STATE OF NEW YORK

4284

2019-2020 Regular Sessions

IN ASSEMBLY

February 4, 2019

Introduced by M. of A. WALLACE -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to providing state aid to certain public school districts in which tax exempt entities are situated; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. The real property tax law is amended by adding a new section 546-a to read as follows:

§ 546-a. State aid; exempt lands of tax exempt entities. 1. In any public school district in which more than twenty-five percent of the total assessed value of real property therein, as determined by the assessor of such district, is owned by tax exempt entities, the state shall make payments to those public school districts in accordance with this section.

2. The commissioner shall create the form of application a public school district must use when making a submission pursuant to this section. The commissioner shall also establish the date by which all applications must be submitted. No applications for payment shall be accepted after the date established by the commissioner.

3. The commissioner shall make payments, the aggregate of which shall not exceed two million five hundred thousand dollars per year, per public school district, eligible pursuant to subdivision one of this section, that have made timely application therefor. For each such public school district, the payment shall be computed as follows:

(a) School districts where more than forty percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of five hundred thousand dollars; school districts where more than forty-five percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of seven hundred fifty thousand dollars; school districts where more than fifty percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of one

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

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million dollars; school districts where more than fifty-five percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of one million five hundred thousand dollars; school districts where more than sixty percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of two million dollars; and school districts where more than sixty-five percent of the total assessed value of real property therein is owned by tax exempt entities shall receive a maximum of two million five hundred thousand dollars;

(b) Multiply the maximum entitlement for each high needs rural, suburban, or urban school district, as determined by the department of education, by 1; multiply the maximum entitlement for each Rochester, Buffalo, Syracuse, Yonkers, New York City, or average needs school district, as determined by the department of education, by 0.5; multiply the maximum entitlement for each low needs school district, as determined by the department of education, by 0;

(c) For school districts with more than eight hundred fifty students, multiply that figure by 1; for school districts with two hundred eighty to eight hundred forty-nine students, multiply that figure by 0.7; for school districts with two hundred seventy-nine students or less, multiply that figure by 0.4;

(d) At the end of each fiscal year the commissioner shall calculate and establish an adjusted reimbursement rate by increasing the then current reimbursement rate by the rate of inflation for the most recent twelve month period using the consumer price index-all urban consumers, or a successor index as calculated by the United States Department of Labor, if such rate of inflation is greater than zero percent, or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors or such other wage as may be established in accordance with the provisions of this article.

4. The commissioner shall promulgate all rules and regulations necessary for the implementation of the provisions of this section.

5. When calculating the assessed value of any parcel of property for purposes of this section, the value in any year may not be greater than the base year plus two percent for each additional year beyond the base year. The base year for all property for purposes of this section shall be the assessed value of such property for the two thousand eighteen--two thousand nineteen assessment roll.

6. The assessed value of any property that receives tax exempt status after the effective date of this section must be equivalent to similarly situated parcels. The commissioner may refuse to include a parcel in the calculations required by this section if the commissioner determines that the assessed value of such parcel is artificially high and disproportionate to the taxable parcels located within the public school districts.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to assessment rolls prepared on the basis of taxable status dates occurring on or after the first of July next succeeding the date on which this act shall have become a law. This act shall expire 5 years after such effective date when upon such date the provisions of this act shall be deemed repealed. Effective immediately, any rules and regulations necessary to implement the provisions of this act on its effective date are authorized to be made on or before such date.