

# STATE OF NEW YORK

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6543

2019-2020 Regular Sessions

## IN ASSEMBLY

March 11, 2019

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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 Assem-  
bly, do enact as follows:

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

4 17. "Special franchise" means the franchise, right, authority or  
5 permission to construct, maintain or operate in, under, above, upon or  
6 through any public street, highway, water or other public place mains,  
7 pipes, tanks, conduits, wires or transformers, with their appurtenances,  
8 for conducting [~~water,~~ steam, light, power, electricity, gas or other  
9 substance, excluding water. For purposes of assessment and taxation a  
10 special franchise shall include the value of the tangible property situ-  
11 ated in, under, above, upon or through any public street, highway, water  
12 or other public place in connection therewith. The term special fran-  
13 chise shall not include central office equipment or station equipment  
14 (except public telephone terminal equipment) which first appears on  
15 assessment rolls prepared on the basis of taxable status dates occurring  
16 on or after October first, nineteen hundred ninety-five and which is  
17 owned by a telephone company as defined in paragraph (d) of subdivision  
18 twelve of this section, or owned by a telephone corporation as defined  
19 in subdivision seventeen of section two of the public service law and  
20 certified by the public service commission under section ninety-nine of  
21 such law, nor shall it include property of a municipal corporation,  
22 public benefit corporation or special district, nor shall it include a  
23 crossing less than two hundred fifty feet in length of a public street,  
24 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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1 such crossing be the continuation of an occupancy of another public  
2 street, highway, water or other public place. The term special fran-  
3 chise shall also not include any water system property owned by a  
4 water-works corporation as such terms are defined in section two of the  
5 public service law.

6 § 2. The taxable assessed valuation of any water system special fran-  
7 chise property, as defined in subdivision 17 of section 102 of the real  
8 property tax law, owned by a water-works corporation that is used for  
9 conducting water on assessment rolls required by law to be completed and  
10 filed on or after January first, two thousand nineteen shall not exceed  
11 the taxable assessed valuation of such real property on final assessment  
12 rolls completed and filed on or after January first, two thousand eigh-  
13 teen; the taxable assessed valuation of such property on assessment  
14 rolls required by law to be completed and filed on or after January  
15 first, two thousand twenty shall not exceed eighty percent of the taxa-  
16 ble assessed valuation of such real property on final assessment rolls  
17 completed and filed on or after January first, two thousand eighteen;  
18 the taxable assessed valuation of such property on assessment rolls  
19 required by law to be completed and filed on or after January first, two  
20 thousand twenty-one shall not exceed sixty percent of the taxable  
21 assessed valuation of such real property on final assessment rolls  
22 completed and filed on or after January first, two thousand eighteen;  
23 the taxable assessed valuation of such property on assessment rolls  
24 required by law to be completed and filed on or after January first, two  
25 thousand twenty-two shall not exceed forty percent of the taxable  
26 assessed valuation of such real property on final assessment rolls  
27 completed and filed on or after January first, two thousand eighteen;  
28 and the taxable assessed valuation of such property on assessment rolls  
29 required by law to be completed and filed on or after January first, two  
30 thousand twenty-three shall not exceed twenty percent of the taxable  
31 assessed valuation of such real property on final assessment rolls  
32 completed and filed on or after January first, two thousand eighteen.

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

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