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

4577--A

2015-2016 Regular Sessions

I N S E N A T E

March 30, 2015

Introduced by Sen. BOYLE -- 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

AN ACT in relation to tax assessments for certain improved properties affected by Superstorm Sandy

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

Section 1. a. An owner occupied residential property that is the primary residence of the owner reconstructed, altered, or improved due to damage caused by Superstorm Sandy, as defined by subdivision 5 of section 2 of chapter 424 of the laws of 2013, within an eligible municipality, as defined by subdivision 2 of section 2 of chapter 424 of the laws of 2013, shall be exempt from taxation of county, town and school levies to the extent provided hereinafter. After a public hearing, the governing board of an eligible municipality may adopt a local law and a school district may adopt a resolution to grant the exemption authorized pursuant to this act. A copy of such local law or resolution shall be filed with the commissioner of taxation and finance and the assessor of such municipality who prepares the assessment roll on which the taxes of such municipality or school district are levied.

b. To be eligible for the tax exemption authorized by an eligible municipality or school district pursuant to subdivision a of this section, such primary residence shall have been owner occupied by the same owner immediately prior to Superstorm Sandy and immediately after reconstruction with a certificate of occupancy, and have already received assessment relief pursuant to chapter 424 of the laws of 2013.

c. Such primary residence shall be exempt for a period of one year to the extent of one hundred per centum of the increase in assessed value thereof attributable to such reconstruction, alteration or improvement and for an additional period of seven years subject to the following:

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

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(i) The extent of such exemption shall be decreased by twelve and one-half per centum of the "exemption base" each year during such additional period. The "exemption base" shall be the increase in assessed value as determined in the initial year of the term of the exemption, except as provided in paragraph (ii) of this subdivision.

(ii) In any year in which a change in level of assessment of fifteen percent or more is certified for a final assessment roll pursuant to the rules of the commissioner of taxation and finance, the exemption base shall be multiplied by a fraction, the numerator of which shall be the total assessed value of the parcel on such final assessment roll (after accounting for any physical or quantity changes to the parcel since the immediately preceding assessment roll), and the denominator of which shall be the total assessed value of the parcel on the immediately preceding final assessment roll. The result shall be the new exemption base. The exemption shall thereupon be recomputed to take into account the new exemption base, notwithstanding the fact that the assessor of such municipality receives certification of the change in level of assessment after the completion, verification and filing of the final assessment roll. In the event the assessor of such municipality does not have custody of the final assessment roll when such certification is received, the assessor of such municipality shall certify the recomputed exemption to the local officers having custody and control of the final assessment roll, and such local officers are hereby directed and authorized to enter the recomputed exemption certified by the assessor of such municipality on the final assessment roll. The assessor of such municipality shall give written notice of such recomputed exemption to the property owner, who may, if he or she believes that the exemption was recomputed incorrectly, apply for a correction in the manner provided by title 3 of article 5 of the real property tax law for the correction of clerical errors.

(iii) Such exemption shall be applied to the difference in the pre-storm assessed value and the increased assessed value attributable to all the reconstruction, alterations or improvements due to Superstorm Sandy. For the purposes of this section, the market value of the reconstruction, alteration or improvement shall be equal to the increased assessed value attributable to such reconstruction, alteration or improvement divided by the class I ratio in a special assessing unit or the most recently established state equalization rate or special equalization rate in the remainder of the state, except where the state equalization rate or special equalization rate equals or exceeds ninety-five percent, in which case the increase in assessed value attributable to such reconstruction, alteration or improvement shall be deemed to equal the market value of such reconstruction, alteration or improvement.

d. No such exemption shall be granted for reconstruction, alterations or improvements unless commenced due to damage caused by Superstorm Sandy, and reflected on a certificate of occupancy no later than March 1, 2018. The enactment of a local law or resolution granting the exemption authorized pursuant to this act may limit eligibility for the exemption to those forms of reconstruction, alterations or improvements as are prescribed in such local law or resolution. Provided, however, that in no case shall such exemption be granted for reconstruction, alterations or improvements to aspects of a primary residence not in existence or otherwise not a part of the primary residence prior to October 29, 2012.

e. Application for such exemption shall be filed with the assessor of an eligible municipality by the first of March after the adoption of a local law or resolution pursuant to subdivision a of this section, or the first of March of any subsequent year thereafter but no later than March 1, 2018, on a form prescribed by the commissioner of taxation and finance.

f. If satisfied that the applicant is entitled to an exemption pursuant to this act, the assessor of such municipality shall approve the application and such primary residence shall be exempt from taxation for up to eight prospective tax years as provided by this act. The assessed value of any exemption granted pursuant to this act shall be entered by the assessor of such municipality on the assessment roll with the taxable property, with the amount of the exemption shown in a separate column.

g. For the purposes of this act, a primary residence shall mean any building or structure designed and occupied exclusively for residential purposes by not more than three families, and occupied by the owner as a primary residence.

h. In the event that a primary residence granted an exemption pursuant to this act ceases to be used as a primary residence of the owner, or the title thereto is transferred, the exemption granted pursuant to this act shall cease. However, the exemption granted pursuant to this act shall continue for the remaining exemption period for as long as an heir-at-law or distributee of such owner occupies the property as a primary residence.

i. No such local law or resolution shall reduce or repeal an exemption granted pursuant to this section until the expiration of the period for which such exemption was granted.

S 2. This act shall take effect immediately and shall apply to exemption applications made prior to the first of March next succeeding the date on which this act shall have become a law and no later than March 1, 2018, and any exemption once granted shall continue for a period of up to eight prospective tax years as set forth in this act.