

7068

2015-2016 Regular Sessions

I N A S S E M B L Y

April 23, 2015

Introduced by M. of A. SKARTADOS -- read once and referred to the
Committee on Real Property Taxation

AN ACT to amend the public health law and the real property tax law, in
relation to authorizing real property taxing jurisdictions to grant a
tax exemption for a primary residence purchased by a physician in a
physician shortage area; and to amend the real property tax law, in
relation to providing state aid to such jurisdictions for the savings
granted by such exemption

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

1 Section 1. Legislative findings and intent. The legislature hereby
2 finds that several communities within the state, particularly those
3 located within rural areas, lack adequate access to physicians. It is
4 well established that ensuring the sufficient availability of general
5 practitioners and specialists directly benefits the health of state
6 residents, and the legislature has enacted several measures towards that
7 end.
8 Furthermore, the legislature finds that municipalities are often best
9 situated to evaluate the needs of their communities. Therefore, it is
10 the intent of the legislature to offer counties, cities, towns, villages
11 and school districts the option to provide real property tax exemptions,
12 should they determine that such an incentive would aid in attracting
13 physicians to areas currently underserved by the medical community.
14 S 2. Section 206 of the public health law is amended by adding a new
15 subdivision 29 to read as follows:
16 29. (A) THE COMMISSIONER SHALL BIENNIALY DESIGNATE AND MAKE AVAILABLE
17 A LIST OF DESIGNATED PHYSICIAN SHORTAGE AREAS IN THE STATE. A DESIGNATED
18 PHYSICIAN SHORTAGE AREA SHALL BE A COUNTY OR OTHER SUB-COUNTY GEOGRAPHIC
19 AREA DETERMINED BY THE COMMISSIONER TO BE IN SHORT SUPPLY OF PHYSICIANS
20 IN PRIMARY CARE PRACTICE AND/OR ONE OR MORE MEDICAL SPECIALITIES. THE
21 LIST SHALL INDICATE FOR EACH DESIGNATED PHYSICIAN SHORTAGE AREA, IF THE

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

LBD06122-03-5

1 AREA IS IN SHORT SUPPLY OF PRIMARY CARE PHYSICIANS AND WHICH MEDICAL
2 SPECIALITIES ARE IN SHORT SUPPLY IN THE DESIGNATED SHORTAGE AREA.

3 (B) IN ESTABLISHING DESIGNATED PHYSICIAN SHORTAGE AREAS, THE COMMIS-
4 SIONER, TO THE EXTENT PRACTICABLE, SHALL UTILIZE CRITERIA CONSISTENT
5 WITH THE CRITERIA UTILIZED TO MAKE AWARDS FOR THE PHYSICIAN PRACTICE
6 SUPPORT PROGRAM ESTABLISHED PURSUANT TO PARAGRAPH (E) OF SUBDIVISION
7 FIVE-A OF SECTION TWENTY-EIGHT HUNDRED SEVEN-M OF THIS CHAPTER.

8 (C) FOR THE PURPOSES OF THIS SUBDIVISION, "MEDICAL SPECIALTY OR
9 SPECIALTY AREA" SHALL MEAN THE BRANCH OR BRANCHES OF SPECIAL COMPETENCE
10 WITHIN A PHYSICIAN'S MEDICAL PRACTICE AS EVIDENCED BY THEIR CERTIF-
11 ICATION BY A SPECIALITY MEDICAL BOARD ACCEPTABLE TO THE COMMISSIONER.

12 S 3. The real property tax law is amended by adding a new section 439
13 to read as follows:

14 S 439. REAL PROPERTY TAX EXEMPTIONS IN DESIGNATED PHYSICIAN SHORTAGE
15 AREA. 1. A MUNICIPAL CORPORATION OR SCHOOL DISTRICT MAY EXEMPT REAL
16 PROPERTY PURCHASED BY A PHYSICIAN FOR USE SOLELY AS HIS OR HER PRIMARY
17 RESIDENCE, TO THE EXTENT PROVIDED IN THIS SECTION, FROM TAXATION BY SUCH
18 MUNICIPAL CORPORATION OR SCHOOL DISTRICT IF THE PHYSICIAN RESIDES IN AND
19 HAS AN OFFICE LOCATED WITHIN A PHYSICIAN SHORTAGE AREA AS DESIGNATED BY
20 THE COMMISSIONER OF HEALTH PURSUANT TO SUBDIVISION TWENTY-NINE OF
21 SECTION TWO HUNDRED SIX OF THE PUBLIC HEALTH LAW. AFTER A PUBLIC HEAR-
22 ING, THE GOVERNING BODY OF A MUNICIPAL CORPORATION MAY ADOPT A LOCAL
23 LAW, AND THE BOARD OF A SCHOOL DISTRICT, OTHER THAN A SCHOOL DISTRICT
24 SUBJECT TO ARTICLE FIFTY-TWO OF THE EDUCATION LAW, MAY ADOPT A RESOL-
25 UTION, TO GRANT THE EXEMPTION AUTHORIZED PURSUANT TO THIS SECTION.

26 2. EXEMPTIONS PROVIDED PURSUANT TO SUBDIVISION ONE OF THIS SECTION
27 SHALL ONLY APPLY TO REAL PROPERTY PURCHASED ON OR AFTER THE EFFECTIVE
28 DATE OF THIS SECTION, AND THE SUBSEQUENT ENACTMENT OF A LOCAL LAW OR
29 ADOPTION OF A RESOLUTION TO GRANT SUCH REAL PROPERTY TAX EXEMPTION.

