

# STATE OF NEW YORK

1647

2017-2018 Regular Sessions

## IN ASSEMBLY

January 12, 2017

Introduced by M. of A. GALEF, TITONE, OTIS, McKEVITT, RAIA, PALUMBO --  
Multi-Sponsored by -- M. of A. AUBRY, COOK, CROUCH, GOODELL, McDONALD,  
McDONOUGH, THIELE -- read once and referred to the Committee on Real  
Property Taxation

AN ACT to amend the real property tax law, in relation to granting a  
real property tax exemption to nonprofit organizations that purchase  
real property after the taxable status date

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

Section 1. Subdivision 13 of section 420-a of the real property tax  
law, as added by chapter 630 of the laws of 1997, is renumbered subdivi-  
sion 15 and a new subdivision 16 is added to read as follows:

16. (a) (i) For the purposes of this subdivision, "municipal corpo-  
ration" shall mean a county, city, town, village or school district  
which, after public hearing, adopts a local law, ordinance or resol-  
ution, providing that this subdivision shall be applicable to nonprofit  
organizations within its jurisdiction. Such local law, ordinance or  
resolution shall apply to property transfers occurring on or after the  
effective date of such local law, ordinance or resolution. A copy of  
such local law, ordinance or resolution shall be filed with the commis-  
sioner.

(ii) Where a nonprofit organization that meets the requirements for an  
exemption pursuant to this section, purchases property after the levy of  
taxes, such nonprofit organization may, if permitted by a local law,  
ordinance or resolution of the municipal corporation in which the  
nonprofit organization is located, file an application for exemption  
with the assessor no later than the time specified in such local law,  
ordinance or resolution. The assessor shall make a determination of  
whether the parcel would have qualified for exempt status on the tax  
roll on which the taxes were levied, had title to the parcel been in the  
name of the applicant on the taxable status date applicable to the tax

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

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roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a complaint, the board of assessment review shall schedule a time and place for a hearing with respect thereto no later than thirty days after the mailing of the notice by the assessor. The board of assessment review shall meet and determine the exempt amount, and shall immediately notify the assessor and the applicant, by first class mail, of its determination. The amount of exemption determined pursuant to this paragraph shall be subject to review as provided in article seven of this chapter. Such a proceeding shall be commenced within thirty days of the mailing of the notice of the board of assessment review to the new owner as provided in this paragraph.

(iii) Upon receipt of a determination of the exempt amount as provided in subparagraph (ii) of this paragraph, the assessor shall determine the pro rata exemption to be credited toward such property by multiplying the tax rate or tax rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate tax roll used for the fiscal year or years during which the transfer occurred times the exempt amount, as determined in subparagraph (ii) of this paragraph, times the fraction of each fiscal year or years remaining subsequent to the transfer of title. The assessor shall immediately transmit a statement of the pro rata exemption credit due to each municipal corporation which levied taxes or for which taxes were levied on the tax roll used for the fiscal year or years during which the transfer occurred and to the applicant.

(iv) Each municipal corporation which receives notice of pro rata exemption credits pursuant to this subdivision shall include an appropriation in its budget for the next fiscal year equal to the aggregate amount of such credits to be applied in that fiscal year. Where a parcel, the owner of which is entitled to a pro rata exemption credit, is subject to taxation in said next fiscal year, the receiver or collector shall apply the credit to reduce the amount of taxes owed for the parcel in such fiscal year. Pro rata exemption credits in excess of the amount of taxes, if any, owed for the parcel shall be paid by the treasurer of a municipal corporation which levies such taxes for or on behalf of the municipal corporation to all owners of property entitled to such credits within thirty days of the expiration of the warrant to collect taxes in said next fiscal year. Notwithstanding the foregoing, where the municipal corporation has been reimbursed by another municipal corporation for the tax credit to be paid to the owner pursuant to this subdivision, such credit shall be paid to such municipal corporation instead of such owner.

(b) (i) Notwithstanding the provisions of this section, where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the taxable status date but prior to the levy of taxes, such nonprofit organization may, if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located, file an

1 application for an exemption with the assessor within thirty days of the  
2 transfer of title to such nonprofit organization. The assessor shall  
3 make a determination within thirty days after receipt of such applica-  
4 tion of whether the applicant would qualify for an exemption pursuant to  
5 this section on the assessment roll if title had been in the name of the  
6 applicant on the taxable status date applicable to such assessment roll.  
7 The application shall be made on a form prescribed by the commissioner.

8 (ii) If the assessor's determination is made prior to the filing of  
9 the tentative assessment roll, the assessor shall enter the exempt  
10 amount, if any, on the tentative assessment roll and, within ten days  
11 after filing such roll, notify the applicant of the approval or denial  
12 of such exemption, the exempt amount, if any, and the applicant's right  
13 to review by the board of assessment review.

