

# STATE OF NEW YORK

1928

2019-2020 Regular Sessions

## IN ASSEMBLY

January 18, 2019

Introduced by M. of A. LENTOL -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, the real property tax law and the general municipal law, in relation to providing personal income tax credit for real property taxes paid by honorably discharged veterans or the unremarried surviving spouses of such veterans; and to repeal sections 458 and 458-a of the real property tax law and sections 11-245.45, 11-245.5, 11-245.6 and 11-245.7 of the administrative code of the city of New York relating thereto

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (jjj) to read as follows:

(jjj) Real property tax credit for veterans. (1) A taxpayer who is an honorably discharged veteran of the Spanish-American war, the Mexican Border period, World War I, World War II, the hostilities which commenced June twenty-seventh, nineteen hundred fifty to the thirty-first of January, nineteen hundred fifty-five, or the hostilities participated in by the military forces of the United States, from the first day of January, nineteen hundred sixty-three, to the seventh of May, nineteen hundred seventy-five; or the unremarried surviving spouse of such veteran shall be allowed a credit of fifteen percent of real property taxes paid during the taxable year to a municipality not to exceed two hundred fifty dollars against the tax imposed by this article.

(2) Any such taxpayer who served in a combat theatre or combat zone of operations, as documented by the award of a United States campaign ribbon or service medal, or the unremarried surviving spouse of such veteran, shall be allowed an additional credit of ten percent of real property taxes paid during the taxable year to a municipality, not to exceed two hundred dollars, against the tax imposed by this article.

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

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1     (3) Any such taxpayer who sustained a one hundred percent service  
2 connected disability, or the unremarried surviving spouse of such  
3 taxpayer, shall be allowed a credit of sixty percent of real property  
4 taxes paid during the taxable year to a municipality, not to exceed one  
5 thousand dollars, against the tax imposed by this article.

6     (4) Any such taxpayer who sustained a service connected disability in  
7 excess of fifty percent but less than one hundred percent, or the unre-  
8 married surviving spouse of such taxpayer, shall be allowed a credit of  
9 forty-five percent of real property taxes paid during the taxable year  
10 to a municipality, not to exceed seven hundred fifty dollars, against  
11 the tax imposed by this article.

12     (5) Any such taxpayer who sustained a service connected disability of  
13 less than fifty percent, or the unremarried surviving spouse of such  
14 taxpayer, shall be allowed a credit of thirty percent of real property  
15 taxes paid during the taxable year to a municipality, not to exceed five  
16 hundred dollars, against the tax imposed by this article.

17     (6) A taxpayer, or the unremarried surviving spouse of such taxpayer,  
18 described in paragraphs one through five, respectively, of this  
19 subsection who rented real property for personal residential purposes  
20 shall determine the percentage of total rental payments attributable to  
21 payment of real property taxes imposed upon the lessor and treat such  
22 percentage of payments, for purposes of credits permitted by this  
23 subsection, as if such taxpayer had paid real property taxes directly to  
24 the taxing municipality.

25     (7) A taxpayer, or the unremarried surviving spouse of such taxpayer,  
26 described in paragraphs one through five, respectively, of this  
27 subsection who owns shares of a residential cooperative corporation and  
28 occupies an apartment as his or her principal residence pursuant to  
29 proprietary lease for said apartment, shall compute his or her propor-  
30 tionate share of the real property taxes paid by the cooperative corpo-  
31 ration for purposes of credits permitted by this subsection as if such  
32 taxpayer had paid real property taxes directly to the taxing munici-  
33 pality.

34     (8) Such tax credits will be granted on "qualifying real property".  
35 "Qualifying real property" means property containing three or less resi-  
36 dential or commercial units (but not less than one residential unit)  
37 owned or, in the case of an apartment or other such unit, rented by a  
38 taxpayer described in this subsection or in the case of a cooperative  
39 apartment, occupied by a tenant-shareholder of a cooperative corporation  
40 who is a taxpayer described in this subsection, which is used wholly or  
41 partially for residential purposes. Such property, or a unit thereof,  
42 must be the primary residence of the veteran or unremarried surviving  
43 spouse of the veteran, unless the veteran or unremarried surviving  
44 spouse is absent from the property due to medical reasons or institu-  
45 tionalization. In the event the veteran dies and there is no unremarried  
46 surviving spouse, "qualifying real property" shall mean property  
47 containing the primary residence owned by a qualified owner prior to  
48 death, provided that the title to the property becomes vested in the  
49 dependent father or mother or dependent child or children under twenty-  
50 one years of age of a veteran by virtue of devise by or descent from the  
51 deceased qualified owner, provided that the property or a unit thereof  
52 is the primary residence of one or all of the devisees.

