

STATE OF NEW YORK

3474

2019-2020 Regular Sessions

IN ASSEMBLY

January 29, 2019

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

AN ACT to amend the real property tax law, in relation to establishing an exemption for reservists

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

1 Section 1. The real property tax law is amended by adding a new
2 section 458-c to read as follows:

3 § 458-c. Reservist exemption. 1. The following terms whenever used or
4 referred to in this section shall have the following meanings unless a
5 different meaning clearly appears in the context:

6 (a) "Reservist" means any member of the federal reserve force of the
7 United States military.

8 (b) "Period of war" means the Spanish-American war; the Mexican border
9 period; World War I; World War II; the hostilities, known as the Korean
10 war, which commenced June twenty-seventh, nineteen hundred fifty and
11 terminated on January thirty-first, nineteen hundred fifty-five; the
12 hostilities, known as the Vietnam war, which commenced February twenty-
13 eight, nineteen hundred sixty-one and terminated on May seventh, nine-
14 teen hundred seventy-five; and the hostilities, known as the Persian
15 Gulf conflict, which commenced August second, nineteen hundred ninety.

16 (c) "Service connected" means, with respect to disability or death,
17 that such disability was incurred or aggravated, or that the death
18 resulted from a disability incurred or aggravated, in line of duty in
19 the active military, naval or air service.

20 (d) "Qualified owner" means a reservist, the spouse of a reservist or
21 the unremarried surviving spouse of a reservist. Where property is owned
22 by more than one qualified owner, the exemption to which each is enti-
23 tled may be combined. Where a reservist is also the unremarried surviv-
24 ing spouse of a reservist or veteran, such person may also receive any
25 exemption to which the deceased spouse was entitled.

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

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(e) "Qualifying residential real property" means property owned by a qualified owner which is used exclusively for residential purposes; provided however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation and the remaining portion only shall be entitled to the exemption provided by this section. Such property must be the primary residence of the reservist or unremarried surviving spouse of the reservist, unless the reservist or unremarried surviving spouse is absent from the property due to medical reasons or institutionalization. In the event the reservist dies and there is no unremarried surviving spouse, "qualifying residential real property" shall mean the primary residence owned by a qualified owner prior to death, provided that the title to the property becomes vested in the dependent father or mother or dependent child or children under twenty-one years of age of a reservist by virtue of devise by or descent from the deceased qualified owner, provided that the property is the primary residence of one or all of the devisees.

(f) "Latest state equalization rate" means the latest final state equalization rate or special equalization rate established by the commissioner pursuant to article twelve of this chapter. The commissioner shall establish a special equalization rate if it finds that there has been a material change in the level of assessment since the establishment of the latest state equalization rate, but in no event shall such special equalization rate exceed one hundred. In the event that the state equalization rate exceeds one hundred, then the state equalization rate shall be one hundred for the purposes of this section. Where a special equalization rate is established for purposes of this section, the assessor is directed and authorized to recompute the reservist exemption on the assessment roll by applying such special equalization rate instead of the latest state equalization rate applied in the previous year and to make the appropriate corrections on the assessment roll, notwithstanding the fact that such assessor may receive the special equalization rate after the completion, verification and filing of such final assessment roll. In the event that the assessor does not have custody of the roll when such recomputation is accomplished, the assessor shall certify such recomputation to the local officers having custody and control of such roll, and such local officers are hereby directed and authorized to enter the recomputed reservist exemption certified by the assessor on such roll.

(g) "Latest class ratio" means the latest final class ratio established by the commissioner pursuant to title one of article twelve of this chapter for use in a special assessing unit as defined in section eighteen hundred one of this chapter.

2. (a) Qualifying residential real property shall be exempt from taxation to the extent of fifteen percent of the assessed value of such property; provided, however, that such exemption shall not exceed twelve thousand dollars or the product of twelve thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less.

(b) In addition to the exemption provided by paragraph (a) of this subdivision, where the reservist 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 armed forces expeditionary medal, or global war on terrorism expeditionary medal, qualifying residential real property also shall be exempt from taxation to the extent

1 of ten percent of the assessed value of such property; provided, howev-
2 er, that such exemption shall not exceed eight thousand dollars or the
3 product of eight thousand dollars multiplied by the latest state equal-
4 ization rate for the assessing unit, or in the case of a special assess-
5 ing unit, the class ratio, whichever is less.

