STATE OF NEW YORK

4733--A

2017-2018 Regular Sessions

IN SENATE

February 24, 2017

Introduced by Sens. MURPHY, AKSHAR, BROOKS, CARLUCCI, FUNKE, GALLIVAN, GIANARIS, HELMING, JACOBS, KENNEDY, MARCHIONE, ORTT, PHILLIPS, RITCHIE, SERINO, SEWARD, STEWART-COUSINS -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law and the tax law, in relation to removing references to the school tax relief credit; and to repeal certain provisions of such laws relating thereto

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

Section 1. Paragraph (a) of subdivision 6 of section 425 of the real property tax law, as amended by section 1 of part A of chapter 60 of the laws of 2016, is amended to read as follows:

(a) Generally. All owners of the property who primarily reside thereon [~~and who are not subject to the provisions of subdivision sixteen of this section~~] must jointly file an application for exemption with the assessor on or before the appropriate taxable status date. Such application may be filed by mail if it is enclosed in a postpaid envelope properly addressed to the appropriate assessor, deposited in a post office or official depository under the exclusive care of the United States postal service, and postmarked by the United States postal service on or before the applicable taxable status date. Each such application shall be made on a form prescribed by the commissioner, which shall require the applicant or applicants to agree to notify the assessor if their primary residence changes while their property is receiving the exemption. The assessor may request that proof of residency be submitted with the application. If the applicant requests a receipt from the assessor as proof of submission of the application, the assessor shall

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

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provide such receipt. If such request is made by other than personal request, the applicant shall provide the assessor with a self-addressed postpaid envelope in which to mail the receipt.

§ 2. Subdivision 16 of section 425 of the real property tax law is REPEALED.

§ 3. Subdivision 2 of section 496 of the real property tax law, as amended by section 3 of part A of chapter 60 of the laws of 2016, is amended to read as follows:

2. An application to renounce an exemption shall be made on a form prescribed by the commissioner and shall be filed with the county director of real property tax services no later than ten years after the levy of taxes upon the assessment roll on which the renounced exemption appears. The county director, after consulting with the assessor as appropriate, shall compute the total amount owed on account of the renounced exemption as follows:

(a) For each assessment roll on which the renounced exemption appears, the assessed value that was exempted shall be multiplied by the tax rate or rates that were applied to that assessment roll. Interest shall then be added to each such product at the rate prescribed by section nine hundred twenty-four-a of this chapter or such other law as may be applicable for each month or portion thereon since the levy of taxes upon such assessment roll.

(b) The sum of the calculations made pursuant to paragraph (a) of this subdivision with respect to all of the assessment rolls in question shall be determined.

(c) A processing fee of five hundred dollars shall be added to the sum determined pursuant to paragraph (b) of this subdivision[~~, unless the provisions of paragraph (d) of this subdivision are applicable.~~

~~(d) If the applicant is renouncing a STAR exemption in order to qualify for the personal income tax credit authorized by subsection (eee) of section six hundred six of the tax law, and no other exemptions are being renounced on the same application, no processing fee shall be applicable~~].

§ 4. Subdivision 6 of section 1306-a of the real property tax law is REPEALED.

§ 5. Subparagraph (A) of paragraph 3 of subsection (eee) of section 606 of the tax law, as amended by section 8 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(A) [~~Beginning with~~] **For the** taxable [~~years after~~] **years** two thousand [~~fifteen~~] **sixteen and two thousand seventeen**, a basic STAR credit shall be available to a qualified taxpayer if the affiliated income of the parcel that serves as the taxpayer's primary residence is less than or equal to five hundred thousand dollars.

§ 6. The opening paragraph of subparagraph (A) of paragraph 4 of subsection (eee) of section 606 of the tax law, as amended by section 8 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

[~~Beginning with~~] **For the** taxable [~~years after~~] **years** two thousand [~~fifteen~~] **sixteen and two thousand seventeen**, an enhanced STAR credit shall be available to a qualified taxpayer where both of the following conditions are satisfied:

§ 7. Clause (iii) of subparagraph (A) of paragraph 10 of subsection (eee) of section 606 of the tax law is REPEALED.

