

STATE OF NEW YORK

7616

IN SENATE

January 31, 2020

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

AN ACT to amend the real property tax law, in relation to establishing a nonprofit organization rent increase exemption

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

Section 1. Article 4 of the real property tax law is amended by adding a new title 6 to read as follows:

TITLE 6

TAX ABATEMENT FOR LIMITING RENT INCREASES ON

NONPROFIT ORGANIZATIONS IN A CITY OF ONE MILLION OR MORE PERSONS

Section 499-aaaaa. Definitions.

499-bbbbbb. Real property tax abatement.

499-cccccc. Eligibility requirements.

499-dddddd. Application for certificate of abatement.

499-eeeeee. Enforcement and administration.

499-ffffff. Reporting requirements; revocation of abatements.

499-gggggg. Tax lien; interest and penalty.

499-hhhhhh. Confidentiality.

§ 499-aaaaa. Definitions. When used in this title, the following terms shall mean or include:

1. "Abatement base". The lesser of (a) two dollars and fifty cents of the tax liability per square foot or (b) fifty per centum of the tax liability per square foot.

2. "Abatement zone". Any area of a city having a population of one million or more. Any tax lot that is partly located inside an abatement zone shall be deemed to be entirely located inside such zone.

3. "Aggregate floor area". The sum of the gross areas of the several floors of a building, measured from the exterior faces of exterior walls or from the center lines of walls separating two buildings.

4. "Applicant". The landlord and the tenant.

5. "Benefit period". The period commencing with the first day of the month immediately following the rent commencement date and terminating no later than one hundred twenty months thereafter.

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

LBD11882-02-9

1 6. "Billable assessed value". The lesser of the taxable transitional
2 or the taxable actual assessed value of the eligible building and the
3 land on which the eligible building is located for the fiscal year in
4 which the benefit period commences.

5 7. "Commercial activities". The buying, selling or otherwise providing
6 of goods or services by a nonprofit organization.

7 8. "Department of finance". The department of finance of any city
8 having a population of one million or more.

9 9. "Eligible building". With respect to the abatement zone defined in
10 subdivision two of this section, a non-residential or mixed-use building
11 which shall not include any building owned by a governmental agency.
12 Each condominium unit in a building that meets the requirements of this
13 subdivision shall be considered a separate eligible building.

14 10. "Eligibility period". The period commencing April first, two thou-
15 sand twenty-one and terminating March thirty-first, two thousand thir-
16 ty-one.

17 11. "Eligible premises". With respect to the abatement zone defined in
18 subdivision two of this section, premises located in an eligible build-
19 ing that (a) are occupied or used by a nonprofit organization and (b)
20 are occupied or used by a tenant under a lease that meets the eligibil-
21 ity requirements of section four hundred ninety-nine-cccc of this
22 title.

23 12. "Fiscal year". The fiscal year of any city having a population of
24 one million or more.

25 13. "Governmental agency". The United States of America or any agency
26 or instrumentality thereof, the state of New York, the city of New York,
27 any public corporation (including a body corporate and politic created
28 pursuant to agreement or compact between the state of New York and any
29 other state), public benefit corporation, public authority or other
30 political subdivision of the state.

31 14. "Landlord". Any person who (a) controls all non-residential
32 portions of an eligible building, including, without limitation, the
33 record owner, the lessee under a ground lease, any mortgagee in
34 possession or any receiver, and (b) who grants the right to use or occu-
35 py eligible premises to any tenant, provided that landlord shall not
36 include any lessee who at any time during the lease term occupied or
37 used or occupies or uses any part of the non-residential portions of
38 such eligible building, other than premises occupied or used by such
39 lessee to provide rental or management services to such building.

40 15. "Lease commencement date". The date set forth in the lease on
41 which the term of the lease commences.

42 16. "Mixed-use building". A building used for both residential and
43 commercial activities or by a nonprofit organization, provided that more
44 than twenty-five per centum of the aggregate floor area of such building
45 is used or held out for use as commercial, community facility or acces-
46 sory use space.

47 17. "Person". An individual, corporation, limited liability company,
48 partnership, association, agency, trust, estate, foreign or domestic
49 government or subdivision thereof, nonprofit organization, or other
50 entity.