53     (9) Such veterans who received real property tax exemptions pursuant  
54 to the provisions of former section four hundred fifty-eight of the real  
55 property tax law, for any real property taxable year between nineteen  
56 hundred eighty-one and nineteen hundred ninety shall receive either the

1 credits provided for in this subsection or a credit in the amount of  
2 real property tax savings in this subsection, resulting from such  
3 exemptions for any one of such real property taxable years, whichever is  
4 greater.

5 (10) Notwithstanding the foregoing provisions of this subsection, such  
6 veterans who have received assistance from the federal government  
7 towards the acquisition of a suitable housing unit with special fixtures  
8 or movable facilities made necessary by the nature of the veteran's  
9 disability shall be entitled to a credit equal to one hundred percent of  
10 the real property taxes paid on the veteran's residence or the rent  
11 attributable to real property taxes, including school taxes and special  
12 assessments, during the calendar year.

13 (11) Credits which exceed the amount of tax due shall be refunded to  
14 the taxpayer. The commissioner shall prepare forms to be used for such  
15 refunds by taxpayers not required to file returns pursuant to this arti-  
16 cle.

17 (12) The commissioner shall promulgate rules and regulations to imple-  
18 ment the provisions of this subsection.

19 § 2. Subdivision 1 of section 844 of the real property tax law, as  
20 amended by chapter 654 of the laws of 2004 and as further amended by  
21 subdivision (b) of section 1 of part W of chapter 56 of the laws of  
22 2010, is amended to read as follows:

23 1. In any county to which this title is applicable, county taxes shall  
24 be apportioned among the cities and towns within the county on the basis  
25 of the proportion of the total full valuation of taxable real property  
26 within the county which is located within each city and town. This total  
27 valuation shall be determined by dividing the taxable assessed value of  
28 taxable real property by the appropriate city or town equalization rate  
29 as certified by the commissioner pursuant to this title. For purposes of  
30 this section: (a) "taxable real property" excludes real property which,  
31 by statute, is wholly exempt from county taxation, (b) "taxable assessed  
32 value" is limited to the assessed value actually subject to county taxa-  
33 tion except that it also includes the amount of assessed value partially  
34 exempt from county taxation pursuant to (i) sections [~~four hundred~~  
35 ~~fifty-eight,~~] four hundred sixty and four hundred sixty-four of this  
36 chapter, and (ii) such other sections of law as the county legislature  
37 designates by resolution to be included in the total valuation. Where  
38 the commissioner furnishes the same state equalization or special equal-  
39 ization rate for two or more of the cities and towns in the county for  
40 use by that county in the apportionment of taxes, the commissioner shall  
41 concurrently therewith notify the county that county taxes may be appor-  
42 tioned in the manner provided by subdivision two of this section.

43 § 3. Section 51 of the general municipal law, as amended by chapter  
44 614 of the laws of 1981, is amended to read as follows:

45 § 51. Prosecution of officers for illegal acts. All officers, agents,  
46 commissioners and other persons acting, or who have acted, for and on  
47 behalf of any county, town, village or municipal corporation in this  
48 state, and each and every one of them, may be prosecuted, and an action  
49 may be maintained against them to prevent any illegal official act on  
50 the part of any such officers, agents, commissioners or other persons,  
51 or to prevent waste or injury to, or to restore and make good, any prop-  
52 erty, funds or estate of such county, town, village or municipal corpo-  
53 ration by any person or corporation whose assessment, or by any number  
54 of persons or corporations, jointly, the sum of whose assessments shall  
55 amount to one thousand dollars, and who shall be liable to pay taxes on  
56 such assessment in the county, town, village or municipal corporation or