6 (c) In addition to the exemptions provided by paragraphs (a) and (b)
7 of this subdivision, where the reservist received a compensation rating
8 from the United States veteran's administration or from the United
9 States department of defense because of a service connected disability,
10 qualifying residential real property shall be exempt from taxation to
11 the extent of the product of the assessed value of such property multi-
12 plied by fifty percent of the reservist's disability rating; provided,
13 however, that such exemption shall not exceed forty thousand dollars or
14 the product of forty thousand dollars multiplied by the latest state
15 equalization rate for the assessing unit, or in the case of a special
16 assessing unit, the latest class ratio, whichever is less. For purposes
17 of this paragraph, where a person who served in the active military,
18 naval or air service during a period of war died in service of a service
19 connected disability, such person shall be deemed to have been assigned
20 a compensation rating of one hundred percent.

21 (d) (i) The exemption from taxation provided by this subdivision shall
22 be applicable to county, city, town and village taxation, but shall not
23 be applicable to taxes levied for school purposes.

24 (ii) Each county, city, town or village may adopt a local law to
25 reduce the maximum exemption allowable in paragraphs (a), (b) and (c) of
26 this subdivision to nine thousand dollars, six thousand dollars and
27 thirty thousand dollars, respectively, or six thousand dollars, four
28 thousand dollars and twenty thousand dollars, respectively. Each county,
29 city, town, or village is also authorized to adopt a local law to
30 increase the maximum exemption allowable in paragraphs (a), (b) and (c)
31 of this subdivision to fifteen thousand dollars, ten thousand dollars
32 and fifty thousand dollars, respectively; eighteen thousand dollars,
33 twenty thousand dollars and sixty thousand dollars, respectively; twen-
34 ty-one thousand dollars, fourteen thousand dollars, and seventy thousand
35 dollars, respectively; twenty-four thousand dollars, sixteen thousand
36 dollars, and eighty thousand dollars, respectively; twenty-seven thou-
37 sand dollars, eighteen thousand dollars, and ninety thousand dollars,
38 respectively; thirty thousand dollars, twenty thousand dollars, and one
39 hundred thousand dollars, respectively; thirty-three thousand dollars,
40 twenty-two thousand dollars, and one hundred ten thousand dollars,
41 respectively; thirty-six thousand dollars, twenty-four thousand dollars,
42 and one hundred twenty thousand dollars, respectively. In addition, a
43 county, city, town or village which is a "high-appreciation municipi-
44 pality" as defined in this subparagraph is authorized to adopt a local
45 law to increase the maximum exemption allowable in paragraphs (a), (b)
46 and (c) of this subdivision to thirty-nine thousand dollars, twenty-six
47 thousand dollars, and one hundred thirty thousand dollars, respectively;
48 forty-two thousand dollars, twenty-eight thousand dollars, and one
49 hundred forty thousand dollars, respectively; forty-five thousand
50 dollars, thirty thousand dollars and one hundred fifty thousand dollars,
51 respectively; forty-eight thousand dollars, thirty-two thousand dollars
52 and one hundred sixty thousand dollars, respectively; fifty-one thousand
53 dollars, thirty-four thousand dollars and one hundred seventy thousand
54 dollars, respectively; fifty-four thousand dollars, thirty-six thousand
55 dollars and one hundred eighty thousand dollars, respectively. For
56 purposes of this subparagraph, a "high-appreciation municipality" means:

1 (A) a special assessing unit that is a city, (B) a county for which the
2 commissioner has established a sales price differential factor for
3 purposes of the STAR exemption authorized by section four hundred twen-
4 ty-five of this title in three consecutive years, and (C) a city, town
5 or village which is wholly or partly located within such a county.

6 3. Application for exemption must be made by the owner, or all of the
7 owners, of the property on a form prescribed by the commissioner. The
8 owner or owners shall file the completed form in the assessor's office
9 on or before the appropriate taxable status date. The exemption shall
10 continue in full force and effect for all appropriate subsequent tax
11 years and the owner or owners of the property shall not be required to
12 refile each year. Applicants shall be required to refile on or before
13 the appropriate taxable status date if the percentage of disability
14 percentage increases or decreases or may refile if other changes have
15 occurred which affect qualification for an increased or decreased amount
16 of exemption. Any applicant convicted of making any willful false state-
17 ment in the application for such exemption shall be subject to the
18 penalties prescribed in the penal law.

19 4. Notwithstanding the provisions of this section or any other
20 provision of law, in a city having a population of one million or more,
21 applications for the exemption authorized pursuant to this section shall
22 be considered timely filed if they are filed on or before the fifteenth
23 day of March of the appropriate year.

