

STATE OF NEW YORK

1203--B

2017-2018 Regular Sessions

IN ASSEMBLY

January 11, 2017

Introduced by M. of A. BRAUNSTEIN, BENEDETTO, MOSLEY, JAFFEE, DenDEKKER, COLTON, O'DONNELL -- Multi-Sponsored by -- M. of A. COOK, HIKIND, LALOR, RIVERA -- read once and referred to the Committee on Real Property Taxation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Real Property Taxation in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York and the real property tax law, in relation to increasing the average assessed value threshold; and to amend the real property tax law, in relation to the eligibility for J-51 tax abatements to reflect cost of living adjustments

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

1 Section 1. Subparagraph (ii) of paragraph 3 of subdivision d of
2 section 11-243 of the administrative code of the city of New York, as
3 amended by local law number 49 of the city of New York for the year
4 1993, is amended to read as follows:
5 (ii) is owned as a condominium and is occupied as the residence or
6 home of three or more families living independently of each other;
7 provided, however, that, in addition to all other conditions of eligi-
8 bility for the benefits of this section, except for multiple dwellings
9 in which units have been newly created by substantial rehabilitation of
10 vacant buildings or conversions of non-residential buildings, the avail-
11 ability of benefits under this section for such multiple dwellings,
12 buildings or structures shall be conditioned on the following: (a)
13 alterations or improvements to at least one building-wide system are
14 part of the application for benefits, and (b) (i) the assessed valuation
15 of such multiple dwelling, building, or structure, including land, shall
16 not exceed an average of [~~thirty~~ **fifty**] thousand dollars per dwelling

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

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1 unit at the time of the commencement of the alterations or improvements,
2 and (ii) during the three years immediately preceding the commencement
3 of the alterations or improvements the average per room sale price of
4 the dwelling units or the stock allocated to such dwelling units shall
5 have been no greater than thirty-five percent of the maximum mortgage
6 amount for a single family home eligible for purchase by the Federal
7 National Mortgage Association; provided that if less than ten percent of
8 the dwelling units or an amount of stock less than the amount allocable
9 to ten percent of such dwelling units was not transferred during such
10 preceding three year period, eligibility for benefits shall be condi-
11 tioned upon the multiple dwelling, building, or structure having an
12 assessed valuation per dwelling unit of no more than twenty-five thou-
13 sand dollars at the time of the commencement of the alterations or
14 improvements. Provided, further, that such benefits shall be available
15 only for alterations or improvements commenced on or after June first,
16 nineteen hundred eighty-six.

17 § 2. The opening paragraph of paragraph (a) of subdivision 1 of
18 section 489 of the real property tax law, as amended by section 19 of
19 part A of chapter 20 of the laws of 2015, is amended to read as follows:

20 Any city to which the multiple dwelling law is applicable, acting
21 through its local legislative body or other governing agency, is hereby
22 authorized and empowered, to and including January first, two thousand
23 ~~nineteen~~ twenty-two, to adopt and amend local laws or ordinances
24 providing that any increase in assessed valuation of real property shall
25 be exempt from taxation for local purposes, as provided herein, to the
26 extent such increase results from:

27 § 3. The closing paragraph of subparagraph 6 of paragraph (a) of
28 subdivision 1 of section 489 of the real property tax law, as amended by
29 section 20 of part A of chapter 20 of the laws of 2015, is amended to
30 read as follows:

31 Such conversion, alterations or improvements shall be completed within
32 thirty months after the date on which same shall be started except that
33 such thirty month limitation shall not apply to conversions of residen-
34 tial units which are registered with the loft board in accordance with
35 article seven-C of the multiple dwelling law pursuant to subparagraph
36 one of this paragraph. Notwithstanding the foregoing, a sixty month
37 period for completion shall be available for alterations or improvements
38 undertaken by a housing development fund company organized pursuant to
39 article eleven of the private housing finance law, which are carried out
40 with the substantial assistance of grants, loans or subsidies from any
41 federal, state or local governmental agency or instrumentality or which
42 are carried out in a property transferred from such city if alterations
43 and improvements are completed within seven years after the date of
44 transfer. In addition, the local housing agency is hereby empowered to
45 grant an extension of the period of completion for any project carried
46 out with the substantial assistance of grants, loans or subsidies from
47 any federal, state or local governmental agency or instrumentality, if
48 such alterations or improvements are completed within sixty months from
49 commencement of construction. Provided, further, that such conversion,
50 alterations or improvements shall in any event be completed prior to
51 June thirtieth, two thousand ~~nineteen~~ twenty-two. Exemption for
52 conversions, alterations or improvements pursuant to subparagraph one,
53 two, three or four of this paragraph shall continue for a period not to
54 exceed fourteen years and begin no sooner than the first quarterly tax
55 bill immediately following the completion of such conversion, alter-
56 ations or improvements. Exemption for alterations or improvements pursu-

1 ant to this subparagraph or subparagraph five of this paragraph shall
2 continue for a period not to exceed thirty-four years and shall begin no
3 sooner than the first quarterly tax bill immediately following the
4 completion of such alterations or improvements. Such exemption shall be
5 equal to the increase in the valuation which is subject to exemption in
6 full or proportionally under this subdivision for ten or thirty years,
7 whichever is applicable. After such period of time, the amount of such
8 exempted assessed valuation of such improvements shall be reduced by
9 twenty percent in each succeeding year until the assessed value of the
10 improvements are fully taxable. Provided, however, exemption for any
11 conversion, alterations or improvements which are aided by a loan or
12 grant under article eight, eight-A, eleven, twelve, fifteen or twenty-
13 two of the private housing finance law, section six hundred ninety-six-a
14 or section ninety-nine-h of the general municipal law, or section three
15 hundred twelve of the housing act of nineteen hundred sixty-four (42
16 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing
17 act (42 U.S.C.A. 12701 et. seq.), or started after July first, nineteen
18 hundred eighty-three by a housing development fund company organized
19 pursuant to article eleven of the private housing finance law which are
20 carried out with the substantial assistance of grants, loans or subsi-
21 dies from any federal, state or local governmental agency or instrumen-
22 tality or which are carried out in a property transferred from any city
23 and where alterations and improvements are completed within seven years
24 after the date of transfer may commence at the beginning of any tax
25 quarter subsequent to the start of such conversion, alterations or
26 improvements and prior to the completion of such conversion, alterations
27 or improvements.

28 § 4. Subparagraph (iv) of paragraph (c) of subdivision 17 of section
29 489 of the real property tax law, as added by chapter 388 of the laws of
30 2016, is amended to read as follows:

31 (iv) Notwithstanding anything to the contrary contained herein, the
32 assessed value limitation shall not at any time exceed [~~thirty-five~~
33 fifty thousand dollars.

34 § 5. This act shall take effect immediately.