30 3. ANY LOCAL LAW OR RESOLUTION ADOPTED PURSUANT TO SUBDIVISION ONE OF
31 THIS SECTION SHALL ESTABLISH THE DURATION AND PERCENTAGE OF SUCH AN
32 EXEMPTION, WHICH SHALL EXCEED NEITHER A PERIOD OF FIVE YEARS NOR THIR-
33 TY-FIVE PERCENT OF THE PROPERTY'S ASSESSED VALUE. SUCH LOCAL LAW OR
34 RESOLUTION MAY INCLUDE OTHER CONDITIONS OR RESTRICTIONS, INCLUDING BUT
35 NOT LIMITED TO PROVISIONS REGARDING THE MAXIMUM VALUE OF ELIGIBLE PROP-
36 erty, AT THE DISCRETION OF THE PROMULGATING MUNICIPAL CORPORATION OR
37 SCHOOL DISTRICT.

38 4. A COPY OF SUCH LOCAL LAWS OR RESOLUTIONS SHALL BE FILED WITH THE
39 STATE BOARD AND THE ASSESSOR FOR SUCH MUNICIPAL CORPORATION OR SCHOOL
40 DISTRICT WHO PREPARES THE ASSESSMENT ROLL UPON WHICH THE TAXES OF SUCH
41 MUNICIPAL CORPORATION OR SCHOOL DISTRICT ARE LEVIED.

42 S 4. The real property tax law is amended by adding a new section 985
43 to read as follows:

44 S 985. EFFECT OF EXEMPTION IN DESIGNATED PHYSICIAN SHORTAGE AREAS. 1.
45 IN A MUNICIPAL CORPORATION OR SCHOOL DISTRICT WHICH ELECTS TO PROVIDE
46 THE REAL PROPERTY TAX EXEMPTION IN A DESIGNATED PHYSICIAN SHORTAGE AREA
47 PURSUANT TO SECTION FOUR HUNDRED THIRTY-NINE OF THIS CHAPTER, THE AMOUNT
48 OF TAXES TO BE LEVIED FOR ANY TAX YEAR OR SCHOOL YEAR, AS THE CASE MAY
49 BE, SHALL BE DETERMINED WITHOUT REGARD TO THE FACT THAT STATE AID WILL
50 BE PAYABLE PURSUANT TO THIS SECTION. IN ADDITION, THE TAX RATE FOR ANY
51 SUCH YEAR SHALL BE DETERMINED AS IF NO PARCELS ARE EXEMPT FROM TAXATION
52 PURSUANT TO SECTION FOUR HUNDRED THIRTY-NINE OF THIS CHAPTER. HOWEVER,
53 THE TAX RATE SO DETERMINED SHALL BE APPLIED TO THE TAXABLE ASSESSED
54 VALUE OF EACH PARCEL AFTER ACCOUNTING FOR ALL APPLICABLE EXEMPTIONS,
55 INCLUDING THE EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED THIRTY-NINE
56 OF THIS CHAPTER.

1 2. THE TAX SAVINGS FOR EACH PARCEL RECEIVING THE EXEMPTION AUTHORIZED
2 BY SECTION FOUR HUNDRED THIRTY-NINE OF THIS CHAPTER SHALL BE COMPUTED BY
3 SUBTRACTING THE AMOUNT ACTUALLY LEVIED AGAINST THE PARCEL FROM THE
4 AMOUNT THAT WOULD HAVE BEEN LEVIED IF NOT FOR THE EXEMPTION.

5 3. (A) THE TOTAL TAX SAVINGS DULY PROVIDED BY A MUNICIPAL CORPORATION
6 OR SCHOOL DISTRICT PURSUANT TO THIS SECTION SHALL BE A STATE CHARGE,
7 WHICH SHALL BE PAYABLE AS PROVIDED IN THIS SUBDIVISION.

8 (B) A MUNICIPAL CORPORATION OR SCHOOL DISTRICT SEEKING STATE AID
9 PURSUANT TO THIS SUBDIVISION SHALL SUBMIT AN APPLICATION THEREFOR TO THE
10 COMMISSIONER. THE APPLICATION SHALL INCLUDE SUCH INFORMATION AS THE
11 COMMISSIONER SHALL REQUIRE.

12 (C) UPON APPROVING AN APPLICATION FOR STATE AID PURSUANT TO THIS
13 SUBDIVISION, THE COMMISSIONER SHALL COMPUTE AND CERTIFY THE AMOUNT PAYA-
14 BLE TO A MUNICIPAL CORPORATION OR SCHOOL DISTRICT. SUCH STATE AID SHALL
15 BE PAYABLE UPON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER FROM
16 VOUCHERS CERTIFIED AND APPROVED BY THE COMMISSIONER.

17 S 5. This act shall take effect immediately and shall apply to tax
18 years beginning on or after the first of March next succeeding such
19 effective date; or in the case of municipal taxing authorities which
20 have a taxable status date other than March first established by char-
21 ter, this act shall take effect with the first establishment of the
22 taxable status of real property in the municipality next succeeding the
23 effective date of this act.