY TAXES APPORTIONED TO THE RENTAL UNIT, THAT HAVE AN INCOME EQUAL

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

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TO "M". FOR THE PURPOSES OF THIS SECTION "INCOME TAX YEAR" SHALL MEAN THE TWELVE MONTH PERIOD FOR WHICH THE RENTER FILED A FEDERAL PERSONAL INCOME TAX RETURN, OR IF NO SUCH RETURN IS FILED, THE CALENDAR YEAR. SUCH INCOME SHALL INCLUDE SOCIAL SECURITY AND RETIREMENT BENEFITS, INTEREST, DIVIDENDS, TOTAL GAIN FROM THE SALE OR EXCHANGE OF A CAPITAL ASSET WHICH MAY BE OFFSET BY A LOSS FROM THE SALE OR EXCHANGE OF A CAPITAL ASSET IN THE SAME INCOME TAX YEAR, NET RENTAL INCOME, SALARY OR EARNINGS, AND NET INCOME FROM SELF-EMPLOYMENT, BUT SHALL NOT INCLUDE A RETURN OF CAPITAL, GIFTS, INHERITANCES OR MONIES EARNED THROUGH EMPLOYMENT IN THE FEDERAL FOSTER GRANDPARENT PROGRAM. PROVIDED, HOWEVER, WHEN THE HEAD OF THE HOUSEHOLD RETIRES BEFORE THE COMMENCEMENT OF SUCH YEAR AND THE DATE OF FILING THE APPLICATION, THE INCOME FOR SUCH YEAR AND THE DATE OF FILING THE APPLICATION, THE INCOME FOR SUCH YEAR MAY BE ADJUSTED BY EXCLUDING SALARY OR EARNINGS AND PROJECTING HIS OR HER RETIREMENT INCOME OVER THE ENTIRE PERIOD OF SUCH YEAR.

(B) ANY LOCAL LAW, ORDINANCE OR RESOLUTION ADOPTED PURSUANT TO SUBDIVISION ONE OF THIS SECTION MAY BE AMENDED, OR A LOCAL LAW, ORDINANCE OR RESOLUTION MAY BE ADOPTED, TO PROVIDE AN EXEMPTION SO AS TO INCREASE THE INCOME ELIGIBILITY LEVEL FOR A RENTER DEEMED ELIGIBLE FOR AN EXEMPTION WHO IS RESIDING IN REAL PROPERTY LOCATED IN A MUNICIPAL CORPORATION AS PROVIDED IN PARAGRAPH (A) OF THIS SUBDIVISION, TO THE EXTENT PROVIDED IN THE FOLLOWING SCHEDULE:

ANNUAL HOUSEHOLD INCOME OF SENIOR RENTER	ANNUAL PERCENT OF ASSESSED TAX EXEMPTION GRANTED
MORE THAN (M) BUT LESS THAN (M + $650)	95%
(M + $650 OR MORE) BUT LESS THAN (M + $1,300)	90%
(M + $1,300 OR MORE) BUT LESS THAN (M + $1,950)	85%
(M + $1,950 OR MORE) BUT LESS THAN (M +$2,600)	80%
(M + $2,600 OR MORE) BUT LESS THAN (M + $3,250)	75%
(M + $3,250 OR MORE) BUT LESS THAN (M + $3,900)	70%
(M + $3,900 OR MORE) BUT LESS THAN (M + $4,500)	65%
(M + $4,500 OR MORE) BUT LESS THAN (M + $5,200)	60%
(M + $5,200 OR MORE) BUT LESS THAN (M + $5,850)	55%
(M + $5,850 OR MORE) BUT LESS THAN (M + $6,500)	50%
(M + $6,500 OR MORE) BUT LESS THAN (M + $7,500)	45%
(M + $7,500 OR MORE) BUT LESS THAN (M + $8,500)	40%
(M + $8,500 OR MORE) BUT LESS THAN (M + $9,500)	35%
(M + $9,500 OR MORE) BUT LESS THAN (M + $10,400)	30%
(M + $10,400 OR MORE) BUT LESS THAN (M + $11,300)	25%
(M + $11,300 OR MORE) BUT	

LESS THAN (M + $12,200) 20%
(M + $12,200 OR MORE) BUT
LESS THAN (M + $13,000) 15%
(M + $13,000 OR MORE) BUT
LESS THAN (M + $14,000) 10%
(M + $14,000 OR MORE) BUT
LESS THAN (M + $14,900) 5%.

4. THE EXEMPTION SHALL BE GRANTED ON THAT PROPORTION OF THE ASSESSMENT OF SUCH REAL PROPERTY AND SHALL BE ATTRIBUTABLE TO THE PROPORTIONAL AMOUNT OF THE TOTAL ASSESSMENT OF SUCH REAL PROPERTY IN WHICH THE RENTAL UNIT IS LOCATED. SUCH RENTAL UNIT SHALL BE SUBJECT TO EXEMPTION FROM TAXATION PURSUANT TO THIS SECTION AND ANY EXEMPTION SO GRANTED SHALL BE CREDITED BY THE APPROPRIATE TAXING AUTHORITY AGAINST THE ASSESSED VALUATION OF SUCH REAL PROPERTY.

THE REDUCTION IN REAL PROPERTY TAXES REALIZED THEREBY SHALL BE CREDITED BY THE PROPERTY OWNER AGAINST THE PROPORTIONAL AMOUNT OF TAXES CHARGEABLE TO A TENANT IN THE FORM OF RENT.

