

893--B

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I N   S E N A T E

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Introduced by Sens. AVELLA, KLEIN, STAVISKY -- 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 -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property tax law, the administrative code of the city of New York and the real property law, in relation to classifying properties held in condominium and cooperative form for assessment purposes as class one-a properties; and to repeal certain provisions of the real property tax law relating thereto

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

1     Section 1. Subdivision 1 of section 1802 of the real property tax law,  
2     as separately amended by chapters 123 and 529 of the laws of 1990, para-  
3     graph class one as amended by chapter 332 of the laws of 2008, is  
4     amended to read as follows:  
5     1. All real property, for the purposes of this article, in a special  
6     assessing unit shall be classified as follows:  
7     Class one: (a) all one, two and three family residential real proper-  
8     ty, including such dwellings used in part for nonresidential  
9     purposes but which are used primarily for residential purposes,  
10    except such property held in cooperative or condominium forms of  
11    ownership other than (i) property defined in subparagraphs (b)  
12    and (c) of this paragraph and (ii) property which contains no  
13    more than three dwelling units held in condominium form of  
14    ownership and which was classified within this class on a previ-  
15    ous assessment roll; and provided that, notwithstanding the  
16    provisions of paragraph (g) of subdivision twelve of section one

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

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hundred two of this chapter, a mobile home or a trailer shall not be classified within this class unless it is owner-occupied and separately assessed; and (b) residential real property not more than three stories in height held in condominium form of ownership, provided that no dwelling unit therein previously was on an assessment roll as a dwelling unit in other than condominium form of ownership; and (c) residential real property consisting of one family house structures owned by the occupant, situated on land held in cooperative ownership by owner occupiers, provided that; (i) such house structures and land constituted bungalow colonies in existence prior to nineteen hundred forty; and (ii) the land is held in cooperative ownership for the sole purpose of maintaining one family residences for members own use; and (d) all vacant land located within a special assessing unit which is a city (i) other than such land in the borough of Manhattan, provided that any such vacant land which is not zoned residential must be situated immediately adjacent to property improved with a residential structure as defined in subparagraphs (a) and (b) of this paragraph, be owned by the same owner as such immediately adjacent residential property immediately prior to and since January 1, 1989, and have a total area not exceeding 10,000 square feet; and (ii) located in the borough of Manhattan north of or adjacent to the north side of 110th street provided such vacant land was classified within this class on the assessment roll with a taxable status date of January 5, 2008 and the owner of such land has entered into a recorded agreement with a governmental entity on or before December 31, 2008 requiring construction of housing affordable to persons or families of low income in accordance with the provisions of the private housing finance law. Notwithstanding the foregoing, such vacant land shall be classified according to its use on the assessment roll with a taxable status date immediately following commencement of construction, provided further, that construction pursuant to an approved plan for affordable housing shall commence no later than December 31, 2010; and (e) all vacant land located within a special assessing unit which is not a city, provided that such vacant land which is not zoned residential must be situated immediately adjacent to real property defined in subparagraph (a), (b) or (c) of this paragraph and be owned by the same person or persons who own the real property defined in such subparagraph immediately prior to and since January 1, 2003;

CLASS ONE-A: ALL OTHER RESIDENTIAL REAL PROPERTY HELD IN CONDOMINIUM OR COOPERATIVE FORM OF OWNERSHIP WHICH IS NOT DESIGNATED AS CLASS ONE; THE DEPARTMENT OF FINANCE OF ANY CITY ENACTING A LOCAL LAW PURSUANT TO THIS SECTION SHALL RECLASSIFY CLASS ONE-A PROPERTIES USED PRIMARILY TO GENERATE RENTAL INCOME TO CLASS TWO. THE DEPARTMENT OF FINANCE OF ANY CITY ENACTING A LOCAL LAW PURSUANT TO THIS SECTION SHALL HAVE, IN ADDITION TO ANY OTHER FUNCTIONS, POWERS AND DUTIES WHICH HAVE BEEN OR MAY BE CONFERRED ON IT BY LAW, THE POWER TO MAKE AND PROMULGATE RULES TO CARRY OUT THE PURPOSES OF THIS SECTION INCLUDING, BUT NOT LIMITED TO, RULES DEFINING THE CLASS ONE-A PROPERTIES PRIMARILY USED TO GENERATE RENTAL INCOME, AND RELATING TO THE TIMING, FORM AND MANNER OF ANY CERTIFICATION REQUIRED TO BE SUBMITTED UNDER THIS SECTION. IF A PROPERTY PREVIOUSLY RECLASSIFIED FROM CLASS ONE-A

TO CLASS TWO CEASES TO BE USED PRIMARILY TO GENERATE RENTAL INCOME, THE DEPARTMENT SHALL RECLASSIFY SUCH PROPERTY TO CLASS ONE-A. THE DEPARTMENT SHALL USE A FIVE-YEAR PERIOD WHEN DETERMINING WHETHER A PROPERTY IS USED PRIMARILY TO GENERATE RENTAL INCOME;

Class two: all other residential real property which is not designated as class one OR CLASS ONE-A, except hotels and motels and other similar commercial property;

Class three: utility real property and property subject to former section four hundred seventy of this chapter;

Class four: all other real property which is not designated as class one, CLASS ONE-A, class two, or class three.

S 1-a. The real property tax law is amended by adding a new section 1803-c to read as follows:

S 1803-C. 1. FOR THE CALENDAR YEAR TWO THOUSAND SEVENTEEN, NOTWITHSTANDING THE PROVISIONS OF SECTIONS EIGHTEEN HUNDRED THREE, EIGHTEEN HUNDRED THREE-A, AND EIGHTEEN HUNDRED THREE-B OF THIS ARTICLE TO THE CONTRARY, THE NEW YORK CITY COMMISSIONER OF FINANCE SHALL ESTABLISH A NEW CLASS ONE-A PURSUANT TO SUBDIVISION ONE OF SECTION EIGHTEEN HUNDRED TWO OF THIS ARTICLE AND SHALL CALCULATE SHARES FOR CLASS ONE, CLASS ONE-A, CLASS TWO, CLASS THREE AND CLASS FOUR WHERE THE BASE YEAR USED IN THE CALCULATION OF THE CURRENT BASE PROPORTION SHALL BE THE 2016 ASSESSMENT ROLL AND THE SUM OF CLASS ONE-A AND CLASS TWO SHALL NOT EXCEED THE PRIOR YEAR ADJUSTED BASE PROPORTION FOR SUCH CLASSES.

2. AFTER TWO THOUSAND EIGHTEEN, ASSESSMENT ROLLS PREPARED ACCORDING TO JANUARY 1, 2018, THE ADJUSTED BASE PROPORTIONS FOR CLASS ONE AND CLASS ONE-A, SHALL NOT EXCEED EACH CLASS' PRIOR ADJUSTED BASE PROPORTION BY MORE THAN FIVE PERCENT.

3. IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, SUCH CITY'S TAX FIXING RESOLUTION SHALL SET A TAX RATE FOR CLASS ONE-A IN THE SAME MANNER AS ALL CLASS SHARES ARE CALCULATED PURSUANT TO SECTIONS EIGHTEEN HUNDRED THREE, EIGHTEEN HUNDRED THREE-A AND EIGHTEEN HUNDRED THREE-B OF THIS ARTICLE.

4. THE ASSESSMENT RATIO FOR CLASS ONE-A SHALL BE SIX PERCENT.

S 2. Subdivision 1, paragraph (c) of subdivision 2 and subdivision 4 of section 307-a of the real property tax law, as added by section 1 of part G of chapter 63 of the laws of 2003, are amended to read as follows:

1. Generally. Notwithstanding any provision of any general, special or local law to the contrary, any city with a population of one million or more is hereby authorized and empowered to adopt and amend local laws in accordance with this section imposing an additional tax on certain class one AND CLASS ONE-A properties, as such properties are defined in section eighteen hundred two of this chapter, excluding vacant land.

