

5565--B

2015-2016 Regular Sessions

I N A S S E M B L Y

February 27, 2015

Introduced by M. of A. KAVANAGH, COOK, LENTOL, DINOWITZ, DenDEKKER, FARRELL, CLARK -- Multi-Sponsored by -- M. of A. ABBATE, AUBRY, BRENNAN, BROOK-KRASNY, CAHILL, COLTON, CYMBROWITZ, GLICK, GOTTFRIED, O'DONNELL, ORTIZ, PERRY, RIVERA, ROBINSON, WRIGHT -- read once and referred to the Committee on Aging -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law, in relation to increasing the allowable maximum income of persons occupying rental units otherwise eligible for tax abatement in certain cases; and to amend section 4 of part U of chapter 55 of the laws of 2014, amending the real property tax law relating to the tax abatement and exemption for rent regulated and rent controlled property occupied by senior citizens, in relation to the effectiveness of certain provisions thereof

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

1 Section 1. Paragraph a of subdivision 3 of section 467-b of the real
2 property tax law, as amended by section 2 of chapter 188 of the laws of
3 2005, is amended to read as follows:
4 a. for a dwelling unit where the head of the household is a person
5 sixty-two years of age or older, no tax abatement shall be granted if
6 the combined income of all members of the household for the income tax
7 year immediately preceding the date of making application exceeds three
8 thousand dollars, or such other sum not more than five thousand dollars,
9 AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND SIXTEEN,
10 as may be provided by the local law, ordinance or resolution adopted
11 pursuant to this section, provided that when the head of the household
12 retires before the commencement of such year and the date of filing the
13 application, the income for such year may be adjusted by excluding sala-

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

LBD00705-06-5

1 ry or earnings and projecting his retirement income over the entire
2 period of such year.

3 S 2. Section 4 of part U of chapter 55 of the laws of 2014, amending
4 the real property tax law, relating to the tax abatement and exemption
5 for rent regulated and rent controlled property occupied by senior citi-
6 zens, is amended to read as follows:

7 S 4. This act shall take effect July 1, 2014[, and sections one and
8 two of this act shall expire and be deemed repealed 2 years after the
9 effective date thereof]; provided that the amendment to section 467-b of
10 the real property tax law made by section one of this act shall not
11 affect the expiration of such section and shall be deemed to expire
12 therewith.

13 S 3. Paragraph b of subdivision 3 of section 467-b of the real proper-
14 ty tax law, as amended by section 2 of chapter 188 of the laws of 2005,
15 is amended to read as follows:

16 b. for a dwelling unit where the head of the household qualifies as a
17 person with a disability pursuant to subdivision five of this section,
18 no tax abatement shall be granted if the combined income for all members
19 of the household for the current income tax year exceeds [the maximum
20 income at which such head of the household would not be eligible to
21 receive cash supplemental security income benefits under federal law
22 during such tax year] FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO
23 THOUSAND SIXTEEN, AS MAY BE PROVIDED BY THE LOCAL LAW, ORDINANCE OR
24 RESOLUTION ADOPTED PURSUANT TO THIS SECTION.

25 S 4. Paragraph m of subdivision 1 of section 467-c of the real proper-
26 ty tax law, as added by chapter 188 of the laws of 2005, is amended to
27 read as follows:

28 m. "Person with a disability" means an individual who is currently
29 receiving social security disability insurance (SSDI) or supplemental
30 security income (SSI) benefits under the federal social security act or
31 disability pension or disability compensation benefits provided by the
32 United States department of veterans affairs or those previously eligi-
33 ble by virtue of receiving disability benefits under the supplemental
34 security income program or the social security disability program and
35 currently receiving medical assistance benefits based on determination
36 of disability as provided in section three hundred sixty-six of the
37 social services law and whose income for the current income tax year,
38 together with the income of all members of such individual's household,
39 does not exceed [the maximum income at which such individual would be
40 eligible to receive cash supplemental security income benefits under
41 federal law during such tax year] FIFTY THOUSAND DOLLARS BEGINNING JULY
42 FIRST, TWO THOUSAND SIXTEEN, AS MAY BE PROVIDED BY LOCAL LAW.