51 18. "Renewal tenant". A person who (a) occupies premises in an eligi-
52 ble building under a lease which expires during the eligibility period
53 and (b) executes a lease for the continued occupancy of all or part of
54 such premises or all or part of such premises and additional premises in
55 such eligible building, provided such premises are eligible premises and

1 such lease meets the eligibility requirements of section four hundred
2 ninety-nine-cccc of this title.

3 19. "Rent commencement date". The date set forth in the lease on which
4 the obligation to pay basic fixed rent shall commence.

5 20. "Subtenant". A person whose right to occupy and use the eligible
6 premises is not derived from a lease with the landlord.

7 21. "Tax commission". The tax commission in any city having a popu-
8 lation of one million or more.

9 22. "Tax liability". The product obtained by multiplying the billable
10 assessed value for the fiscal year in which the benefit period commences
11 by the tax rate applicable to the eligible building for such fiscal year
12 as set by the local legislative body of any city having a population of
13 one million or more.

14 23. "Tax liability per square foot". The tax liability divided by the
15 total number of square feet in the eligible building, as listed on the
16 records of the department of finance.

17 24. "Tenant". A person, including any successors in interest, who
18 executes a lease with the landlord for the right to occupy or use the
19 eligible premises and who occupies or uses the eligible premises pursu-
20 ant to such lease. Tenant shall not include any subtenant. When used in
21 this title, "tenant" includes "renewal tenant".

22 25. "Tenant's percentage share". The percentage of the eligible
23 building's aggregate floor area allocated to the eligible premises,
24 which shall be presumed to be such percentage as set forth in the lease
25 for the eligible premises.

26 § 499-bbbbb. Real property tax abatement. 1. Within a city having a
27 population of one million or more, eligible buildings containing eligi-
28 ble premises shall receive an abatement of real property taxes during
29 the benefit period as follows:

30 (a) for each of the first five years of the benefit period, the abate-
31 ment shall be equal to the product obtained by (i) multiplying the
32 tenant's percentage share by the number of square feet in the eligible
33 building, as listed on the records of the department of finance and (ii)
34 multiplying the product obtained in subparagraph (i) of this paragraph
35 by the abatement base;

36 (b) for the sixth, seventh, and eighth year of the benefit period, the
37 abatement shall be equal to two-thirds of the abatement in the first
38 year of the benefit period; and

39 (c) for the ninth and tenth year of the benefit period, the abatement
40 shall be equal to one-third of the abatement in the first year of the
41 benefit period.

42 2. If, as a result of application to the tax commission or a court
43 order or action by the department of finance, the billable assessed
44 value is reduced, the department of finance shall recalculate the abate-
45 ment utilizing such reduced billable assessed value. The amount equal to
46 the difference between the abatement originally granted and the abate-
47 ment as so recalculated shall be deducted from any refund otherwise
48 payable or remission otherwise due as a result of such reduction in
49 billable assessed value, and any balance of such amount remaining unpaid
50 after making any such deduction shall be paid to the department of
51 finance within thirty days from the date of mailing by the department of
52 finance of a notice of the amount payable. Such amount payable shall
53 constitute a tax lien on the eligible building as of the date of such
54 notice and, if not paid within such thirty-day period, penalty and
55 interest at the rate applicable to delinquent taxes on such eligible

1 building shall be charged and collected on such amount from the date of
2 such notice to the date of payment.

3 3. In no event shall the abatement for the eligible premises granted
4 pursuant to this title exceed the tax liability allocable to the eligi-
5 ble premises.

6 4. Notwithstanding the provisions of any lease for occupancy of non-
7 eligible premises in an eligible building or for occupancy of eligible
8 premises for which no certificate of abatement has been issued pursuant
9 to this title, a lessee of non-eligible premises or of eligible premises
10 for which no certificate of abatement has been issued pursuant to this
11 title shall not be entitled to receive directly or indirectly a
12 reduction in either the real property taxes or any rent (including addi-
13 tional rent) payable pursuant to such lease where such reduction would
14 result from an abatement of real property taxes granted pursuant to this
15 title. A landlord of an eligible building shall not allocate, credit,
16 assign or disburse any portion of an abatement granted pursuant to this
17 title to a lessee of non-eligible premises or of eligible premises for
18 which no certificate of abatement has been issued pursuant to this
19 title. A landlord shall not be required to reduce the real property
20 taxes or any rent (including additional rent) payable by renewal tenants
21 by an amount that exceeds the full amount of the abatement granted
22 pursuant to this title, but a landlord shall be required to reduce the
23 real property taxes or any rent (including additional rent) payable by
24 renewal tenants by an amount that, in the aggregate, equals the full
25 amount of the abatement granted pursuant to this title. Such reduction
26 shall be allocated in accordance with the abatement granted for the
27 eligible premises occupied by each such tenant.