(c) "Net real property tax" means the real property tax assessed on A class one OR CLASS ONE-A property after deduction for any exemption or abatement received pursuant to this chapter.

4. Property subject to additional tax. Such surcharge shall be imposed on class one AND CLASS ONE-A property, excluding vacant land, that provides rental income and is not the primary residence of the owner or owners of such class one OR CLASS ONE-A property, or the primary residence of the parent or child of such owner or owners.

S 3. Paragraph (f) of subdivision 1 of section 467-a of the real property tax law, as added by chapter 273 of the laws of 1996, is amended and a new paragraph (i) is added to read as follows:

(f) "Property" means real property designated as class [two] ONE-A, pursuant to section eighteen hundred two of this chapter, held in the cooperative or condominium form of ownership.

(I) "MARKET VALUE" SHALL BE CALCULATED BY THE NEW YORK CITY DEPARTMENT OF FINANCE BASED UPON COMPARABLE SALES.

S 4. Paragraphs (d-1), (d-2), (d-3) and (d-4) of subdivision 2 of section 467-a of the real property tax law, as amended by section 62 of part A of chapter 20 of the laws of 2015, are amended and seven new paragraphs (d-7), (d-8), (d-9), (d-10), (d-11), (d-12) and (d-13) are added to read as follows:

(d-1) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is less than or equal to fifty thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-five percent, twenty-six and one-half percent and twenty-eight and one-tenth percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is less than or equal to fifty thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-eight and one-tenth percent.

(d-2) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is more than fifty thousand dollars, but less than or equal to fifty-five thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-two and one-half percent, twenty-three and eight-tenths percent and twenty-five and two-tenths percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is more than fifty thousand dollars, but less than or equal to fifty-five thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-five and two-tenths percent.

(d-3) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen and two thousand fourteen, eligible dwelling units in property whose average unit assessed value is more than fifty-five thousand dollars, but less than or equal to sixty thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty percent, twenty-one and two-tenths percent, and twenty-two and five-tenths percent respectively. In the fiscal years commencing in calendar years two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen] eligible dwelling units in property whose average unit assessed value is more than fifty-five thousand dollars, but less than or equal to sixty thousand dollars, shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units of twenty-two and five-tenths percent.

(d-4) In the fiscal years commencing in calendar years two thousand twelve, two thousand thirteen, two thousand fourteen, two thousand fifteen, two thousand sixteen[, two thousand seventeen and two thousand eighteen,] eligible dwelling units in property whose average unit assessed value is more than sixty thousand dollars shall receive a

1 partial abatement of the real property taxes attributable to or due on  
2 such dwelling units of seventeen and one-half percent.

3 (D-7) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
4 VALUE IS LESS THAN OR EQUAL TO SIX HUNDRED FIFTY THOUSAND DOLLARS SHALL  
5 RECEIVE A PARTIAL ABATEMENT OF REAL PROPERTY TAXES ATTRIBUTABLE TO OR  
6 DUE ON SUCH DWELLING UNITS, NOT TO EXCEED THIRTY-THREE PERCENT IN THE  
7 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THERE-  
8 EAFTER.

9 (D-8) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
10 VALUE IS BETWEEN SIX HUNDRED FIFTY THOUSAND ONE DOLLARS TO SEVEN HUNDRED  
11 FIFTY THOUSAND DOLLARS SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL  
12 PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO  
13 EXCEED TWENTY-TWO AND FIVE-TENTHS PERCENT IN THE FISCAL YEAR COMMENCING  
14 IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

15 (D-9) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
16 VALUE IS BETWEEN SEVEN HUNDRED FIFTY THOUSAND ONE AND ONE MILLION FIVE  
17 HUNDRED THOUSAND DOLLARS SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL  
18 PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO  
19 EXCEED SEVENTEEN AND FIVE-TENTHS PERCENT IN THE FISCAL YEAR COMMENCING  
20 IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

21 (D-10) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
22 VALUE IS BETWEEN ONE MILLION FIVE HUNDRED THOUSAND ONE DOLLARS AND TWO  
23 MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SEVEN DOLLARS  
24 SHALL RECEIVE A PARTIAL ABATEMENT OF THE REAL PROPERTY TAXES ATTRIBUT-  
25 ABLE TO OR DUE ON SUCH DWELLING UNITS, NOT TO EXCEED THIRTEEN AND THIR-  
26 TEEN-HUNDREDTHS PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR  
27 TWO THOUSAND SEVENTEEN AND THEREAFTER.

28 (D-11) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
29 VALUE IS BETWEEN TWO MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED  
30 SIXTY-EIGHT DOLLARS AND THREE MILLION EIGHT HUNDRED THIRTY-THREE THOU-  
31 SAND THREE HUNDRED THIRTY-THREE DOLLARS SHALL RECEIVE A PARTIAL ABATE-  
32 MENT OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING  
33 UNITS, NOT TO EXCEED EIGHT AND SEVENTY-FIVE HUNDREDTH PERCENT IN THE  
34 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THERE-  
35 EAFTER.

36 (D-12) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
37 VALUE IS BETWEEN THREE MILLION EIGHT HUNDRED THIRTY-THREE THOUSAND THREE  
38 HUNDRED THIRTY-FOUR DOLLARS AND FIVE MILLION DOLLARS SHALL RECEIVE A  
39 PARTIAL ABATEMENT OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON  
40 SUCH DWELLING UNITS, NOT TO EXCEED FOUR AND THIRTY-EIGHT HUNDREDTHS  
41 PERCENT IN THE FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND  
42 SEVENTEEN AND THEREAFTER.

43 (D-13) ELIGIBLE DWELLING UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET  
44 VALUE IS FIVE MILLION DOLLARS OR MORE SHALL RECEIVE A PARTIAL ABATEMENT  
45 OF THE REAL PROPERTY TAXES ATTRIBUTABLE TO OR DUE ON SUCH DWELLING  
46 UNITS, NOT TO EXCEED ZERO PERCENT IN THE FISCAL YEAR COMMENCING IN  
47 CALENDAR YEAR TWO THOUSAND SEVENTEEN AND THEREAFTER.

48 S 4-a. The real property tax law is amended by adding a new section  
49 467-a-1 to read as follows:

50 S 467-A-1. ENHANCED PARTIAL ABATEMENT FOR CERTAIN CONDOMINIUMS AND  
51 COOPERATIVE RESIDENCES. 1. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED  
52 PURSUANT TO SECTION FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE  
53 FISCAL YEAR COMMENCING IN CALENDAR YEAR TWO THOUSAND SEVENTEEN, ELIGIBLE  
54 UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX  
55 HUNDRED FIFTY THOUSAND DOLLARS SHALL RECEIVE AN ENHANCED ABATEMENT EQUAL

1 TO THE EXCESS ABOVE TWO PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR  
2 YEAR'S PROPERTY TAX AND THE CURRENT YEAR'S PROPERTY TAX.

3 2. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED PURSUANT TO SECTION  
4 FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE FISCAL YEAR COMMENC-  
5 ING IN CALENDAR YEAR TWO THOUSAND EIGHTEEN, ELIGIBLE UNITS IN PROPERTY  
6 WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX HUNDRED FIFTY THOUSAND  
7 DOLLARS SHALL RECEIVE AN ENHANCED ABATEMENT EQUAL TO THE EXCESS ABOVE  
8 FOUR PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR YEAR'S PROPERTY TAX AND  
9 THE CURRENT YEAR'S PROPERTY TAX.