1 by any person who owns shares in a cooperative housing corporation where  
2 the pro rata share of the assessment attributable to such shares shall  
3 amount to one thousand dollars (or by any number of such persons, joint-  
4 ly, the sum of whose pro rata shares shall amount to one thousand  
5 dollars) and where the cooperative housing corporation shall be liable  
6 to pay taxes on such assessment in the county, town, village or municipi-  
7 pal corporation to prevent the waste or injury of whose property the  
8 action is brought, or who have been assessed or paid taxes therein upon  
9 any assessment of the above-named amount within one year previous to the  
10 commencement of any such action, or who has been so assessed but has not  
11 paid nor shall be liable to pay any or the full amount of taxes on such  
12 assessment because of a veteran's [~~exemption therefrom~~] credit thereto  
13 pursuant to subsection (jii) of section [~~four~~] six hundred [~~fifty-eight~~]  
14 six of the [~~real-property~~] tax law, or who has been so assessed but has  
15 not paid nor shall be liable to pay any or the full amount of taxes on  
16 such assessment because of an exemption therefrom granted to persons  
17 sixty-five years of age or over or their spouses pursuant to the real  
18 property tax law. Such person or corporation upon the commencement of  
19 such action, shall furnish a bond to the defendant therein, to be  
20 approved by a justice of the supreme court or the county judge of the  
21 county in which the action is brought, in such penalty as the justice or  
22 judge approving the same shall direct, but not less than two hundred and  
23 fifty dollars, and to be executed by any two of the plaintiffs, if there  
24 be more than one party plaintiff, providing said two parties plaintiff  
25 shall severally justify in the sum of five thousand dollars. Said bond  
26 shall be approved by said justice or judge and be conditioned to pay all  
27 costs that may be awarded the defendant in such action if the court  
28 shall finally determine the same in favor of the defendant. The court  
29 shall require, when the plaintiffs shall not justify as above mentioned,  
30 and in any case may require two more sufficient sureties to execute the  
31 bond above provided for. Such bond shall be filed in the office of the  
32 county clerk of the county in which the action is brought, and a copy  
33 shall be served with the summons in such action. If an injunction is  
34 obtained as herein provided for, the same bond may also provide for the  
35 payment of the damages arising therefrom to the party entitled to the  
36 money, the auditing, allowing or paying of which was enjoined, if the  
37 court shall finally determine that the plaintiff is not entitled to such  
38 injunction. In case the waste or injury complained of consists in any  
39 board, officer or agent in any county, town, village or municipal corpo-  
40 ration, by collusion or otherwise, contracting, auditing, allowing or  
41 paying, or conniving at the contracting, audit, allowance or payment of  
42 any fraudulent, illegal, unjust or inequitable claims, demands or  
43 expenses, or any item or part thereof against or by such county, town,  
44 village or municipal corporation, or by permitting a judgment to be  
45 recovered against such county, town, village or municipal corporation,  
46 or against himself in his official capacity, either by default or with-  
47 out the interposition and proper presentation of any existing legal or  
48 equitable defenses, or by any such officer or agent, retaining or fail-  
49 ing to pay over to the proper authorities any funds or property of any  
50 county, town, village or municipal corporation, after he shall have  
51 ceased to be such officer or agent, the court may, in its discretion,  
52 prohibit the payment or collection of any such claims, demands, expenses  
53 or judgments, in whole or in part, and shall enforce the restitution and  
54 recovery thereof, if heretofore or hereafter paid, collected or retained  
55 by the person or party heretofore or hereafter receiving or retaining  
56 the same, and also may, in its discretion, adjudge and declare the

1 colluding or defaulting official personally responsible therefor, and  
2 out of his property, and that of his bondsmen, if any, provide for the  
3 collection or repayment thereof, so as to indemnify and save harmless  
4 the said county, town, village or municipal corporation from a part or  
5 the whole thereof; and in case of a judgment the court may in its  
6 discretion, vacate, set aside and open said judgment, with leave and  
7 direction for the defendant therein to interpose and enforce any exist-  
8 ing legal or equitable defense therein, under the direction of such  
9 person as the court may, in its judgment or order, designate and  
10 appoint. All books of minutes, entry or account, and the books, bills,  
11 vouchers, checks, contracts or other papers connected with or used or  
12 filed in the office of, or with any officer, board or commission acting  
13 for or on behalf of any county, town, village or municipal corporation  
14 in this state or any body corporate or other unit of local government in  
15 this state which possesses the power to levy taxes or benefit assess-  
16 ments upon real estate or to require the levy of such taxes or assess-  
17 ments or for which taxes or benefit assessments upon real estate may be  
18 required pursuant to law to be levied, including the Albany port  
19 district commission, are hereby declared to be public records, and shall  
20 be open during all regular business hours, subject to reasonable regu-  
21 lations to be adopted by the applicable local legislative body, to the  
22 inspection of any taxpayer or registered voter, who may copy, photograph  
23 or make photocopies thereof on the premises where such records are regu-  
24 larly kept. This section shall not be so construed as to take away any  
25 right of action from any county, town, village or municipal corporation,  
26 or from any public officer, but any right of action now existing, or  
27 which may hereafter exist in favor of any county, town, village or  
28 municipal corporation, or in favor of any officer thereof, may be  
29 enforced by action or otherwise by the persons hereinbefore authorized  
30 to prosecute and maintain actions; and whenever by the provisions of  
31 this section an action may be prosecuted or maintained against any offi-  
32 cer or other person, his bondsmen, if any, may be joined in such action  
33 or proceeding and their liabilities as such enforced by the proper judg-  
34 ment or direction of the court; but any recovery under the provisions of  
35 this article shall be for the benefit of and shall be paid to the offi-  
36 cer entitled by law to hold and disburse the public moneys of such coun-  
37 ty, town, village or municipal corporation, and shall, to the amount  
38 thereof, be credited the defendant in determining his liability in the  
39 action by the county, town, village or municipal corporation or public  
40 officer. The provisions of this article shall apply as well to those  
41 cases in which the body, board, officer, agent, commissioner or other  
42 person above named has not, as to those in which it or he has jurisdic-  
43 tion over the subject-matter of its action.