§ 8. Paragraph (c) of subdivision 11 of section 425 of the real property tax law, as amended by section 3 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(c) Transfers of title. When the assessor has received a report pursuant to section five hundred seventy-four of this chapter of a transfer of title to real property which is exempt pursuant to this section, the assessor shall [~~discontinue the exemption as required by subdivision sixteen of this section~~] send the new owner or owners as shown thereon an application for the exemption authorized by this section. The assessor shall not implement the provisions of section five hundred twenty of this chapter upon such a transfer, except to the extent that the property may also be receiving one or more other exemptions.

§ 9. Paragraph (c) of subdivision 6 of section 425 of the real property tax law, as amended by section 4 of part A of chapter 73 of the laws of 2016, is amended to read as follows:

(c) Senior citizens exemption. When property is eligible for the senior citizens exemption authorized by section four hundred sixty-seven of this [~~article~~] title, it shall also be deemed to be eligible for the enhanced exemption authorized by this section for certain senior citizens, provided, where applicable, that the age requirement established by a municipal corporation pursuant to subdivision five of section four hundred sixty-seven of this [~~article~~] title is satisfied, and no separate application need be filed therefor. [~~Provided, however, that the provisions of this paragraph shall only apply where at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the two thousand fifteen--two thousand sixteen school year and the property was granted an exemption pursuant to this section on such assessment roll.~~]

§ 10. Implementation for the 2018--2019 school year. The commissioner of taxation and finance shall assist localities in notifying the public of the provisions of this act and any action required by taxpayers to receive a STAR exemption for the 2018--2019 school year. Notwithstanding subdivision 6 of section 425 of the real property tax law, for assessment rolls used to levy school district taxes for the 2018--2019 school year, an application for an exemption under section 425 of the real property tax law shall be filed with the local assessor by the last date on which a petition with respect to complaints of assessment may be filed or not later than the sixtieth day after the effective date of this act, whichever is later. The assessor shall approve or deny such application as if it had been filed on or before the taxable status date. If the assessor determines that the property is eligible for the exemption, the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. If the correction is not made before school taxes are levied, the failure to take the exemption into account in the computation of the tax shall be deemed a "clerical error" for purposes of title 3 of article 5 of the real property tax law, or any comparable laws governing the correction of administrative errors on assessment rolls and tax rolls, and shall be corrected accordingly.

Notwithstanding any other provision of law to the contrary, the commissioner of taxation and finance shall immediately notify local assessors of the name and address of any taxpayer within their assessing unit who qualified for the school tax relief (STAR) credit pursuant to subsection (eee) of section 606 of the tax law for taxable year 2017, or has applied for a credit for taxable year 2018 and any additional information available that would assist the assessor in accurately determining the property's eligibility for the STAR exemption pursuant to section 425 of the real property tax law. To the extent possible, the

local assessor shall determine the eligibility of the property for the 2018--2019 school year using information provided by the commissioner of taxation and finance. Taxpayers who applied with the department of taxation and finance for the STAR credit for the 2018--2019 school year or received the STAR credit for the 2017--2018 school year, shall not be required to file an application for an exemption in order to receive an exemption on the same property for the 2018--2019 school year; however, if a property's eligibility cannot be determined by using information supplied by the department of taxation and finance, the assessor may seek additional documentation from the taxpayer to prove his or her eligibility. Such taxpayer shall have until the last date on which a petition, with respect to complaints of assessment may be filed, to supply proof of eligibility, or thirty days of such request, whichever is later. The assessor shall mail notice of his or her determination to such owner. If the assessor determines that the property is eligible for the exemption, the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. If the correction is not made before school taxes are levied, the failure to take the exemption into account in the computation of the tax shall be deemed a "clerical error" for purposes of title 3 of article 5 of the real property tax law, or any comparable laws governing the correction of administrative errors on assessment rolls and tax rolls, and shall be corrected accordingly. Nothing within this act shall preclude a taxpayer from seeking administrative and judicial review of an assessor's denial of the exemption.

§ 11. This act shall take effect immediately.