10 3. IN ADDITION TO THE PARTIAL ABATEMENT RECEIVED PURSUANT TO SECTION  
11 FOUR HUNDRED SIXTY-SEVEN-A OF THIS ARTICLE, IN THE FISCAL YEAR COMMENC-  
12 ING IN CALENDAR YEAR TWO THOUSAND NINETEEN AND THEREAFTER, ELIGIBLE  
13 UNITS IN PROPERTY WHOSE AVERAGE UNIT MARKET VALUE IS LESS THAN SIX  
14 HUNDRED FIFTY THOUSAND DOLLARS SHALL RECEIVE AN ENHANCED ABETMENT EQUAL  
15 TO THE EXCESS ABOVE SIX PERCENT OF THE DIFFERENCE BETWEEN THE PRIOR  
16 YEAR'S PROPERTY TAX AND THE CURRENT YEAR'S PROPERTY TAX. THE ENHANCED  
17 CONDOMINIUM AND COOPERATIVE ABATEMENT SHALL NOT BE ELIGIBLE FOR UNITS  
18 WHERE THE COMMISSIONER DETERMINES THAT RENOVATION OR CONSTRUCTION WITHIN  
19 THE UNIT OR BUILDING HAS PRODUCED A SUBSTANTIAL YEARLY INCREASE IN THE  
20 UNIT'S ASSESSED VALUE.

21 S 5. Subdivision 7 of section 499-aaa of the real property tax law, as  
22 added by chapter 461 of the laws of 2008, is amended to read as follows:

23 7. "Eligible building" shall mean a class one, CLASS ONE-A, class two  
24 or class four real property, as defined in subdivision one of section  
25 eighteen hundred two of this chapter, located within a city having a  
26 population of one million or more persons. No building shall be eligible  
27 for more than one tax abatement pursuant to this title.

28 S 6. Subdivision 7 of section 499-aaaa of the real property tax law,  
29 as added by chapter 473 of the laws of 2008, is amended to read as  
30 follows:

31 7. "Eligible building" shall mean a class one, CLASS ONE-A, class two  
32 or class four real property, as defined in subdivision one of section  
33 eighteen hundred two of this chapter, located within a city having a  
34 population of one million or more persons. No building shall be eligible  
35 for more than one tax abatement pursuant to this title.

36 S 7. Paragraph (b) of subdivision 3 of section 522 of the real proper-  
37 ty tax law, as added by chapter 714 of the laws of 1982, is amended to  
38 read as follows:

39 (b) in a special assessing unit, the determination, pursuant to  
40 section eighteen hundred two of this chapter, of whether real property  
41 is included in class one, ONE-A, two, three or four.

42 S 8. Subdivision 10 of section 523-b of the real property tax law, as  
43 added by chapter 593 of the laws of 1998, is amended to read as follows:

44 10. On or before April first, each year the commission shall mail to  
45 each applicant, who has filed an application for the correction of the  
46 assessment, a notice of the commission's determination of such appli-  
47 cant's assessment. Such notice shall also contain the statement as to  
48 the final determination of the assessment review commission, or a state-  
49 ment that the commission has not yet made a determination as to the  
50 final assessed valuation which shall be made as soon as the petitioners  
51 application is reviewed or heard. If the applicants property is a prop-  
52 erty defined in subdivision one of section eighteen hundred two of this  
53 chapter as "Class 1", the commissions determination shall contain the  
54 statement: "If you are dissatisfied with the determination of the  
55 Assessment Review Commission and you are the owner of a one, two or  
56 three family residential structure or residential real property not more

1 than three stories in height held in condominium form of ownership,  
2 provided that no dwelling unit therein previously was on an assessment  
3 roll as a dwelling unit in other than condominium form of ownership, and  
4 you reside at such residence, you may seek judicial review of your  
5 assessment either under title one of article seven of the real property  
6 tax law or under small claims assessment review law provided by title  
7 one-A of article seven of the real property tax law." Such notice shall  
8 also state that the last date to file petitions for judicial review and  
9 the location where small claims assessment review petitions may be  
10 obtained.

11 Each applicant that has filed an application of a property as defined  
12 in subdivision one of section eighteen hundred two of this chapter as  
13 "CLASS 1-A", "Class 2", "Class 3" or "Class 4", shall receive a notice  
14 as to the final determination of the assessment review commission or a  
15 statement that the commission has not yet made a determination as to the  
16 final assessed valuation which shall be made as soon as the petitioners  
17 application is reviewed or heard. Such applicants determinations shall  
18 contain the statement: "If you are dissatisfied with the determination  
19 of the Assessment Review Commission you may seek judicial review of your  
20 assessment under title one of article seven of the real property tax  
21 law." Such notice shall also state the last date to file petitions for  
22 judicial review. A final determination when rendered shall contain the  
23 same statement. Failure to mail any such notice or failure of the appli-  
24 cant to receive the same shall not affect the validity of the assess-  
25 ment.

26 S 9. Paragraph (b) of subdivision 3 of section 701 of the real proper-  
27 ty tax law, as added by chapter 714 of the laws of 1982, is amended to  
28 read as follows:

29 (b) In a special assessing unit, the determination, pursuant to  
30 section eighteen hundred two of this chapter, of whether real property  
31 is included in class one, ONE-A, two, three or four.

32 S 10. Subparagraph 2 of paragraph (a) of subdivision 3 of section 720  
33 of the real property tax law, as amended by chapter 679 of the laws of  
34 1986, is amended to read as follows:

35 (2) "Major type of property" in special assessing units, for assess-  
36 ments on rolls completed after December thirty-first, nineteen hundred  
37 eighty-one, shall mean classes one, ONE-A, two, three and four as  
38 defined in subdivision one of section eighteen hundred two of this chap-  
39 ter.

40 S 11. The opening paragraph of subdivision 1 of section 1805 of the  
41 real property tax law, as amended by chapter 935 of the laws of 1984, is  
42 amended and two new subdivisions 1-a and 1-b are added to read as  
43 follows:

44 The assessor of any special assessing unit shall not increase the  
45 assessment of any individual parcel classified in class one OR CLASS  
46 ONE-A in any one year, as measured from the assessment on the previous  
47 year's assessment roll, by more than six percent and shall not increase  
48 such assessment by more than twenty percent in any five-year period. The  
49 first such five-year period shall be measured from the individual  
50 assessment appearing on the assessment roll completed in nineteen  
51 hundred eighty; provided that if such parcel would not have been subject  
52 to the provisions of this subdivision in nineteen hundred eighty had  
53 this subdivision then been in effect, the first such five-year period  
54 shall be measured from the first year after nineteen hundred eighty in  
55 which this subdivision applied to such parcel or would have applied to  
56 such parcel had this subdivision been in effect in such year.

1 If, in respect to any individual parcel classified in class one on the  
2 assessment roll completed and applicable for the year nineteen hundred  
3 eighty-two, the assessment for the year nineteen hundred eighty-one  
4 exceeds by more than twenty percent the assessment for the year nineteen  
5 hundred eighty, such assessor shall compute the actual assessments to be  
6 entered on assessment rolls applicable to the years nineteen hundred  
7 eighty-two through nineteen hundred ninety as follows:

8 1-A. ASSESSMENT ROLLS COMPUTED FOR CLASS ONE-A SHALL INCLUDE ANY  
9 OUTSTANDING PHASED-IN INCREASES ACCRUED PRIOR TO THE EFFECTIVE DATE OF  
10 THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH ADDED THIS SUBDI-  
11 VISION PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

12 1-B. CLASS ONE-A PARCELS SHALL BE ASSESSED IN A METHOD COMPARABLE TO  
13 CLASS ONE PARCELS.