24 5. Notwithstanding the foregoing provisions of this section, no later
25 than ninety days before the taxable status date next occurring on or
26 after the thirty-first day of December nineteen hundred eighty-four, the
27 governing board of any county, city, town or village may adopt a local
28 law to provide that no exemption shall be granted pursuant to this
29 section for the purposes of taxes levied for such county, city, town or
30 village. For the purposes of a county which is not an assessing unit,
31 the taxable status date next occurring on or after December thirty-
32 first, nineteen hundred eighty-four shall mean the first such taxable
33 status date of any city or town within such county upon the assessment
34 roll of which the county levies taxes. A local law adopted pursuant to
35 this subdivision may be repealed by the governing board of the applica-
36 ble county, city, town or village. Such repeal must occur at least nine-
37 ty days prior to the taxable status date of such county, city, town or
38 village.

39 6. Notwithstanding any other provision of law to the contrary, the
40 provisions of this section shall apply to any real property held in
41 trust solely for the benefit of a person or persons who would otherwise
42 be eligible for a real property tax exemption, pursuant to this section,
43 were such person or persons the owner or owners of such real property.

44 7. (a) For the purposes of this section, title to that portion of real
45 property owned by a cooperative apartment corporation in which a
46 tenant-stockholder of such corporation resides and which is represented
47 by his or her share or shares of stock in such corporation as determined
48 by its or their proportional relationship to the total outstanding stock
49 of the corporation, including that owned by the corporation, shall be
50 deemed to be vested in such tenant-stockholder.

51 (b) Provided that all other eligibility criteria of this section are
52 met, that proportion of the assessment of such real property owned by a
53 cooperative apartment corporation determined by the relationship of such
54 real property vested in such tenant-stockholder to such real property
55 owned by such cooperative apartment corporation in which such tenant-
56 stockholder resides shall be subject to exemption from taxation pursuant

1 to this section and any exemption so granted shall be credited by the
2 appropriate taxing authority against the assessed valuation of such real
3 property; the reduction in real property taxes realized thereby shall be
4 credited by the cooperative apartment corporation against the amount of
5 such taxes otherwise payable by or chargeable to such tenant-stockhold-
6 er.

7 (c) Notwithstanding paragraph (b) of this subdivision, a tenant-stock-
8 holder who resides in a dwelling that is subject to the provisions of
9 either article two, four, five or eleven of the private housing finance
10 law shall not be eligible for an exemption pursuant to this section.

11 (d) Notwithstanding paragraph (b) of this subdivision, real property
12 owned by a cooperative corporation may be exempt from taxation pursuant
13 to this section by a municipality in which such property is located only
14 if the governing body of such municipality, after public hearing, adopts
15 a local law, ordinance or resolution providing therefor.

16 8. (a) As used in this subdivision, "Gold Star Parent" shall mean the
17 parent of a child who died in the line of duty while serving in the
18 United States armed forces during a period of war.

19 (b) A county, city, town, or village may adopt a local law to include
20 a Gold Star Parent within the definition of "qualified owner", as
21 provided in paragraph (d) of subdivision one of this section, and to
22 include property owned by a Gold Star Parent within the definition of
23 "qualifying residential real property" as provided in paragraph (e) of
24 subdivision one of this section, provided that such property shall be
25 the primary residence of the Gold Star Parent.

26 (c) The additional exemption provided for in paragraph (c) of subdivi-
27 sion two of this section shall not apply to real property owned by a
28 Gold Star Parent.

29 9. Notwithstanding the provisions of paragraph (c) of subdivision two
30 of this section and subdivision three of this section, the governing
31 body of any municipality may, after public hearing, adopt a local law,
32 ordinance or resolution providing that where a reservist, the spouse of
33 the reservist or unremarried surviving spouse already receiving an
34 exemption pursuant to this section sells the property receiving the
35 exemption and purchases property within the same city, town or village,
36 the assessor shall transfer and prorate, for the remainder of the fiscal
37 year, the exemption received. The prorated exemption shall be based upon
38 the date the reservist, the spouse of the reservist or unremarried
39 surviving spouse obtains title to the new property and shall be calcu-
40 lated by multiplying the tax rate or rates for each municipal corpo-
41 ration which levied taxes, or for which taxes were levied, on the appro-
42 priate tax roll used for the fiscal year or years during which the
43 transfer occurred times the previously granted exempt amount times the
44 fraction of each fiscal year or years remaining subsequent to the trans-
45 fer of title. Nothing in this section shall be construed to remove the
46 requirement that any such reservist, the spouse of the reservist or
47 unremarried surviving spouse transferring an exemption pursuant to this
48 subdivision shall reapply for the exemption authorized pursuant to this
49 section on or before the following taxable status date, in the event
50 such reservist, the spouse of the reservist or unremarried surviving
51 spouse wishes to receive the exemption in future fiscal years.

52 § 2. This act shall take effect on the first of January next succeed-
53 ing the date on which it shall have become a law and shall apply to
54 assessment rolls prepared on the basis of taxable status dates occurring
55 on or after such date.