14 (iii) If the assessor's determination is made after the filing of the  
15 tentative assessment roll, the assessor shall petition the board of  
16 assessment review to correct the tentative or final assessment roll in  
17 the manner provided in title three of article five of this chapter, with  
18 respect to unlawful entries, in the case of wholly exempt parcels, and  
19 with respect of clerical errors, in the case of partially exempt  
20 parcels, if the assessor determines that an exemption should be granted  
21 and, within ten days of petitioning the board of assessment review,  
22 notify the applicant of the approval or denial of such exemption, the  
23 amount of such exemption, if any, and the applicant's right to adminis-  
24 trative or judicial review of such determination pursuant to article  
25 five or seven of this chapter, respectively.

26 (c) If, for any reason, a determination to exempt property from taxa-  
27 tion as provided in paragraph (b) of this subdivision is not entered on  
28 the final assessment roll, the assessor shall petition the board of  
29 assessment review to correct the final assessment roll.

30 (d) If, for any reason, the pro rata tax credit as provided in para-  
31 graph (a) of this subdivision is not extended against the tax roll imme-  
32 diately succeeding the fiscal year during which the transfer occurred,  
33 the assessor shall immediately notify the municipal corporation which  
34 levied the tax or for which the taxes were levied of the amount of pro  
35 rata exemption credits for the year in which such transfer occurred.  
36 Such municipal corporation shall proceed as provided in subparagraph  
37 (iv) of paragraph (a) of this subdivision.

38 (e) If, for any reason, a determination to exempt property from taxa-  
39 tion as provided in paragraph (b) of this subdivision is not entered on  
40 the tax roll for the year immediately succeeding the fiscal year during  
41 which the transfer occurred, the assessor shall determine the pro rata  
42 tax exemption credit for such tax roll by multiplying the tax rate or  
43 tax rates for each municipal corporation which levied taxes or for which  
44 taxes were levied times the exempt amount and shall immediately notify  
45 such municipal corporation or corporations of the pro rata exemption  
46 credits for such tax roll. Such municipal corporation shall add such pro  
47 rata exemption credits for such property to any outstanding pro rata  
48 exemption amounts and proceed as provided in subparagraph (iv) of para-  
49 graph (a) of this subdivision.

50 § 2. Section 420-b of the real property tax law is amended by adding  
51 a new subdivision 8 to read as follows:

52 8. (a) (i) For the purposes of this subdivision, "municipal corpo-  
53 ration" shall mean a county, city, town, village or school district  
54 which, after public hearing, adopts a local law, ordinance or resol-  
55 ution, providing that this subdivision shall be applicable to nonprofit  
56 organizations within its jurisdiction. Such local law, ordinance or

1 resolution shall apply to property transfers occurring on or after the  
2 effective date of such local law, ordinance or resolution. A copy of  
3 such local law, ordinance or resolution shall be filed with the commis-  
4 sioner.

5 (ii) Where a nonprofit organization that meets the requirements for an  
6 exemption pursuant to this section, purchases property after the levy of  
7 taxes, such nonprofit organization may file, if permitted by a local  
8 law, ordinance or resolution of the municipal corporation in which the  
9 nonprofit organization is located, an application for exemption with the  
10 assessor no later than the time specified in such local law, ordinance  
11 or resolution. The assessor shall make a determination of whether the  
12 parcel would have qualified for exempt status on the tax roll on which  
13 the taxes were levied, had title to the parcel been in the name of the  
14 applicant on the taxable status date applicable to the tax roll. The  
15 application shall be on a form prescribed by the commissioner. The  
16 assessor, no later than thirty days after receipt of such application,  
17 shall notify both the applicant and the board of assessment review, by  
18 first class mail, of the exempt amount, if any, and the right of the  
19 owner to a review of the exempt amount upon the filing of a written  
20 complaint. Such complaint shall be on a form prescribed by the commis-  
21 sioner and shall be filed with the board of assessment review within  
22 twenty days of the mailing of such notice. If no complaint is received,  
23 the board of assessment review shall so notify the assessor and the  
24 exempt amount determined by the assessor shall be final. If the appli-  
25 cant files a complaint, the board of assessment review shall schedule a  
26 time and place for a hearing with respect thereto no later than thirty  
27 days after the mailing of the notice by the assessor. The board of  
28 assessment review shall meet and determine the exempt amount, and shall  
29 immediately notify the assessor and the applicant, by first class mail,  
30 of its determination. The amount of exemption determined pursuant to  
31 this paragraph shall be subject to review as provided in article seven  
32 of this chapter. Such a proceeding shall be commenced within thirty days  
33 of the mailing of the notice of the board of assessment review to the  
34 new owner as provided in this paragraph.

35 (iii) Upon receipt of a determination of the exempt amount as provided  
36 in subparagraph (ii) of this paragraph, the assessor shall determine the  
37 pro rata exemption to be credited toward such property by multiplying  
38 the tax rate or tax rates for each municipal corporation which levied  
39 taxes, or for which taxes were levied, on the appropriate tax roll used  
40 for the fiscal year or years during which the transfer occurred times  
41 the exempt amount, as determined in subparagraph (ii) of this paragraph,  
42 times the fraction of each fiscal year or years remaining subsequent to  
43 the transfer of title. The assessor shall immediately transmit a state-  
44 ment of the pro rata exemption credit due to each municipal corporation  
45 which levied taxes or for which taxes were levied on the tax roll used  
46 for the fiscal year or years during which the transfer occurred and to  
47 the applicant.