5. THE ELIGIBLE HEAD OF HOUSEHOLD SHALL APPLY EACH YEAR, PRIOR TO THE TAXABLE STATUS DATE PRESCRIBED BY LAW, TO THE APPROPRIATE LOCAL ASSESSOR FOR A TAX ABATEMENT CERTIFICATE, ON A FORM PRESCRIBED BY THE STATE BOARD. AS A REQUIRED PART OF THE APPLICATION PROCESS, EACH APPLICANT SHALL ALSO SUBMIT AN ACCESSORY AGREEMENT SIGNED BY HIS OR HER LANDLORD, ATTESTING TO THE LANDLORD'S WILLINGNESS TO PARTICIPATE IN THE PROGRAM. SUCH AGREEMENT SHALL INCLUDE THE LANDLORD'S RESPONSIBILITIES TO (A) REDUCE THE TENANT'S RENT ON A MONTHLY BASIS BY ONE-TWELFTH OF THE AMOUNT OF ANNUAL EXEMPTION GRANTED, (B) REIMBURSE, TO THE RECEIVER OF TAXES OF THE MUNICIPAL CORPORATION WHICH GRANTED THE EXEMPTION, A PRO-RATED PORTION OF THE TAX ABATEMENT IF HIS QUALIFYING TENANT SHOULD MOVE DURING THE TAXABLE PERIOD, (C) PERMIT ALL QUALIFYING TENANTS TO PARTICIPATE IN THE PROGRAM AND (D) LIMIT INCREASES IN RENT TO ELIGIBLE RENTER TENANTS TO AMOUNTS ESTABLISHED BY A LOCAL GOVERNMENT AS SET FORTH BY SUCH LOCAL LAW, ORDINANCE OR RESOLUTION ADOPTED PURSUANT TO GUIDELINES ADOPTED FOR RENT ADJUSTMENTS. ADJUSTMENTS IN RENT SHALL BE SET ACCORDING TO BUT NOT LIMITED TO THE FOLLOWING FACTORS: (1) THE ECONOMIC CONDITION OF THE RESIDENTIAL REAL ESTATE INDUSTRY IN THE AFFECTED AREA INCLUDING SUCH FACTORS AS THE PREVAILING AND PROJECTED (I) REAL PROPERTY TAXES AND SEWER AND WATER RATES, (II) GROSS OPERATING MAINTENANCE COSTS (INCLUDING INSURANCE RATES, GOVERNMENTAL FEES, COST OF FUEL AND LABOR COST), (III) COSTS AND AVAILABILITY OF FINANCING (INCLUDING EFFECTIVE RATES OF INTEREST) AND (IV) OVERALL SUPPLY OF HOUSING ACCOMMODATIONS AND OVERALL VACANCY RATES, (2) RELEVANT DATA FROM THE CURRENT AND PROJECTED COST OF LIVING INDICES FOR THE AFFECTED AREA AND (3) SUCH OTHER DATA AS MAY BE MADE AVAILABLE TO THE LOCAL GOVERNMENT. THE STANDARDS FOR RENT ADJUSTMENTS ESTABLISHED ANNUALLY SHALL BE EFFECTIVE FOR LEASES COMMENCING OCTOBER FIRST OF EACH YEAR AND DURING THE NEXT SUCCEEDING TWELVE MONTHS.

6. A TAX ABATEMENT CERTIFICATE SETTING AN AMOUNT OF EXEMPTION FOR THE TAXABLE PERIOD SHALL BE ISSUED TO EACH HEAD OF THE HOUSEHOLD WHO IS ELIGIBLE. COPIES OF THE CERTIFICATE SHALL BE ISSUED TO THE OWNER OF THE REAL PROPERTY CONTAINING THE RENTAL UNIT OF THE HEAD OF THE HOUSEHOLD AND TO THE RECEIVER OF TAXES OF EACH MUNICIPALITY WHICH HAS GRANTED THE ABATEMENT OF TAXES. THE EXEMPTION FOR THE TAX PERIOD SET IN THE TAX ABATEMENT CERTIFICATE SHALL BE DEDUCTED FROM THE TOTAL TAXES LEVIED BY THE MUNICIPALITY WHICH GRANTED THE ABATEMENT ON REAL PROPERTY CONTAINING THE RENTAL UNIT.

7. THE MAKING OF ANY WILLFUL FALSE STATEMENT IN THE APPLICATION FOR THE EXEMPTION SHALL BE PUNISHABLE BY A FINE OF NOT MORE THAN ONE HUNDRED

DOLLARS AND SHALL DISQUALIFY THE APPLICANT HEAD OF HOUSEHOLD FROM FURTHER EXEMPTIONS FOR A PERIOD OF FIVE YEARS.

8. THE PROVISIONS OF THIS SECTION SHALL BE APPLICABLE TO ALL RENTAL UNITS WHICH COMPLY WITH ALL RELEVANT HOUSING CODES, LOCAL LAWS OR ORDINANCES.

9. AN INDIVIDUAL'S ELIGIBILITY FOR SUCH EXEMPTION AS ESTABLISHED BY THIS SECTION SHALL BE CONTINGENT UPON THE PRECLUSION OF THE INDIVIDUAL'S ELIGIBILITY FOR AN EXEMPTION PURSUANT TO SECTION FOUR HUNDRED SIXTY-SEVEN, FOUR HUNDRED SIXTY-SEVEN-B, FOUR HUNDRED SIXTY-SEVEN-C OR FOUR HUNDRED SIXTY-SEVEN-D OF THIS TITLE.

S 2. This act shall take effect immediately.