28 5. A tenant who occupies or uses eligible premises for which a certif-
29 icate of abatement is issued pursuant to this title shall not be eligi-
30 ble to receive a second certificate of abatement for the same eligible
31 premises. A tenant who occupies or uses eligible premises for which a
32 certificate of abatement is issued pursuant to this title and who, upon
33 the expiration of the lease for such eligible premises, relocates to
34 otherwise eligible premises, shall not be eligible to receive a certif-
35 icate of abatement for such otherwise eligible premises, except to the
36 extent that the square footage of such otherwise eligible premises
37 exceeds the square footage of all eligible premises previously occupied
38 or used by such tenant for which such tenant held a certificate of
39 abatement. If the square footage of such otherwise eligible premises
40 exceeds the square footage of all such eligible premises previously
41 occupied or used by such tenant and if there is any variation in the tax
42 liability per square foot of such otherwise eligible premises, then, for
43 purposes of determining which square footage in such otherwise eligible
44 premises is entitled to an abatement pursuant to this title, square
45 footage with the greatest tax liability per square foot, in an amount
46 equal to the square footage of all such eligible premises previously
47 occupied or used by such tenant, shall first be excluded.

48 § 499-cccc. Eligibility requirements. 1. No abatement shall be grant-
49 ed pursuant to this title unless:

50 (a) the landlord enters into a ten year lease for eligible premises
51 with a tenant; and

52 (b) such landlord includes within such lease with a tenant a renewal
53 clause that limits a rent increase to no more than three percent annual-
54 ly.

2. No abatement shall be granted pursuant to this title if an applicant shall fail to meet any of the requirements of this title within sixty days of the rent commencement date.

3. For purposes of this title, the expiration date of a lease shall be determined by the expiration date set forth in such lease, without giving effect to any rights of the landlord or the tenant to terminate such lease prior to the expiration date set forth therein.

4. The lease for the eligible premises shall contain the following provisions:

(a) a statement of the tenant's percentage share;

(b) a statement certifying the percentage of eligible premises occupied or used by a nonprofit organization; and

(c) a statement informing the tenant in at least twelve-point type that:

(1) an application for abatement of real property taxes pursuant to this title will be made for the premises;

(2) the rent, including amounts payable by the tenant for real property taxes, will accurately reflect any abatement of real property taxes granted pursuant to this title for the premises;

(3) a renewal of the lease will not increase rent by more than three percent annually pursuant to the lease agreement;

(4) all abatements granted with respect to a building pursuant to this title will be revoked if, during the benefit period, real estate taxes or water or sewer charges or other lienable charges are unpaid for more than one year, unless such delinquent amounts are paid as provided in subdivision four of section four hundred ninety-nine-fffff of this title; and

(5) all benefits granted with respect to eligible premises will be reduced if, during the benefit period, the aggregate floor area of such eligible premises occupied or used by a nonprofit organization is reduced.

5. No abatement shall be granted pursuant to this title if:

(a) the lease for the eligible premises provides that during the initial lease term required by subdivision one of this section either the landlord or the tenant may terminate such lease prior to the expiration date of such required initial lease term; provided that such lease may provide that either the landlord or the tenant may terminate such lease if (1) the other party is in default of any of such party's obligations under the lease, (2) the eligible premises are damaged or destroyed by fire or other casualty, (3) the eligible premises are rendered unusable for any reason not attributable to any act or failure to act of either tenant or landlord, or (4) the eligible premises are acquired by eminent domain; and

(b) there are real property taxes, water or sewer charges or other lienable charges currently due and owing on the eligible building which is the subject of an application for abatement pursuant to this title, unless such real property taxes or charges are currently being paid in timely installments pursuant to a written agreement with the department of finance or other appropriate agency.