14 S 12. Subdivisions e and f of section 11-208.1 of the administrative  
15 code of the city of New York, subdivision e as amended by local law  
16 number 41 of the city of New York for the year 1986 and subdivision f as  
17 amended by chapter 385 of the laws of 2006, are amended to read as  
18 follows:

19 e. As used in this section, the term "income-producing property" means  
20 property owned for the purpose of securing an income from the property  
21 itself, but shall not include property with an assessed value of forty  
22 thousand dollars or less, or residential property containing ten or  
23 fewer dwelling units or property classified in class one, ONE-A or two  
24 as defined in article eighteen of the real property tax law containing  
25 six or fewer dwelling units and one retail store.

26 f. Except in accordance with proper judicial order or as otherwise  
27 provided by law, it shall be unlawful for the commissioner, any officer  
28 or employee of the department, the president or a commissioner or  
29 employee of the tax commission, any person engaged or retained by the  
30 department or the tax commission on an independent contract basis, or  
31 any person, who, pursuant to this section, is permitted to inspect any  
32 income and expense statement or to whom a copy, an abstract or a portion  
33 of any such statement is furnished, to divulge or make known in any  
34 manner except as provided in this subdivision, the amount of income  
35 and/or expense or any particulars set forth or disclosed in any such  
36 statement required under this section. The commissioner, the president  
37 of the tax commission, or any commissioner or officer or employee of the  
38 department or the tax commission charged with the custody of such state-  
39 ments shall not be required to produce any income and expense statement  
40 or evidence of anything contained in them in any action or proceeding in  
41 any court, except on behalf of the department or the tax commission.  
42 Nothing herein shall be construed to prohibit the delivery to an owner  
43 or his or her duly authorized representative of a certified copy of any  
44 statement filed by such owner pursuant to this section or to prohibit  
45 the publication of statistics so classified as to prevent the identifi-  
46 cation of particular statements and the items thereof, or making known  
47 aggregate income and expense information disclosed with respect to prop-  
48 erty classified as class four as defined in article eighteen of the real  
49 property tax law without identifying information about individual leas-  
50 es, or making known a range as determined by the commissioner within  
51 which the income and expenses of a property classified as CLASS ONE-A OR  
52 class two falls, or the inspection by the legal representatives of the  
53 department or of the tax commission of the statement of any owner who  
54 shall bring an action to correct the assessment. Any violation of the  
55 provisions of this subdivision shall be punished by a fine not exceeding  
56 one thousand dollars or by imprisonment not exceeding one year, or both,



1 at the discretion of the court, and if the offender be an officer or  
2 employee of the department or the tax commission, the offender shall be  
3 dismissed from office.

4 S 13. Subdivision a of section 11-238 of the administrative code of  
5 the city of New York, as amended by local law number 27 of the city of  
6 New York for the year 2006, is amended to read as follows:

7 a. Imposition of surcharge. A real property tax surcharge is hereby  
8 imposed on class one AND CLASS ONE-A property, as defined in section  
9 eighteen hundred two of the real property tax law, excluding vacant  
10 land, that provides rental income and is not the primary residence of  
11 the owner or owners of such class one OR CLASS ONE-A property, or the  
12 primary residence of the parent or child of such owner or owners, in an  
13 amount equal to zero percent of the net real property taxes for fiscal  
14 years beginning on or after July first, two thousand six. As used in  
15 this section, "net real property tax" means the real property tax  
16 assessed on class one property after deduction for any exemption or  
17 abatement received pursuant to the real property tax law or this title.

18 S 14. Subdivisions a, a-1, a-2, a-3, a-4 and a-5 of section 11-319 of  
19 the administrative code of the city of New York, subdivisions a, a-1,  
20 a-2 and a-3 as amended and subdivisions a-4 and a-5 as added by local  
21 law number 15 of the city of New York for the year 2011, are amended to  
22 read as follows:

23 a. A tax lien or tax liens on a property or any component of the  
24 amount thereof may be sold by the city as authorized by subdivision b of  
25 this section, when such tax lien or tax liens shall have remained unpaid  
26 in whole or in part for one year, provided, however, that a tax lien or  
27 tax liens on any class one property or on class [two] ONE-A property  
28 [that is a residential condominium or residential cooperative], as such  
29 classes of property are defined in subdivision one of section eighteen  
30 hundred two of the real property tax law, may be sold by the city only  
31 when the real property tax component of such tax lien or tax liens shall  
32 have remained unpaid in whole or in part for three years or, in the case  
33 of any class two residential property owned by a company organized  
34 pursuant to article XI of the state private housing finance law [that is  
35 not a residential condominium or a residential cooperative], as such  
36 class of property is defined in subdivision one of section eighteen  
37 hundred two of the real property tax law, for two years, and equals or  
38 exceeds the sum of five thousand dollars or, in the case of abandoned  
39 class one property or abandoned class [two] ONE-A property [that is a  
40 residential condominium or residential cooperative], for eighteen  
41 months, and after such sale, shall be transferred, in the manner  
42 provided by this chapter, and provided, further, however, that (i) the  
43 real property tax component of such tax lien may not be sold pursuant to  
44 this subdivision on any residential real property in class one that is  
45 receiving an exemption pursuant to section 11-245.3 or 11-245.4 of this  
46 title, or pursuant to section four hundred fifty-eight of the real prop-  
47 erty tax law with respect to real property purchased with payments  
48 received as prisoner of war compensation from the United States govern-  
49 ment, or pursuant to paragraph (b) or (c) of subdivision two of section  
50 four hundred fifty-eight-a of the real property tax law, or where the  
51 owner of such residential real property in class one is receiving bene-  
52 fits in accordance with department of finance memorandum 05-3, or any  
53 successor memorandum thereto, relating to active duty military person-  
54 nel, or where the owner of such residential real property in class one  
55 has been allowed a credit pursuant to subsection (e) of section six  
56 hundred six of the tax law for the calendar year in which the date of

1 the first publication, pursuant to subdivision a of section 11-320 of  
2 this chapter, of the notice of sale, occurs or for the calendar year  
3 immediately preceding such date and (ii) the sewer rents component,  
4 sewer surcharges component or water rents component of such tax lien may  
5 not be sold pursuant to this subdivision on any one family residential  
6 real property in class one or on any two or three family residential  
7 real property in class one that is receiving an exemption pursuant to  
8 section 11-245.3 or 11-245.4 of this title, or pursuant to section four  
9 hundred fifty-eight of the real property tax law with respect to real  
10 property purchased with payments received as prisoner of war compen-  
11 sation from the United States government, or pursuant to paragraph (b)  
12 or (c) of subdivision two of section four hundred fifty-eight-a of the  
13 real property tax law, or where the owner of any two or three family  
14 residential real property in class one is receiving benefits in accord-  
15 ance with department of finance memorandum 05-3, or any successor memo-  
16 randum thereto, relating to active duty military personnel, or where the  
17 owner of any two or three family residential real property in class one  
18 has been allowed a credit pursuant to subsection (e) of section six  
19 hundred six of the tax law for the calendar year in which the date of  
20 the first publication, pursuant to subdivision a of section 11-320 of  
21 this chapter, of the notice of sale, occurs or for the calendar year  
22 immediately preceding such date. A tax lien or tax liens on any property  
23 classified as a class two property, except [a class two property that is  
24 a residential condominium or residential cooperative, or] a class two  
25 residential property owned by a company organized pursuant to article XI  
26 of the state private housing finance law [that is not a residential  
27 condominium or a residential cooperative], or class three property, as  
28 such classes of property are defined in subdivision one of section eigh-  
29 teen hundred two of the real property tax law, shall not be sold by the  
30 city unless such tax lien or tax liens include a real property tax  
31 component as of the date of the first publication, pursuant to subdivi-  
32 sion a of section 11-320 of this chapter, of the notice of sale.  
33 Notwithstanding any provision of this subdivision to the contrary, any  
34 such tax lien or tax liens that remain unpaid in whole or in part after  
35 such date may be sold regardless of whether such tax lien or tax liens  
36 include a real property tax component. A tax lien or tax liens on a  
37 property classified as a class four property, as such class of property  
38 is defined in subdivision one of section eighteen hundred two of the  
39 real property tax law, shall not be sold by the city unless such tax  
40 lien or tax liens include a real property tax component or sewer rents  
41 component or sewer surcharges component or water rents component or  
42 emergency repair charges component, where such emergency repair charges  
43 accrued on or after January first, two thousand six and are made a lien  
44 pursuant to section 27-2144 of this code, as of the date of the first  
45 publication, pursuant to subdivision a of section 11-320 of this chap-  
46 ter, of the notice of sale, provided, however, that any tax lien or tax  
47 liens that remain unpaid in whole or in part after such date may be sold  
48 regardless of whether such tax lien or tax liens include a real property  
49 tax component, sewer rents component, sewer surcharges component, water  
50 rents component or emergency repair charges component. For purposes of  
51 this subdivision, the words "real property tax" shall not include an  
52 assessment or charge upon property imposed pursuant to section 25-411 of  
53 the administrative code. A sale of a tax lien or tax liens shall  
54 include, in addition to such lien or liens that have remained unpaid in  
55 whole or in part for one year, or, in the case of any class one property  
56 or class [two] ONE-A property [that is a residential condominium or