48 (iv) Each municipal corporation which receives notice of pro rata  
49 exemption credits pursuant to this subdivision shall include an appro-  
50 priation in its budget for the next fiscal year equal to the aggregate  
51 amount of such credits to be applied in that fiscal year. Where a  
52 parcel, the owner of which is entitled to a pro rata exemption credit,  
53 is subject to taxation in said next fiscal year, the receiver or collec-  
54 tor shall apply the credit to reduce the amount of taxes owed for the  
55 parcel in such fiscal year. Pro rata exemption credits in excess of the  
56 amount of taxes, if any, owed for the parcel shall be paid by the treas-

1 urer of a municipal corporation which levies such taxes for or on behalf  
2 of the municipal corporation to all owners of property entitled to such  
3 credits within thirty days of the expiration of the warrant to collect  
4 taxes in said next fiscal year. Notwithstanding the foregoing, where  
5 the municipal corporation has been reimbursed by another municipal  
6 corporation for the tax credit to be paid to the owner pursuant to this  
7 subdivision, such credit shall be paid to such municipal corporation  
8 instead of such owner.

9 (b) (i) Notwithstanding the provisions of this section, where a  
10 nonprofit organization that meets the requirements for an exemption  
11 pursuant to this section, purchases property after the taxable status  
12 date but prior to the levy of taxes, such nonprofit organization may, if  
13 permitted by a local law, ordinance or resolution of the municipal  
14 corporation in which the nonprofit organization is located, file an  
15 application for an exemption with the assessor within thirty days of the  
16 transfer of title to such nonprofit organization. The assessor shall  
17 make a determination within thirty days after receipt of such applica-  
18 tion of whether the applicant would qualify for an exemption pursuant to  
19 this section on the assessment roll if title had been in the name of the  
20 applicant on the taxable status date applicable to such assessment roll.  
21 The application shall be made on a form prescribed by the commissioner.

22 (ii) If the assessor's determination is made prior to the filing of  
23 the tentative assessment roll, the assessor shall enter the exempt  
24 amount, if any, on the tentative assessment roll and, within ten days  
25 after filing such roll, notify the applicant of the approval or denial  
26 of such exemption, the exempt amount, if any, and the applicant's right  
27 to review by the board of assessment review.

28 (iii) If the assessor's determination is made after the filing of the  
29 tentative assessment roll, the assessor shall petition the board of  
30 assessment review to correct the tentative or final assessment roll in  
31 the manner provided in title three of article five of this chapter, with  
32 respect to unlawful entries, in the case of wholly exempt parcels, and  
33 with respect of clerical errors, in the case of partially exempt  
34 parcels, if the assessor determines that an exemption should be granted  
35 and, within ten days of petitioning the board of assessment review,  
36 notify the applicant of the approval or denial of such exemption, the  
37 amount of such exemption, if any, and the applicant's right to adminis-  
38 trative or judicial review of such determination pursuant to article  
39 five or seven of this chapter, respectively.

40 (c) If, for any reason, a determination to exempt property from taxa-  
41 tion as provided in paragraph (b) of this subdivision is not entered on  
42 the final assessment roll, the assessor shall petition the board of  
43 assessment review to correct the final assessment roll.

44 (d) If, for any reason, the pro rata tax credit as provided in para-  
45 graph (a) of this subdivision is not extended against the tax roll imme-  
46 diately succeeding the fiscal year during which the transfer occurred,  
47 the assessor shall immediately notify the municipal corporation which  
48 levied the tax or for which the taxes were levied of the amount of pro  
49 rata exemption credits for the year in which such transfer occurred.  
50 Such municipal corporation shall proceed as provided in subparagraph  
51 (iv) of paragraph (a) of this subdivision.

52 (e) If, for any reason, a determination to exempt property from taxa-  
53 tion as provided in paragraph (b) of this subdivision is not entered on  
54 the tax roll for the year immediately succeeding the fiscal year during  
55 which the transfer occurred, the assessor shall determine the pro rata  
56 tax exemption credit for such tax roll by multiplying the tax rate or

1 tax rates for each municipal corporation which levied taxes or for which  
2 taxes were levied times the exempt amount and shall immediately notify  
3 such municipal corporation or corporations of the pro rata exemption  
4 credits for such tax roll. Such municipal corporation shall add such pro  
5 rata exemption credits for such property to any outstanding pro rata  
6 exemption amounts and proceed as provided in subparagraph (iv) of para-  
7 graph (a) of this subdivision.

8 § 3. This act shall take effect on the ninetieth day after it shall  
9 have become a law.