44 § 4. Section 11-245.45 of the administrative code of the city of New  
45 York is REPEALED.

46 § 5. Sections 11-245.5, 11-245.6 and 11-245.7 of the administrative  
47 code of the city of New York are REPEALED.

48 § 6. Paragraph (f) of subdivision 2 of section 467-a of the real prop-  
49 erty tax law, as amended by chapter 97 of the laws of 2013, is amended  
50 to read as follows:

51 (f) For purposes of this subdivision, a property shall be deemed not  
52 to be receiving complete or partial real property tax exemption or tax  
53 abatement if the property is, or certain dwelling units therein are,  
54 receiving benefits pursuant to section four hundred, four hundred two,  
55 four hundred four, four hundred six, four hundred eight, four hundred  
56 ten, four hundred ten-a, four hundred twelve, four hundred twelve-a,

1 four hundred sixteen, four hundred eighteen, four hundred twenty-a, four  
2 hundred twenty-b, four hundred twenty-five, four hundred thirty-six,  
3 ~~[four hundred fifty-eight, four hundred fifty-eight-a,]~~ four hundred  
4 fifty-nine-c, four hundred sixty-two, four hundred sixty-seven, four  
5 hundred sixty-seven-b, four hundred ninety-nine-bbb, or four hundred  
6 ninety-nine-bbbb of this article, or if the property is receiving a tax  
7 abatement but not a tax exemption pursuant to section four hundred  
8 eighty-nine of this article.

9 § 7. Subdivision (f) of section 1801 of the real property tax law, as  
10 amended by chapter 191 of the laws of 2001, is amended to read as  
11 follows:

12 (f) "Base proportion" means either: (1) for a special assessing unit  
13 which is not a city, the proportion of the taxable assessed value of  
14 real property which each class constituted of the total taxable assessed  
15 value of all real property as entered on the final assessment roll  
16 completed and filed in calendar year nineteen hundred eighty-one of such  
17 special assessing unit or on the part of that assessment roll applicable  
18 to a portion of the special assessing unit, except that for town and  
19 county special districts not included within the definition of portion,  
20 the applicable roll shall be that which was completed and filed in  
21 calendar year two thousand one, or (2) for a special assessing unit  
22 which is a city, the proportion of the taxable assessed value of real  
23 property which each class constituted of the total taxable assessed  
24 value of all real property as entered on the final assessment roll  
25 completed and filed in calendar year nineteen hundred eighty-four, ~~[and~~  
26 ~~as adjusted to account for properties exempted under section four~~  
27 ~~hundred fifty eight of this chapter to the extent such properties are~~  
28 ~~taxable for education purposes,~~] provided, however, that the taxable  
29 assessed value of real property subject to a transition assessment  
30 pursuant to subdivision three of section eighteen hundred five of this  
31 article shall be determined from the lesser of the transition assessment  
32 or actual assessment.

33 § 8. Sections 458 and 458-a of the real property tax law are REPEALED.

34 § 9. This act shall take effect immediately and shall apply to  
35 personal income taxable years beginning on and after January 1, 2021,  
36 provided, however, that section four of this act shall take effect Janu-  
37 ary 1, 2021.