43 S 5. Paragraph (a) of subdivision 3 of section 467 of the real proper-
44 ty tax law, as amended by chapter 259 of the laws of 2009, is amended to
45 read as follows:

46 (a) if the income of the owner or the combined income of the owners of
47 the property for the income tax year immediately preceding the date of
48 making application for exemption exceeds the sum of three thousand
49 dollars, or such other sum not less than three thousand dollars nor more
50 than twenty-six thousand dollars beginning July first, two thousand six,
51 twenty-seven thousand dollars beginning July first, two thousand seven,
52 twenty-eight thousand dollars beginning July first, two thousand eight,
53 [and] twenty-nine thousand dollars beginning July first, two thousand
54 nine, AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
55 SIXTEEN, as may be provided by the local law, ordinance or resolution
56 adopted pursuant to this section. Income tax year shall mean the twelve

1 month period for which the owner or owners filed a federal personal
2 income tax return, or if no such return is filed, the calendar year.
3 Where title is vested in either the husband or the wife, their combined
4 income may not exceed such sum, except where the husband or wife, or
5 ex-husband or ex-wife is absent from the property as provided in subpar-
6 agraph (ii) of paragraph (d) of this subdivision, then only the income
7 of the spouse or ex-spouse residing on the property shall be considered
8 and may not exceed such sum. Such income shall include social security
9 and retirement benefits, interest, dividends, total gain from the sale
10 or exchange of a capital asset which may be offset by a loss from the
11 sale or exchange of a capital asset in the same income tax year, net
12 rental income, salary or earnings, and net income from self-employment,
13 but shall not include a return of capital, gifts, inheritances, payments
14 made to individuals because of their status as victims of Nazi perse-
15 cution, as defined in P.L. 103-286 or monies earned through employment
16 in the federal foster grandparent program and any such income shall be
17 offset by all medical and prescription drug expenses actually paid which
18 were not reimbursed or paid for by insurance, if the governing board of
19 a municipality, after a public hearing, adopts a local law, ordinance or
20 resolution providing therefor. Furthermore, such income shall not
21 include the proceeds of a reverse mortgage, as authorized by section
22 six-h of the banking law, and sections two hundred eighty and two
23 hundred eighty-a of the real property law; provided, however, that
24 monies used to repay a reverse mortgage may not be deducted from income,
25 and provided additionally that any interest or dividends realized from
26 the investment of reverse mortgage proceeds shall be considered income.
27 The provisions of this paragraph notwithstanding, such income shall not
28 include veterans disability compensation, as defined in Title 38 of the
29 United States Code provided the governing board of such municipality,
30 after public hearing, adopts a local law, ordinance or resolution
31 providing therefor. In computing net rental income and net income from
32 self-employment no depreciation deduction shall be allowed for the
33 exhaustion, wear and tear of real or personal property held for the
34 production of income;

35 S 6. Paragraph (a) of subdivision 5 of section 459-c of the real prop-
36 erty tax law, as separately amended by chapters 187 and 252 of the laws
37 of 2006, is amended to read as follows:

38 (a) if the income of the owner or the combined income of the owners of
39 the property for the income tax year immediately preceding the date of
40 making application for exemption exceeds the sum of three thousand
41 dollars, or such other sum not less than three thousand dollars nor more
42 than twenty-six thousand dollars beginning July first, two thousand six,
43 twenty-seven thousand dollars beginning July first, two thousand seven,
44 twenty-eight thousand dollars beginning July first, two thousand eight,
45 [and] twenty-nine thousand dollars beginning July first, two thousand
46 nine, AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
47 SIXTEEN, as may be provided by the local law or resolution adopted
48 pursuant to this section. Income tax year shall mean the twelve month
49 period for which the owner or owners filed a federal personal income tax
50 return, or if no such return is filed, the calendar year. Where title is
51 vested in either the husband or the wife, their combined income may not
52 exceed such sum, except where the husband or wife, or ex-husband or
53 ex-wife is absent from the property due to divorce, legal separation or
54 abandonment, then only the income of the spouse or ex-spouse residing on
55 the property shall be considered and may not exceed such sum. Such
56 income shall include social security and retirement benefits, interest,

1 dividends, total gain from the sale or exchange of a capital asset which
2 may be offset by a loss from the sale or exchange of a capital asset in
3 the same income tax year, net rental income, salary or earnings, and net
4 income from self-employment, but shall not include a return of capital,
5 gifts, inheritances or monies earned through employment in the federal
6 foster grandparent program and any such income shall be offset by all
7 medical and prescription drug expenses actually paid which were not
8 reimbursed or paid for by insurance, if the governing board of a munici-
9 pality, after a public hearing, adopts a local law or resolution provid-
10 ing therefor. In computing net rental income and net income from self-
11 employment no depreciation deduction shall be allowed for the
12 exhaustion, wear and tear of real or personal property held for the
13 production of income;

14 S 7. This act shall take effect immediately; provided that:

15 a. the amendments to subdivision 3 of section 467-b of the real prop-
16 erty tax law made by sections one and three of this act shall take
17 effect on the same date as the reversion of such section pursuant to
18 section 17 of chapter 576 of the laws of 1974, as amended; and

19 b. the amendments to paragraph m of subdivision 1 of section 467-c of
20 the real property tax law, made by section four of this act shall take
21 effect on the same date as the reversion of such paragraph as provided
22 in section four of chapter 129 of the laws of 2014, as amended.