STATE OF NEW YORK

6711

2017-2018 Regular Sessions

IN SENATE

June 14, 2017

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

AN ACT to amend the administrative code of the city of New York, in relation to the taxation of the transfer of real property

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

Section 1. Paragraph 9 of subdivision b of section 11-2106 of the administrative code of the city of New York, as added by chapter 264 of the laws of 2016, is amended to read as follows:

9. A deed, instrument or transaction conveying or transferring real property or an economic interest therein by or to any housing development fund company organized pursuant to article eleven of the private housing finance law or to an entity, the controlling interest of which is held by such a company, if at the time of such conveyance or transfer, such real property is subject to, or simultaneously with such conveyance or transfer is made subject to, a regulatory agreement with the state of New York, a municipal corporation or any other public corporation created by or pursuant to any law of the state of New York that: encumbers the real property for thirty years or more, requires mutual consent for revocation or amendment, restricts more than fifty percent of the floor area, other than common areas, to residential real property, and restricts at least sixty-six and two-thirds percent of such residential real property to purchase, lease, license or other use by persons of low income and families of low income within the meaning of section two of the private housing finance law; provided, however, that if such regulatory agreement restricts less than one hundred percent of the floor area, other than common areas, to purchase, lease, license or other use by persons of low income and families of low income within the meaning of section two of the private housing finance law, the tax shall apply to the consideration less the product of the consideration and a fraction, the numerator of which is the floor area that

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

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such regulatory agreement restricts to purchase, lease, license or other use by persons of low income and families of low income within the meaning of section two of the private housing finance law and the denominator of which is the entire floor area, minus the floor area of common areas; provided further, that if such real property is made subject to a regulatory agreement that meets the terms of this paragraph within two years of the conveyance or transfer then the commissioner of finance may issue a refund based on the application of this paragraph pursuant to the provisions of section 11-2108 of this chapter, treating the transfer or conveyance as if such real property were subject to such regulatory agreement as of the date of such transfer or conveyance, if, notwithstanding any other time limitation set forth in section 11-2108 of this chapter, application to the commissioner of finance for such refund is made within twelve months of the effective date of such regulatory agreement. **Notwithstanding any provision of this paragraph to the contrary, any deed, instrument or transaction conveying or transferring real property or an economic interest therein by or to any housing development fund company organized pursuant to article eleven of the private housing finance law or to an entity, the controlling interest of which is held by such a company, made prior to August nineteen, two thousand sixteen shall be exempt pursuant to paragraph two of this subdivision.**

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on the same date and in the same manner as chapter 264 of the laws of 2016.