6. No abatement shall be granted pursuant to this title unless the applicant shall file, together with the application, an affidavit setting forth the following information:

(a) a statement that within the seven years immediately preceding the date of application for a certificate of abatement, neither the applicant nor any person owning a substantial interest in the eligible building as defined in paragraph (c) of this subdivision, nor any officer,

1 director or general partner of the applicant or such person was finally
2 adjudicated by a court of competent jurisdiction to have violated
3 section two hundred thirty-five of the real property law or any section
4 of article one hundred fifty of the penal law or any similar arson law
5 of another jurisdiction with respect to any building, or was an officer,
6 director or general partner of a person at the time such person was
7 finally adjudicated to have violated such law; and

8 (b) a statement setting forth any pending charges alleging violation
9 of section two hundred thirty-five of the real property law or any
10 section of article one hundred fifty of the penal law or any similar
11 arson law of another jurisdiction with respect to any building by the
12 applicant or any person owning a substantial interest in the eligible
13 building as defined in paragraph (c) of this subdivision, or any offi-
14 cer, director or general partner of the applicant or such person, or any
15 person for whom the applicant or person owning a substantial interest in
16 the eligible building is an officer, director or general partner.

17 (c) For purposes of this subdivision and subdivision seven of section
18 four hundred ninety-nine-fffff of this title, "substantial interest"
19 shall mean ownership and control of an interest of ten per centum or
20 more in the eligible building or in any person owning the eligible
21 building.

22 § 499-ddddd. Application for certificate of abatement. 1. Application
23 for a certificate of abatement may be made on or after April first, two
24 thousand twenty and until sixty days after the end of the eligibility
25 period. Applications shall be filed with the department of finance. No
26 application may be filed prior to the date on which the lease for the
27 eligible premises is executed by the landlord and tenant.

28 2. No abatement pursuant to this title shall be granted unless the
29 applicant files an application for a certificate of abatement within
30 sixty days following the lease commencement date.

31 3. In addition to any other information required by the department of
32 finance, the application for a certificate of abatement shall include an
33 abstract of the lease for the eligible premises for which an abatement
34 is being sought, which abstract is signed by the landlord and the
35 tenant. Such abstract shall include the tenant's percentage share, the
36 lease commencement date, the rent commencement date, the expiration date
37 for such lease and a description of the lease renewal clause, including
38 the annual rent increase percentage. Such application shall also include
39 (a) a statement of the number of persons who will, on the rent commence-
40 ment date, be employed in the eligible premises, (b) a statement of the
41 location of all commercial space in the city of New York occupied by the
42 tenant prior to the execution of the lease for the eligible premises,
43 (c) the commencement and expiration dates of all leases for eligible
44 premises, and (d) the aggregate floor area of the eligible building.
45 Such application shall also state that the applicant agrees to comply
46 with and be subject to the rules issued from time to time by the depart-
47 ment of finance.

48 4. Within one hundred eighty days following the lease commencement
49 date, the applicant shall provide, in addition to any other information
50 required by the department of finance, evidence acceptable to the
51 department of finance of the number of employees in the eligible prem-
52 ises. The department of finance shall issue a certificate of abatement
53 upon determining that the applicant has submitted proof acceptable to
54 the department of finance that the applicant has met the requirements
55 set forth in this title.

1 5. The burden of proof shall be on the applicant to show by clear and
2 convincing evidence that the requirements for granting a certificate of
3 abatement have been satisfied. The department of finance shall have the
4 authority to require that statements in connection with such application
5 be made under oath.

6 6. The department of finance may provide by rule for reasonable admin-
7 istrative charges or fees necessary to defray expenses in administering
8 the abatement program provided by this title.

9 § 499-eeee. Enforcement and administration. The department of finance
10 shall have, in addition to any other functions, powers and duties which
11 have been or may be conferred on it by law, the following functions,
12 powers and duties:

13 1. To receive and review applications for certificates of abatement
14 under this title and issue such certificates where authorized pursuant
15 to this title.

16 2. To receive all certificates of continuing eligibility required by
17 section four hundred ninety-nine-ffff of this title.

18 3. To collect all real property taxes, with interest and penalty, due
19 and owing as a result of reduction, termination or revocation of any
20 abatement granted pursuant to this title.

21 4. To make and promulgate rules to carry out the purposes of this
22 title.