1 residential cooperative], when the real property tax component of such  
2 lien or liens has remained unpaid in whole or in part for three years,  
3 or, in the case of any class two residential property owned by a company  
4 organized pursuant to article XI of the state private housing finance  
5 law [that is not a residential condominium or a residential cooper-  
6 ative], when the real property tax component of such lien or liens has  
7 remained unpaid in whole or in part for two years, and equals or exceeds  
8 the sum of five thousand dollars, any taxes, assessments, sewer rents,  
9 sewer surcharges, water rents, any other charges that are made a lien  
10 subject to the provisions of this chapter, the costs of any advertise-  
11 ments and notices given pursuant to this chapter, any other charges that  
12 are due and payable, a surcharge pursuant to section 11-332 of this  
13 chapter, and interest and penalties thereon or such component of the  
14 amount thereof as shall be determined by the commissioner of finance.  
15 The commissioner of finance may promulgate rules defining "abandoned"  
16 property, as such term is used in this subdivision.

17 a-1. A subsequent tax lien or tax liens on a property or any component  
18 of the amount thereof may be sold by the city pursuant to this chapter,  
19 provided, however, that notwithstanding any provision in this chapter to  
20 the contrary, such tax lien or tax liens may be sold regardless of  
21 whether such tax lien or tax liens have remained unpaid in whole or in  
22 part for one year and, notwithstanding any provision in this chapter to  
23 the contrary, in the case of any class one property or class [two] ONE-A  
24 property [that is a residential condominium or residential cooperative]  
25 or, beginning January first, two thousand twelve, in the case of any  
26 class two residential property owned by a company organized pursuant to  
27 article XI of the state private housing finance law [that is not a resi-  
28 dential condominium or a residential cooperative], such tax lien or tax  
29 liens may be sold if the real property tax component of such tax lien or  
30 tax liens has remained unpaid in whole or in part for one year, and  
31 provided, further, however, that (i) the real property tax component of  
32 such tax lien may not be sold pursuant to this subdivision on any resi-  
33 dential real property in class one that is receiving an exemption pursu-  
34 ant to section 11-245.3 or 11-245.4 of this title, or pursuant to  
35 section four hundred fifty-eight of the real property tax law with  
36 respect to real property purchased with payments received as prisoner of  
37 war compensation from the United States government, or pursuant to para-  
38 graph (b) or (c) of subdivision two of section four hundred  
39 fifty-eight-a of the real property tax law, or where the owner of such  
40 residential real property in class one is receiving benefits in accord-  
41 ance with department of finance memorandum 05-3, or any successor memo-  
42 randum thereto, relating to active duty military personnel, or where the  
43 owner of such residential real property in class one has been allowed a  
44 credit pursuant to subsection (e) of section six hundred six of the tax  
45 law for the calendar year in which the date of the first publication,  
46 pursuant to subdivision a of section 11-320 of this chapter, of the  
47 notice of sale, occurs or for the calendar year immediately preceding  
48 such date and (ii) the sewer rents component, sewer surcharges component  
49 or water rents component of such tax lien may not be sold pursuant to  
50 this subdivision on any one family residential real property in class  
51 one or on any two or three family residential real property in class one  
52 that is receiving an exemption pursuant to section 11-245.3 or 11-245.4  
53 of this title, or pursuant to section four hundred fifty-eight of the  
54 real property tax law with respect to real property purchased with  
55 payments received as prisoner of war compensation from the United States  
56 government, or pursuant to paragraph (b) or (c) of subdivision two of

1 section four hundred fifty-eight-a of the real property tax law, or  
2 where the owner of any two or three family residential real property in  
3 class one is receiving benefits in accordance with department of finance  
4 memorandum 05-3, or any successor memorandum thereto, relating to active  
5 duty military personnel, or where the owner of any two or three family  
6 residential real property in class one has been allowed a credit pursu-  
7 ant to subsection (e) of section six hundred six of the tax law for the  
8 calendar year in which the date of the first publication, pursuant to  
9 subdivision a of section 11-320 of this chapter, of the notice of sale,  
10 occurs or for the calendar year immediately preceding such date. For  
11 purposes of this subdivision, the term "subsequent tax lien or tax  
12 liens" shall mean any tax lien or tax liens on property that become such  
13 on or after the date of sale of any tax lien or tax liens on such prop-  
14 erty that have been sold pursuant to this chapter, provided that the  
15 prior tax lien or tax liens remain unpaid as of the date of the first  
16 publication, pursuant to subdivision a of section 11-320 of this chap-  
17 ter, of the notice of sale of the subsequent tax lien or tax liens. A  
18 subsequent tax lien or tax liens on any property classified as a class  
19 two property, except [a class two property that is a residential condo-  
20 minium or residential cooperative, or] a class two residential property  
21 owned by a company organized pursuant to article XI of the state private  
22 housing finance law [that is not a residential condominium or a residen-  
23 tial cooperative], or class three property, as such classes of property  
24 are defined in subdivision one of section eighteen hundred two of the  
25 real property tax law, shall not be sold by the city unless such tax  
26 lien or tax liens include a real property tax component as of the date  
27 of the first publication, pursuant to subdivision a of section 11-320 of  
28 this chapter, of the notice of sale. Notwithstanding any provision of  
29 this subdivision to the contrary, any such tax lien or tax liens that  
30 remain unpaid in whole or in part after such date may be sold regardless  
31 of whether such tax lien or tax liens include a real property tax compo-  
32 nent. A subsequent tax lien or tax liens on a property classified as a  
33 class four property, as such class of property is defined in subdivision  
34 one of section eighteen hundred two of the real property tax law, shall  
35 not be sold by the city unless such tax lien or tax liens include a real  
36 property tax component or sewer rents component or sewer surcharges  
37 component or water rents component or emergency repair charges compo-  
38 nent, where such emergency repair charges accrued on or after January  
39 first, two thousand six and are made a lien pursuant to section 27-2144  
40 of this code, as of the date of the first publication, pursuant to  
41 subdivision a of section 11-320 of this chapter, of the notice of sale,  
42 provided, however, that any tax lien or tax liens that remain unpaid in  
43 whole or in part after such date may be sold regardless of whether such  
44 tax lien or tax liens include a real property tax component, sewer rents  
45 component, sewer surcharges component, water rents component or emergen-  
46 cy repair charges component. For purposes of this subdivision, the words  
47 "real property tax" shall not include an assessment or charge upon prop-  
48 erty imposed pursuant to section 25-411 of the administrative code.  
49 Nothing in this subdivision shall be deemed to limit the rights  
50 conferred by section 11-332 of this chapter on the holder of a tax lien  
51 certificate with respect to a subsequent tax lien.

