

STATE OF NEW YORK

6271

2017-2018 Regular Sessions

IN SENATE

May 11, 2017

Introduced by Sen. FELDER -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

AN ACT to amend the administrative code of the city of New York, in relation to extending certain provisions relating to exemptions and deductions from base rent; to amend the real property tax law, in relation to extending certain provisions relating to eligibility periods and requirements; to amend the real property tax law, in relation to extending certain provisions relating to eligibility periods and requirements, benefit periods and applications for abatements; and to amend the administrative code of the city of New York, in relation to extending certain provisions relating to a special reduction in determining the taxable base rent

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

1 Section 1. Subparagraph (b-2) of paragraph 2 of subdivision i of
2 section 11-704 of the administrative code of the city of New York, as
3 amended by section 50 of part A of chapter 20 of the laws of 2015, is
4 amended to read as follows:

5 (b-2) The amount of the special reduction allowed by this subdivision
6 with respect to a lease other than a sublease commencing between July
7 first, two thousand five and June thirtieth, two thousand [~~seventeen~~]
8 twenty-one with an initial or renewal lease term of at least five years
9 shall be determined as follows:

10 (i) For the base year the amount of such special reduction shall be
11 equal to the base rent for the base year.

12 (ii) For the first, second, third and fourth twelve-month periods
13 following the base year the amount of such special reduction shall be
14 equal to the lesser of (A) the base rent for each such twelve-month
15 period or (B) the base rent for the base year.

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

LBD11614-02-7

§ 2. Subdivision 9 of section 499-aa of the real property tax law, as amended by section 51 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

9. "Eligibility period." The period commencing April first, nineteen hundred ninety-five and terminating March thirty-first, two thousand one, provided, however, that with respect to eligible premises defined in subparagraph (i) of paragraph (b) of subdivision ten of this section, the period commencing July first, two thousand and terminating June thirtieth, two thousand ~~[eighteen]~~ twenty-two, and provided, further, however, that with respect to eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of this section, the period commencing July first, two thousand five and terminating June thirtieth, two thousand ~~[eighteen]~~ twenty-two.

§ 3. Subparagraph (iii) of paragraph (a) of subdivision 3 of section 499-cc of the real property tax law, as amended by section 52 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(iii) With respect to the eligible premises defined in subparagraph (ii) of paragraph (b) or paragraph (c) of subdivision ten of section four hundred ninety-nine-aa of this title and for purposes of determining whether the amount of expenditures required by subdivision one of this section have been satisfied, expenditures on improvements to the common areas of an eligible building shall be included only if work on such improvements commenced and the expenditures are made on or after July first, two thousand five and on or before December thirty-first, two thousand ~~[eighteen]~~ twenty-two; provided, however, that expenditures on improvements to the common areas of an eligible building made prior to three years before the lease commencement date shall not be included.

§ 4. Subdivisions 5 and 9 of section 499-a of the real property tax law, as amended by section 53 of part A of chapter 20 of the laws of 2015, are amended to read as follows:

5. "Benefit period." The period commencing with the first day of the month immediately following the rent commencement date and terminating no later than sixty months thereafter, provided, however, that with respect to a lease commencing on or after April first, nineteen hundred ninety-seven with an initial lease term of less than five years, but not less than three years, the period commencing with the first day of the month immediately following the rent commencement date and terminating no later than thirty-six months thereafter. Notwithstanding the foregoing sentence, a benefit period shall expire no later than March thirty-first, two thousand ~~[twenty-four]~~ twenty-eight.

9. "Eligibility period." The period commencing April first, nineteen hundred ninety-five and terminating March thirty-first, two thousand ~~[eighteen]~~ twenty-two.

§ 5. Paragraph (a) of subdivision 3 of section 449-c of the real property tax law, as amended by section 54 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(a) For purposes of determining whether the amount of expenditures required by subdivision one of this section have been satisfied, expenditures on improvements to the common areas of an eligible building shall be included only if work on such improvements commenced and the expenditures are made on or after April first, nineteen hundred ninety-five and on or before September thirtieth, two thousand ~~[eighteen]~~ twenty-two; provided, however, that expenditures on improvements to the common areas of an eligible building made prior to three years before the lease commencement date shall not be included.

1 § 6. Subdivision 8 of section 499-d of the real property tax law, as
2 amended by section 55 of part A of chapter 20 of the laws of 2015, is
3 amended to read as follows:

4 8. Leases commencing on or after April first, nineteen hundred nine-
5 ty-seven shall be subject to the provisions of this title as amended by
6 chapter six hundred twenty-nine of the laws of nineteen hundred ninety-
7 seven, chapter one hundred eighteen of the laws of two thousand one,
8 chapter four hundred forty of the laws of two thousand three, chapter
9 sixty of the laws of two thousand seven, chapter twenty-two of the laws
10 of two thousand ten, chapter fifty-nine of the laws of two thousand
11 fourteen, chapter twenty of the laws of two thousand fifteen and the
12 chapter of the laws of two thousand [~~fifteen~~ seventeen] that added this
13 phrase. Notwithstanding any other provision of law to the contrary, with
14 respect to leases commencing on or after April first, nineteen hundred
15 ninety-seven, an application for a certificate of abatement shall be
16 considered timely filed if filed within one hundred eighty days follow-
17 ing the lease commencement date or within sixty days following the date
18 chapter six hundred twenty-nine of the laws of nineteen hundred ninety-
19 seven became a law, whichever is later.

20 § 7. Subparagraph (a) of paragraph 2 of subdivision i of section
21 11-704 of the administrative code of the city of New York, as amended by
22 section 56 of part A of chapter 20 of the laws of 2015, is amended to
23 read as follows:

24 (a) An eligible tenant of eligible taxable premises shall be allowed a
25 special reduction in determining the taxable base rent for such eligible
26 taxable premises. Such special reduction shall be allowed with respect
27 to the rent for such eligible taxable premises for a period not exceed-
28 ing sixty months or, with respect to a lease commencing on or after
29 April first, nineteen hundred ninety-seven with an initial lease term of
30 less than five years, but not less than three years, for a period not
31 exceeding thirty-six months, commencing on the rent commencement date
32 applicable to such eligible taxable premises, provided, however, that in
33 no event shall any special reduction be allowed for any period beginning
34 after March thirty-first, two thousand [~~twenty-four~~ twenty-eight]. For
35 purposes of applying such special reduction, the base rent for the base
36 year shall, where necessary to determine the amount of the special
37 reduction allowable with respect to any number of months falling within
38 a tax period, be prorated by dividing the base rent for the base year by
39 twelve and multiplying the result by such number of months.

40 § 8. This act shall take effect immediately.