23 § 499-ffff. Reporting requirements; revocation of abatements. 1. For
24 the duration of the applicant's benefit period, the applicant shall file
25 annually with the department of finance, on or before July first of each
26 year, a certificate of continuing eligibility confirming that the eligi-
27 ble premises are occupied by the tenant who originally executed the
28 lease and that the eligible premises are being used for the purposes
29 described in the application. Such certificate of continuing eligibil-
30 ity shall be on a form prescribed by the department of finance and shall
31 contain such additional information as the department of finance shall
32 require. The department of finance shall have the authority to terminate
33 abatements granted pursuant to this title upon failure of an applicant
34 to file such certificate by such July first date. The burden of proof
35 shall be on the applicant to establish continuing eligibility for bene-
36 fits and the department of finance shall have the authority to require
37 that statements made in such certificate shall be made under oath.

38 2. The department of finance shall revoke any abatement granted pursu-
39 ant to this title when the tenant who originally executed the lease is
40 no longer occupying the eligible premises. Such revocation shall be
41 retroactive to the date that such tenant vacated the eligible premises
42 and the department of finance shall require the landlord to pay, with
43 interest, any taxes which become payable as a result of such revocation.
44 The landlord shall notify the department of finance within thirty days
45 following the date on which such tenant vacated the eligible premises
46 and, for failure to comply with this notification requirement, shall be
47 liable for penalty calculated for the same period as interest is calcu-
48 lated pursuant to the preceding sentence.

49 3. If any portion of the premises for which an abatement has been
50 granted pursuant to this title ceases to be occupied or used as eligible
51 premises or is occupied by a subtenant, the department of finance shall
52 reduce the abatement granted pursuant to this title by an amount equal
53 to the percentage of such eligible premises which has ceased to be occu-
54 pi ed or used as eligible premises or is occupied by a subtenant. Such
55 reduction shall be retroactive to the date that such premises ceased to
56 be occupied or used as eligible premises or was occupied by a subtenant,

1 and the department of finance shall require the landlord to pay, with
2 interest, any taxes which become payable as a result of such reduction.
3 The landlord shall notify the department of finance within thirty days
4 following the date on which the premises ceased to be occupied or used
5 as eligible premises or was occupied by a subtenant and, for failure to
6 comply with this notification requirement, shall be liable for penalty
7 calculated for the same period as interest is calculated pursuant to the
8 preceding sentence.

9 4. If, during the benefit period, any real property tax or water or
10 sewer charge or other lienable charge due and payable with respect to an
11 eligible building shall remain unpaid for at least one year following
12 the date upon which such tax or charge became due and payable, all
13 abatements granted pursuant to this title with respect to such building
14 shall be revoked, unless within thirty days from the mailing of a notice
15 of revocation by the department of finance satisfactory proof is
16 presented to the department of finance that any and all delinquent taxes
17 and charges owing with respect to such building as of the date of such
18 notice have been paid in full or are currently being paid in timely
19 installments pursuant to a written agreement with the department of
20 finance or other appropriate agency. Any revocation pursuant to this
21 subdivision shall be effective with respect to real property taxes which
22 become due and payable following the date of such revocation.

23 5. The department of finance may deny, reduce, suspend, terminate or
24 revoke any abatement granted pursuant to this title whenever:

25 (a) the landlord or the tenant receiving abatement pursuant to this
26 title fails to comply with the requirements of this title or the rules
27 promulgated hereunder; or

28 (b) an application, certificate, report or other document submitted by
29 the applicant contains a false or misleading statement as to a material
30 fact or omits to state any material fact necessary in order to make the
31 statement therein not false or misleading, and may declare any applicant
32 who makes such false or misleading statement or omission to be ineligi-
33 ble for future abatement pursuant to this title for the same or other
34 property. In addition, the department of finance shall require the
35 applicant to pay, with penalty and interest, any abatement received
36 pursuant to this title as a result of such false or misleading statement
37 or omission of a material fact.

38 6. Notwithstanding any other provision of this title, the department
39 of finance shall deny, terminate or revoke any abatement applied for or
40 granted pursuant to this title upon a determination that the lease
41 between the landlord and the tenant does not constitute a bona fide
42 arm's length lease. In making such determination, the department of
43 finance may consider, among other factors, the relationship, if any,
44 between the landlord and the tenant and whether the business terms of
45 such lease are consistent with the business terms generally found in
46 leases for comparable space.