52 a-2. In addition to any sale authorized pursuant to subdivision a or  
53 subdivision a-1 of this section and notwithstanding any provision of  
54 this chapter to the contrary, beginning on December first, two thousand  
55 seven, the water rents, sewer rents and sewer surcharges components of  
56 any tax lien on any class of real property, as such real property is

1 classified in subdivision one of section eighteen hundred two of the  
2 real property tax law, may be sold by the city pursuant to this chapter,  
3 where such water rents, sewer rents or sewer surcharges component of  
4 such tax lien, as of the date of the first publication, pursuant to  
5 subdivision a of section 11-320 of this chapter, of the notice of sale:  
6 (i) shall have remained unpaid in whole or in part for one year and (ii)  
7 equals or exceeds the sum of one thousand dollars or, beginning on March  
8 first, two thousand eleven, in the case of any two or three family resi-  
9 dential real property in class one, for one year, and equals or exceeds  
10 the sum of two thousand dollars, or, beginning on January first, two  
11 thousand twelve, in the case of any class two residential property owned  
12 by a company organized pursuant to article XI of the state private hous-  
13 ing finance law [that is not a residential condominium or a residential  
14 cooperative], as such class of property is defined in subdivision one of  
15 section eighteen hundred two of the real property tax law, for two  
16 years, and equals to exceeds the sum of five thousand dollars; provided,  
17 however, that such water rents, sewer rents or sewer surcharges compo-  
18 nent of such tax lien may not be sold pursuant to this subdivision on  
19 any one family residential real property in class one or on any two or  
20 three family residential real property in class one that is receiving an  
21 exemption pursuant to section 11-245.3 or 11-245.4 of this title, or  
22 pursuant to section four hundred fifty-eight of the real property tax  
23 law with respect to real property purchased with payments received as  
24 prisoner of war compensation from the United States government, or  
25 pursuant to paragraph (b) or (c) of subdivision two of section four  
26 hundred fifty-eight-a of the real property tax law, or where the owner  
27 of any two or three family residential real property in class one is  
28 receiving benefits in accordance with department of finance memorandum  
29 05-3, or any successor memorandum thereto, relating to active duty mili-  
30 tary personnel, or where the owner of any two or three family residen-  
31 tial real property in class one has been allowed a credit pursuant to  
32 subsection (e) of section six hundred six of the tax law for the calen-  
33 dar year in which the date of the first publication, pursuant to subdi-  
34 vision a of section 11-320 of this chapter, of the notice of sale,  
35 occurs or for the calendar year immediately preceding such date. After  
36 such sale, any such water rents, sewer rents or sewer surcharges compo-  
37 nent of such tax lien may be transferred in the manner provided by this  
38 chapter.

39 a-3. In addition to any sale authorized pursuant to subdivision a or  
40 subdivision a-1 of this section and notwithstanding any provision of  
41 this chapter to the contrary, beginning on December first, two thousand  
42 seven, a subsequent tax lien on any class of real property, as such real  
43 property is classified in subdivision one of section eighteen hundred  
44 two of the real property tax law, may be sold by the city pursuant to  
45 this chapter, regardless of whether such subsequent tax lien, or any  
46 component of the amount thereof, shall have remained unpaid in whole or  
47 in part for one year, and regardless of whether such subsequent tax  
48 lien, or any component of the amount thereof, equals or exceeds the sum  
49 of one thousand dollars or beginning on March first, two thousand elev-  
50 en, in the case of any two or three family residential real property in  
51 class one, a subsequent tax lien on such property may be sold by the  
52 city pursuant to this chapter, regardless of whether such subsequent tax  
53 lien, or any component of the amount thereof, shall have remained unpaid  
54 in whole or in part for one year, and regardless of whether such subse-  
55 quent tax lien, or any component of the amount thereof, equals or  
56 exceeds the sum of two thousand dollars, or, beginning on January first,

1 two thousand twelve, in the case of any class two residential property  
2 owned by a company organized pursuant to article XI of the state private  
3 housing finance law [that is not a residential condominium or a residen-  
4 tial cooperative], as such class of property is defined in subdivision  
5 one of section eighteen hundred two of the real property tax law, a  
6 subsequent tax lien on such property may be sold by the city pursuant to  
7 this chapter, regardless of whether such subsequent tax lien, or any  
8 component of the amount thereof, shall have remained unpaid in whole or  
9 in part for two years, and regardless of whether such subsequent tax  
10 lien, or any component of the amount thereof, equals or exceeds the sum  
11 of five thousand dollars; provided, however, that such subsequent tax  
12 lien may not be sold pursuant to this subdivision on any one family  
13 residential real property in class one or on any two or three family  
14 residential real property in class one that is receiving an exemption  
15 pursuant to section 11-245.3 or 11-245.4 of this title, or pursuant to  
16 section four hundred fifty-eight of the real property tax law with  
17 respect to real property purchased with payments received as prisoner of  
18 war compensation from the United States government, or pursuant to para-  
19 graph (b) or (c) of subdivision two of section four hundred  
20 fifty-eight-a of the real property tax law, or where the owner of any  
21 two or three family residential real property in class one is receiving  
22 benefits in accordance with department of finance memorandum 05-3, or  
23 any successor memorandum thereto, relating to active duty military  
24 personnel, or where the owner of any two or three family residential  
25 real property in class one has been allowed a credit pursuant to  
26 subsection (e) of section six hundred six of the tax law for the calen-  
27 dar year in which the date of the first publication, pursuant to subdi-  
28 vision a of section 11-320 of this chapter, of the notice of sale,  
29 occurs or for the calendar year immediately preceding such date. After  
30 such sale, any such subsequent tax lien, or any component of the amount  
31 thereof, may be transferred in the manner provided by this chapter. For  
32 purposes of this subdivision, the term "subsequent tax lien" shall mean  
33 the water rents, sewer rents or sewer surcharges component of any tax  
34 lien on property that becomes such on or after the date of sale of any  
35 water rents, sewer rents or sewer surcharges component of any tax lien  
36 on such property that has been sold pursuant to this chapter, provided  
37 that the prior tax lien remains unpaid as of the date of the first  
38 publication, pursuant to subdivision a of section 11-320 of this chap-  
39 ter, of the notice of sale of the subsequent tax lien. Nothing in this  
40 subdivision shall be deemed to limit the rights conferred by section  
41 11-332 of this chapter on the holder of a tax lien certificate with  
42 respect to a subsequent tax lien.

43 a-4. In addition to any sale authorized pursuant to subdivision a,  
44 a-1, a-2 or a-3 of this section and notwithstanding any provision of  
45 this chapter to the contrary, beginning on March first, two thousand  
46 eleven, the emergency repair charges component or alternative enforce-  
47 ment expenses and fees component, where such emergency repair charges  
48 accrued on or after January first, two thousand six and are made a lien  
49 pursuant to section 27-2144 of this code, or where such alternative  
50 enforcement expenses and fees are made a lien pursuant to section  
51 27-2153 of this code, of any tax lien on any class of real property, as  
52 such real property is defined in subdivision one of section eighteen  
53 hundred two of the real property tax law, may be sold by the city pursu-  
54 ant to this chapter, where such emergency repair charges component or  
55 alternative enforcement expenses and fees component of such tax lien, as  
56 of the date of the first publication, pursuant to subdivision a of

1 section 11-320 of this chapter, of the notice of sale: (i) shall have  
2 remained unpaid in whole or in part for one year, and (ii) equals or  
3 exceeds the sum of one thousand dollars or, beginning on January first,  
4 two thousand twelve, in the case of any class two residential property  
5 owned by a company organized pursuant to article XI of the state private  
6 housing finance law [that is not a residential condominium or a residen-  
7 tial cooperative], as such class of property is defined in subdivision  
8 one of section eighteen hundred two of the real property tax law, for  
9 two years, and equals or exceeds the sum of five thousand dollars;  
10 provided, however, that such emergency repair charges component or  
11 alternative enforcement expenses and fees component of such tax lien may  
12 not be sold pursuant to this subdivision on any one, two or three family  
13 residential real property in class one, except a three family residen-  
14 tial property in class one where such property is subject to the  
15 provisions of section 27-2153 of this code and is not the primary resi-  
16 dence of the owner. After such sale, any such emergency repair charges  
17 component or alternative enforcement expenses and fees component of such  
18 tax lien may be transferred in the manner provided by this chapter.

