

STATE OF NEW YORK

2273

2017-2018 Regular Sessions

IN SENATE

January 12, 2017

Introduced by Sens. HANNON, AVELLA -- read twice and ordered printed,
and when printed to be committed to the Committee on Local Government

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:

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

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

13 (ii) Where a nonprofit organization that meets the requirements for an
14 exemption pursuant to this section, purchases property after the levy of
15 taxes, such nonprofit organization may, if permitted by a local law,
16 ordinance or resolution of the municipal corporation in which the
17 nonprofit organization is located, file an application for exemption
18 with the assessor no later than the time specified in such local law,
19 ordinance or resolution. The assessor shall make a determination of
20 whether the parcel would have qualified for exempt status on the tax
21 roll on which the taxes were levied, had title to the parcel been in the
22 name of the applicant on the taxable status date applicable to the tax
23 roll. The application shall be on a form prescribed by the commissioner.
24 The assessor, no later than thirty days after receipt of such applica-

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

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tion, 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 application for an exemption with the assessor within thirty days of the transfer of title to such nonprofit organization. The assessor shall

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

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

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

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

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

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

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

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

1 such local law, ordinance or resolution shall be filed with the commis-
2 sioner.

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

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

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

1 credits within thirty days of the expiration of the warrant to collect
2 taxes in said next fiscal year. Notwithstanding the foregoing, where
3 the municipal corporation has been reimbursed by another municipal
4 corporation for the tax credit to be paid to the owner pursuant to this
5 subdivision, such credit shall be paid to such municipal corporation
6 instead of such owner.

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

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

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

38 (c) 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 final assessment roll, the assessor shall petition the board of
41 assessment review to correct the final assessment roll.

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

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

1 such municipal corporation or corporations of the pro rata exemption
2 credits for such tax roll. Such municipal corporation shall add such pro
3 rata exemption credits for such property to any outstanding pro rata
4 exemption amounts and proceed as provided in subparagraph (iv) of para-
5 graph (a) of this subdivision.

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