47 7. (a) If any person described in the statement required by paragraph
48 (b) of subdivision six of section four hundred ninety-nine-cccc of this
49 title or paragraph (b) of this subdivision is finally adjudicated by a
50 court of competent jurisdiction to be guilty of any charge listed in
51 such statement, the department of finance shall revoke the abatement
52 granted pursuant to this title and shall require the payment, with
53 interest, of any abatement received pursuant to this title.

54 (b) The applicant shall, on the certificate of continuing eligibility,
55 state whether any charges alleging violation by the applicant or any
56 person owning a substantial interest in the eligible building, or any

1 officer, director or general partner of the applicant or person owning a
2 substantial interest in the eligible building, or any person for whom
3 the applicant or person owning a substantial interest in the eligible
4 building is an officer, director or general partner, of section two
5 hundred thirty-five of the real property law or any section of article
6 one hundred fifty of the penal law or any similar arson law of another
7 jurisdiction, are pending. For purposes of this paragraph, "substantial
8 interest" shall have the same meaning as set forth in paragraph (c) of
9 subdivision six of section four hundred ninety-nine-cccc of this title.

10 § 499-ggggg. Tax lien; interest and penalty. All taxes, with interest,
11 required to be paid retroactively pursuant to this title shall consti-
12 tute a tax lien as of the date it is determined such taxes and interest
13 are owed. All interest shall be calculated from the date the taxes would
14 have been due but for the abatement granted pursuant to this title at
15 the applicable rate or rates of interest imposed by such city generally
16 for non-payment of real property tax with respect to the eligible build-
17 ing for the period in question. When a provision of this title requires
18 the payment of a penalty in addition to interest, the amount of such
19 penalty shall be equal to the amount of interest that would have been
20 payable pursuant to such provision had such interest been calculated at
21 the rate of three percent per annum.

22 § 499-hhhhh. Confidentiality. 1. Except in accordance with a proper
23 judicial order or as otherwise provided by law, it shall be unlawful for
24 the commissioner of finance, any officer or employee of the department
25 of finance, the president or a commissioner or employee of the tax
26 commission, any person engaged or retained by such department or such
27 commission on an independent contract basis, or any person who, pursuant
28 to this title, is permitted to inspect any information submitted by an
29 applicant to the department of finance pursuant to this title or to whom
30 a copy, an abstract or a portion of any such information is furnished,
31 to divulge or make known in any manner any such information to any
32 person not authorized pursuant to this title to inspect such informa-
33 tion. The officers charged with custody of such information shall not be
34 required to produce any of it or evidence of anything contained in it in
35 any action or proceeding in any court except on behalf of the commis-
36 sioner of finance in an action or proceeding under the provisions of
37 this title, or on behalf of any party to any action or proceeding under
38 the provisions of this title when such information or facts shown there-
39 by are directly involved in such action or proceeding, in either of
40 which events the court may require the production of, and may admit in
41 evidence so much of such information or of the facts shown thereby, as
42 are pertinent to the action or proceeding and no more. Nothing herein
43 shall be construed to prohibit the inspection by the legal represen-
44 tatives of the department of finance or the tax commission of such
45 information submitted by any applicant who shall bring an action to
46 correct an assessment. Nothing herein shall be construed to prohibit
47 the delivery to an applicant or the applicant's duly authorized repre-
48 sentative of a certified copy of any information submitted by an appli-
49 cant to the department of finance pursuant to this title; or to any
50 agency or any department of any city having a population of one million
51 or more provided the same is requested for official business; nor to
52 prohibit the inspection for official business of such information by the
53 corporation counsel or other legal representatives of a city having a
54 population of one million or more or by the district attorney of any
55 county within such city; nor to prohibit the publication of statistics
56 so classified as to prevent the identification of such information or

1 particular items thereof. Information submitted by an applicant to the
2 department of finance pursuant to this title shall not be subject to
3 disclosure pursuant to article six of the public officers law.

4 2. Any violation of the provisions of subdivision one of this section
5 shall be punishable by a fine not exceeding one thousand dollars or by
6 imprisonment not exceeding one year, or both, at the discretion of the
7 court, and if the offender be an officer or employee of the department
8 of finance or of the tax commission, the offender shall be dismissed
9 from office.

10 § 2. This act shall take effect immediately.