19 a-5. In addition to any sale authorized pursuant to subdivision a,  
20 a-1, a-2 or a-3 of this section and notwithstanding any provision of  
21 this chapter to the contrary, beginning on March first, two thousand  
22 eleven, a subsequent tax lien on any class of real property, or begin-  
23 ning on January first, two thousand twelve in the case of any class two  
24 residential property owned by a company organized pursuant to article XI  
25 of the state private housing finance law [that is not a residential  
26 condominium or a residential cooperative], a subsequent tax lien on such  
27 property, may be sold by the city pursuant to this chapter, regardless  
28 of the length of time such subsequent tax lien, or any component of the  
29 amount thereof, shall have remained unpaid, and regardless of the amount  
30 of such subsequent tax lien. After such sale, any such subsequent tax  
31 lien, or any component of the amount thereof, may be transferred in the  
32 manner provided by this chapter. For purposes of this subdivision, the  
33 term "subsequent tax lien" shall mean the emergency repair charges  
34 component or alternative enforcement expenses and fees component, where  
35 such emergency repair charges accrued on or after January first, two  
36 thousand six and are made a lien pursuant to section 27-2144 of this  
37 code, or where such alternative enforcement expenses and fees are made a  
38 lien pursuant to section 27-2153 of this code, of any tax lien on prop-  
39 erty that becomes such on or after the date of sale of any emergency  
40 repair charges component or alternative enforcement expenses and fees  
41 component, of any tax lien on such property that has been sold pursuant  
42 to this chapter, provided that the prior tax lien remains unpaid as of  
43 the date of the first publication, pursuant to subdivision a of section  
44 11-320 of this chapter, of the notice of sale of the subsequent tax  
45 lien. Nothing in this subdivision shall be deemed to limit the rights  
46 conferred by section 11-332 of this chapter on the holder of a tax lien  
47 certificate with respect to a subsequent tax lien.

48 S 15. Subparagraph (i) of paragraph 2 of subdivision b and subpara-  
49 graph (ii) of paragraph 1 of subdivision h of section 11-320 of the  
50 administrative code of the city of New York, subparagraph (i) of para-  
51 graph 2 of subdivision b as amended by local law number 147 of the city  
52 of New York for the year 2013 and subparagraph (ii) of paragraph 1 of  
53 subdivision h as added by local law number 15 of the city of New York  
54 for the year 2011, are amended to read as follows:

55 (i) Such notices shall also include, with respect to any property  
56 owner in class one, CLASS ONE-A or class two, as such classes of proper-

ty are defined in subdivision one of section eighteen hundred two of the real property tax law, an exemption eligibility checklist. The exemption eligibility checklist shall also be posted on the website of the department no later than the first business day after March fifteenth of every year prior to the date of sale, and shall continue to be posted on such website until ten days prior to the date of sale. Within ten business days of receipt of a completed exemption eligibility checklist from such property owner, provided that such receipt occurs prior to the date of sale of any tax lien or tax liens on his or her property, the department of finance shall review such checklist to determine, based on the information provided by the property owner, whether such property owner could be eligible for any exemption, credit or other benefit that would entitle them to be excluded from a tax lien sale and, if the department determines that such property owner could be eligible for any such exemption, credit or other benefit, shall mail such property owner an application for the appropriate exemption, credit or other benefit. If, within twenty business days of the date the department mailed such application, the department has not received a completed application from such property owner, the department shall mail such property owner a second application, and shall telephone the property owner, if the property owner has included his or her telephone number on the exemption eligibility checklist.

(ii) all class two residential property owned by a company organized pursuant to article XI of the state private housing finance law [that is not a residential condominium or a residential cooperative] on which any tax lien has been sold pursuant to subdivision a, a-2 or a-4 of section 11-319 of this title.

S 16. Subdivision (a) of section 11-354 of the administrative code of the city of New York, as amended by local law number 37 of the city of New York for the year 1996, is amended to read as follows:

(a) Notwithstanding any other provision of law and notwithstanding any omission to hold a tax lien sale, whenever any tax, assessment, sewer rent, sewer surcharge, water rent, any charge that is made a lien subject to the provisions of this chapter or chapter four of this title, or interest and penalties thereon, has been due and unpaid for a period of at least one year from the date on which the tax, assessment or other legal charge represented thereby became a lien, or in the case of any class one property or any class [two] ONE-A property [that is a residential condominium or residential cooperative], as such classes of property are defined in subdivision one of section eighteen hundred two of the real property tax law, or in the case of a multiple dwelling owned by a company organized pursuant to article XI of the private housing finance law with the consent and approval of the department of housing preservation and development, for a period of at least three years from the date on which the tax, assessment or other legal charge became a lien, the city, as owner of a tax lien, may maintain an action in the supreme court to foreclose such lien. Such action shall be governed by the procedures set forth in section 11-335 of this chapter; provided, however, that such parcel shall only be sold to the highest responsible bidder. Such purchaser shall be deemed qualified as a responsible bidder pursuant to such criteria as are established in rules promulgated by the commissioner of finance after consultation with the commissioner of housing preservation and development.

S 17. The opening paragraph of subdivision 4 of section 11-401 of the administrative code of the city of New York, as added by local law



1 number 37 of the city of New York for the year 1996, is amended to read  
2 as follows:

3 "Distressed property." Any parcel of class one, CLASS ONE-A or class  
4 two real property that is subject to a tax lien or liens with a lien or  
5 liens to value ratio, as determined by the commissioner of finance,  
6 equal to or greater than fifteen percent and that meets one of the  
7 following two criteria:

8 S 18. Subdivisions a and b of section 11-401.1 of the administrative  
9 code of the city of New York, as added by local law number 37 of the  
10 city of New York for the year 1996, are amended to read as follows:

11 a. The commissioner of finance shall, not less than sixty days preced-  
12 ing the date of the sale of a tax lien or tax liens, submit to the  
13 commissioner of housing preservation and development a description by  
14 block and lot, or by such other identification as the commissioner of  
15 finance may deem appropriate, of any parcel of class one, CLASS ONE-A or  
16 class two real property on which there is a tax lien that may be fore-  
17 closed by the city. The commissioner of housing preservation and devel-  
18 opment shall determine, and direct the commissioner of finance, not less  
19 than ten days preceding the date of the sale of a tax lien or tax liens,  
20 whether any such parcel is a distressed property as defined in subdivi-  
21 sion four of section 11-401 of this chapter. Any tax lien on a parcel so  
22 determined to be a distressed property shall not be included in such  
23 sale. In connection with a subsequent sale of a tax lien or tax liens,  
24 the commissioner of finance may, not less than sixty days preceding the  
25 date of the sale, resubmit to the commissioner of housing preservation  
26 and development a description by block and lot, or by such other iden-  
27 tification as the commissioner of finance may deem appropriate, of any  
28 parcel of class one, CLASS ONE-A or class two real property that was  
29 previously determined to be a distressed property pursuant to this para-  
30 graph and on which there is a tax lien that may be included in such  
31 sale. The commissioner of housing preservation and development shall  
32 determine, and direct the commissioner of finance, not less than ten  
33 days preceding the date of the sale, whether such parcel remains a  
34 distressed property. If the commissioner of housing preservation and  
35 development determines that the parcel is not a distressed property,  
36 then the tax lien on the parcel may be included in the sale.

