STATE OF NEW YORK

6543

2019-2020 Regular Sessions

IN ASSEMBLY

March 11, 2019

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

AN ACT to amend the real property tax law, in relation to excluding water system property owned by water-works corporations from special franchise tax

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

Section 1. Subdivision 17 of section 102 of the real property tax law, as amended by chapter 569 of the laws of 1996, is amended to read as follows:

17. "Special franchise" means the franchise, right, authority or permission to construct, maintain or operate in, under, above, upon or through any public street, highway, water or other public place mains, pipes, tanks, conduits, wires or transformers, with their appurtenances, for conducting [~~water,~~] steam, light, power, electricity, gas or other substance***, excluding water***. For purposes of assessment and taxation a special franchise shall include the value of the tangible property situated in, under, above, upon or through any public street, highway, water or other public place in connection therewith. The term special franchise shall not include central office equipment or station equipment (except public telephone terminal equipment) which first appears on assessment rolls prepared on the basis of taxable status dates occurring on or after October first, nineteen hundred ninety-five and which is owned by a telephone company as defined in paragraph (d) of subdivision twelve of this section, or owned by a telephone corporation as defined in subdivision seventeen of section two of the public service law and certified by the public service commission under section ninety-nine of such law, nor shall it include property of a municipal corporation, public benefit corporation or special district, nor shall it include a crossing less than two hundred fifty feet in length of a public street, highway, water or other public place outside a city or village, unless

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

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such crossing be the continuation of an occupancy of another public street, highway, water or other public place. **The term special franchise shall also not include any water system property owned by a water-works corporation as such terms are defined in section two of the public service law.**

§ 2. The taxable assessed valuation of any water system special franchise property, as defined in subdivision 17 of section 102 of the real property tax law, owned by a water-works corporation that is used for conducting water on assessment rolls required by law to be completed and filed on or after January first, two thousand nineteen shall not exceed the taxable assessed valuation of such real property on final assessment rolls completed and filed on or after January first, two thousand eighteen; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January first, two thousand twenty shall not exceed eighty percent of the taxable assessed valuation of such real property on final assessment rolls completed and filed on or after January first, two thousand eighteen; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January first, two thousand twenty-one shall not exceed sixty percent of the taxable assessed valuation of such real property on final assessment rolls completed and filed on or after January first, two thousand eighteen; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January first, two thousand twenty-two shall not exceed forty percent of the taxable assessed valuation of such real property on final assessment rolls completed and filed on or after January first, two thousand eighteen; and the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January first, two thousand twenty-three shall not exceed twenty percent of the taxable assessed valuation of such real property on final assessment rolls completed and filed on or after January first, two thousand eighteen.

§ 3. For purposes of this act, any tax relief realized by a water-works corporation shall be used to reduce current water rates and offset future water rate increases.

§ 4. This act shall take effect immediately; provided, however, that section one of this act shall take effect January 1, 2024.