

S E N A T E - A S S E M B L Y

March 2, 2016

IN SENATE -- Introduced by Sen. LAVALLE -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Aging

AN ACT to amend the real property tax law, in relation to income requirements for the real property school tax exemption granted to persons sixty-five years of age or over in high-appreciation municipalities

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 of the real
2 property tax law, as amended by chapter 259 of the laws of 2009, is
3 amended to read as follows:

4 (a) if the income of the owner or the combined income of the owners of
5 the property for the income tax year immediately preceding the date of
6 making application for exemption exceeds the sum of three thousand
7 dollars, or such other sum not less than three thousand dollars nor more
8 than twenty-six thousand dollars beginning July first, two thousand six,
9 twenty-seven thousand dollars beginning July first, two thousand seven,
10 twenty-eight thousand dollars beginning July first, two thousand eight,
11 and twenty-nine thousand dollars beginning July first, two thousand
12 nine, AND FIFTY THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND
13 SIXTEEN IN A COUNTY, CITY, TOWN, VILLAGE OR SCHOOL DISTRICT WHICH IS A
14 "HIGH-APPRECIATION MUNICIPALITY", as may be provided by the local law,
15 ordinance or resolution adopted pursuant to this section. FOR PURPOSES
16 OF THIS SUBPARAGRAPH, A "HIGH-APPRECIATION MUNICIPALITY" MEANS: (A) A
17 SPECIAL ASSESSING UNIT THAT IS A CITY, (B) A COUNTY FOR WHICH THE
18 COMMISSIONER HAS ESTABLISHED A SALES PRICE DIFFERENTIAL FACTOR FOR
19 PURPOSES OF THE STAR EXEMPTION AUTHORIZED BY SECTION FOUR HUNDRED TWEN-
20 TY-FIVE OF THIS TITLE IN THREE CONSECUTIVE YEARS, AND (C) A CITY, TOWN,
21 VILLAGE OR SCHOOL DISTRICT WHICH IS WHOLLY OR PARTLY LOCATED WITHIN SUCH
22 A COUNTY. Income tax year shall mean the twelve month period for which
23 the owner or owners filed a federal personal income tax return, or if no

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

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

33 S 2. This act shall take effect immediately.