37 b. The commissioner of housing preservation and development may peri-  
38 odically review whether a parcel of class one, CLASS ONE-A or class two  
39 real property that is subject to subdivision c of this section or subdivi-  
40 sion j of section 11-412.1 of this chapter remains a distressed prop-  
41 erty. If the commissioner determines that the parcel is not a distressed  
42 property as defined in subdivision four of section 11-401 of this chap-  
43 ter, then the parcel shall not be subject to such subdivisions.

44 S 19. Subdivision b of section 11-404 of the administrative code of  
45 the city of New York, as amended by local law number 37 of the city of  
46 New York for the year 1996, is amended to read as follows:

47 b. A tax lien on any class one property or any class [two] ONE-A prop-  
48 erty [that is a residential condominium or residential cooperative], as  
49 such classes of property are defined in subdivision one of section eigh-  
50 teen hundred two of the real property tax law, and on any multiple  
51 dwelling owned by a company organized pursuant to article XI of the  
52 private housing finance law with the consent and approval of the depart-  
53 ment of housing preservation and development, shall not be foreclosed in  
54 the manner provided in this chapter until such tax lien has been due and  
55 unpaid for a period of at least three years from the date on which the  
56 tax, assessment or other legal charge represented thereby became a lien.

1 S 20. Paragraph 5 of subdivision c of section 11-405 of the adminis-  
2 trative code of the city of New York, as added by local law number 37 of  
3 the city of New York for the year 1996, is amended to read as follows:

4 (5) Notwithstanding paragraph one, two or three of this subdivision,  
5 with respect to installment agreements duly made, executed and filed on  
6 or after the date on which this paragraph takes effect, the commissioner  
7 of finance may also exclude or thereafter remove from such list any  
8 parcel of class one, CLASS ONE-A or class two real property, other than  
9 a parcel described in paragraph four of this subdivision, as to which an  
10 agreement has been duly made, executed and filed with such commissioner  
11 for the payment of the delinquent taxes, assessments or other legal  
12 charges, and the interest and penalties thereon, in installments. The  
13 first installment thereof shall be paid upon the filing of the install-  
14 ment agreement with the commissioner and shall be in an amount equal to  
15 not less than fifteen percent of the total amount of such delinquent  
16 taxes, assessments or other legal charges and the interest and penalties  
17 thereon. The remaining installments, which shall be twice the number of  
18 unpaid quarters of real estate taxes or the equivalent thereof, but  
19 which shall in no event exceed thirty-two in number, shall be payable  
20 quarterly on the first days of July, October, January and April. For the  
21 purposes of calculating the number of such remaining installments,  
22 unpaid real estate taxes that are due and payable on other than a quar-  
23 terly basis shall be deemed to be payable on a quarterly basis.

24 S 21. Section 581 of the real property tax law is REPEALED.

25 S 22. Subdivision 1 of section 339-y of the real property law, as  
26 amended by chapter 218 of the laws of 1986, subparagraph (ii) of para-  
27 graph (d) as amended by chapter 223 of the laws of 1989, paragraph (e)  
28 as added by chapter 135 of the laws of 1996 and paragraph (f) as added  
29 by chapter 293 of the laws of 1997, is amended to read as follows:

30 1. (a) With respect to all property submitted to the provisions of  
31 this article other than property which is the subject of a qualified  
32 leasehold condominium, each unit and its common interest, not including  
33 any personal property, shall be deemed to be a parcel and shall be  
34 subject to separate assessment and taxation by each assessing unit,  
35 school district, special district, county or other taxing unit, for all  
36 types of taxes authorized by law including but not limited to special ad  
37 valorem levies and special assessments, except that the foregoing shall  
38 not apply to a unit held under lease or sublease unless the declaration  
39 requires the unit owner to pay all taxes attributable to his unit.  
40 Neither the building, the property nor any of the common elements shall  
41 be deemed to be a parcel.

42 (b) [In no event shall the aggregate of the assessment of the units  
43 plus their common interests exceed the total valuation of the property  
44 were the property assessed as a parcel.

45 (c)] For the purposes of this and the next succeeding section the  
46 terms "assessing unit", "assessment", "parcel", "special ad valorem  
47 levy", "special assessment", "special district", "taxation" and "taxes"  
48 shall have the meanings specified in section one hundred two of the real  
49 property tax law.

50 [(d) The provisions of paragraph (b) of this subdivision shall not  
51 apply to such real property classified within:

52 (i) on and after January first, nineteen hundred eighty-six, class one  
53 of section one thousand eight hundred two of the real property tax law;  
54 or

55 (ii) on and after January first, nineteen hundred eighty-four, the  
56 homestead class of an approved assessing unit which has adopted the

1 provisions of section one thousand nine hundred three of the real prop-  
2 erty tax law, or the homestead class of the portion outside an approved  
3 assessing unit of an eligible split school district which has adopted  
4 the provisions of section nineteen hundred three-a of the real property  
5 tax law; provided, however, that, in an approved assessing unit which  
6 adopted the provisions of section one thousand nine hundred three of the  
7 real property tax law prior to the effective date of this subdivision,  
8 paragraph (b) of this subdivision shall apply to all such real property  
9 (i) which is classified within the homestead class pursuant to paragraph  
10 one of subdivision (e) of section one thousand nine hundred one of the  
11 real property tax law and (ii) which, regardless of classification, was  
12 on the assessment roll prior to the effective date of this subdivision  
13 unless the governing body of such approved assessing unit provides by  
14 local law adopted after a public hearing, prior to the taxable status  
15 date of such assessing unit next occurring after December thirty-first,  
16 nineteen hundred eighty-three, that such paragraph (b) shall not apply  
17 to such real property to which this clause applies. Provided further,  
18 however, real property subject to the provisions of this subparagraph  
19 shall be assessed pursuant to subdivision two of section five hundred  
20 eighty-one of the real property tax law.

21 (e)] (C) On the first assessment roll with a taxable status date on or  
22 after the effective date of a declaration filed with the recording offi-  
23 cer and on every assessment roll thereafter, the assessor shall enter  
24 each unit as a parcel, as provided in paragraph (a) of this subdivision,  
25 based upon the condition and ownership of each such unit on the appro-  
26 priate valuation and taxable status dates. Units owned by a developer  
27 may be entered as a single parcel with a parcel description correspond-  
28 ing to the entire development, including the land under such develop-  
29 ment, and excluding those units appearing separately. Upon the first  
30 assessment roll where each unit is separately assessed, only an individ-  
31 ual unit and its common interest shall constitute a parcel.

32 [(f) The provisions of paragraph (b) of this subdivision shall not  
33 apply to a converted condominium unit in a municipal corporation other  
34 than a special assessing unit, which has adopted, prior to the taxable  
35 status date of the assessment roll upon which its taxes will be levied,  
36 a local law or, for a school district, a resolution providing that the  
37 provisions of paragraph (b) of this subdivision shall not apply to a  
38 converted condominium unit within that municipal corporation. A  
39 converted condominium unit for purposes of this paragraph shall mean a  
40 dwelling unit held in condominium form of ownership that has previously  
41 been on an assessment roll as a dwelling unit in other than condominium  
42 form of ownership, and has not been previously subject to the provisions  
43 of paragraph (b) of this subdivision.]

44 S 23. This act shall take effect on the first of January next succeed-  
45 ing the date on which it shall have become a law and shall apply to  
46 assessment rolls prepared pursuant to a taxable status date occurring on  
47 or after such date; provided, however, that effective immediately, the  
48 addition, amendment and/or repeal of any rule or regulation necessary  
49 for the implementation of this act on its effective date are authorized  
50 and directed to be made and completed on or before such effective date.