

STATE OF NEW YORK

8685

2019-2020 Regular Sessions

IN ASSEMBLY

October 23, 2019

Introduced by M. of A. RA -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to creating a reassessment relief tax credit

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

1 Section 1. Section 606 of the tax law is amended by adding a new
2 subsection (kkk) to read as follows:

3 (kkk) Reassessment relief credit. (1) Definitions. For the purposes of
4 this subsection:

5 (A) "Eligible property" means a parcel of land classified as class one
6 residential real property located in a special assessing unit that is
7 not a city.

8 (B) "Owner" means an individual who owns a class one residential real
9 property in fee simple or as a joint tenant, in which the individual is
10 still liable for paying property taxes related to a property.

11 (C) "Qualified taxpayer" means an individual whose primary residence
12 is located in the state of New York and who, on or before December thir-
13 ty-first, two thousand eighteen, was the owner of an eligible property
14 in a special assessing unit that is not a city, provided, however, such
15 individual still owns the same property on the taxable status date of
16 any applicable subsequent tax year.

17 (D) "Affiliated income" shall mean the adjusted gross income for
18 federal income tax purposes as reported on the applicant's federal or
19 state income tax return for the applicable income tax year, subject to
20 any subsequent amendments or revisions and reduced by distributions
21 received from an individual retirement account and an individual retire-
22 ment annuity to the extent such distributions are included in the feder-
23 al adjusted gross income, provided that if no such return was filed for
24 the applicable income tax year, affiliated income shall mean the
25 adjusted gross income that would have been reported if such return had

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

LBD13876-01-9

1 been filed. Provided further, where an income-eligibility determination
2 is wholly or partly based upon the income of one or more individuals who
3 did not file a return for the applicable income tax year, in order for
4 an application to be considered complete, each such individual shall
5 file a statement with the department showing the source or sources of
6 his or her income for that income tax year, and the amount or amounts
7 that would have been reported on such return if one had been filed.
8 Such statement shall be filed at such time, and in such form and manner
9 as may be prescribed by the department, and shall be subject to the
10 secrecy provisions of this chapter to the same extent that a personal
11 income tax return would be. The department shall make such forms and
12 instructions available for the filing of such statements. The local
13 assessor shall, upon the request of a taxpayer, assist such taxpayer in
14 the filing of the statement with the department.

15 (2) Allowance of credit. (A) Subject to the adherence of the require-
16 ments and qualifications of this subsection, a qualified taxpayer shall
17 be allowed a credit against the taxes imposed by this article beginning
18 with the first taxable year following the most recent county-wide prop-
19 erty reassessment.

20 (B) If the amount of the credit allowed under this subsection, if any,
21 shall exceed the qualified taxpayer's tax for the taxable year, the
22 excess shall be treated as an overpayment of tax to be credited or
23 refunded in accordance with the provisions of section six hundred eight-
24 y-six of this article, provided, however, that no interest shall be paid
25 thereon.

26 (C) If a qualified taxpayer is not required to file a return pursuant
27 to section six hundred fifty-one of this article, such qualified taxpay-
28 er may nevertheless receive the full amount of the credit to be credited
29 or repaid as an overpayment, without interest.

30 (3) Determination of credit. (A) Beginning with the first taxable year
31 following a county-wide reassessment and implementation of a phase-in
32 program authorized by section four hundred eighty-five-u of the real
33 property tax law, the reassessment relief credit provided by this
34 subsection shall be available to qualified taxpayers, provided the
35 affiliated income of the parcel that serves as the taxpayer's primary
36 residence is less than or equal to five hundred thousand dollars.

37 (B) The commissioner, in conjunction with the local assessor of a
38 special assessing unit that is not a city, shall determine the amount of
39 the reassessment relief credit.

40 (C) The amount of any credit under this subsection shall be equal to
41 the amount a qualified taxpayer paid in property taxes during a taxable
42 year that exceeds the amount such qualified taxpayer would have paid if
43 the changes in property assessments resulting from the most recent coun-
44 ty-wide reassessment were not being phased-in pursuant to section four
45 hundred eighty-five-u of the real property tax law.

46 (4) Application for reassessment relief credit. (A) In order to
47 receive a reassessment relief credit under this subsection, a qualified
48 taxpayer shall submit an annual application for such credit to the
49 commissioner by or on the date and in the manner specified by the
50 commissioner.

51 (B) If an eligible property is owned by multiple qualified taxpayers,
52 a joint application shall be required for such eligible property and the
53 credit provided under this subsection shall be divided equally amongst
54 the qualified taxpayers that own the property.

55 (5) Special cases. A married couple shall not receive a credit pursu-
56 ant to this subsection on more than one eligible property during a given

1 taxable year, unless such couple is living apart due to legal sepa-
2 ration.

3 (6) Limitations. (A) No qualified taxpayer shall be eligible to
4 receive more than a single credit annually under this subsection, nor
5 shall the commissioner be required to make advance payment of any credit
6 due.

7 (B) Notwithstanding any provision to the contrary, no property owner
8 or owners that are receiving a benefit under section four hundred eight-
9 y-five-u of the real property tax law, in which a property he or she
10 owns is having its reassessed value phased-in, shall be eligible to
11 receive a credit under this subsection.

12 (7) Disqualification. A qualified taxpayer shall not be eligible to
13 apply or receive a credit pursuant to this subsection if he or she ceas-
14 es to own property that is the basis for an application for credit, or
15 if such qualified taxpayer has any outstanding or delinquent property
16 taxes due.

17 (8) Proof of claim. The commissioner shall be responsible for deter-
18 mining a taxpayer's eligibility for the credit provided by this
19 subsection, and may require such taxpayer or taxpayers to furnish infor-
20 mation to support his, her or their application and eligibility for such
21 credit. Such information may include, but is not limited to:

22 (A) proof of ownership of property;

23 (B) proof necessary to establish primary residency in the state of New
24 York;

25 (C) proof of affiliated income of property owners; and

26 (D) proof that a qualified taxpayer does not have unpaid real property
27 taxes.

28 (9) Disclosure of information. (A) Where the commissioner has denied a
29 taxpayer's application for the credit authorized by this subsection, the
30 commissioner shall, upon request of the taxpayer, have the authority to
31 provide to such taxpayer the rationale and information upon which such
32 determination was made.

33 (B) Notwithstanding any provision of law to the contrary, the names
34 and addresses of individuals who have applied for or are receiving the
35 credit authorized by this subsection may be disclosed to assessors,
36 county directors of real property tax services, and municipal tax
37 collecting officers. In addition, where an agreement is in place between
38 the commissioner and the head of the tax department of another state,
39 such information may be disclosed to such official or his or her desig-
40 nees. Such information shall be considered confidential and shall not be
41 subject to further disclosure pursuant to the freedom of information law
42 or otherwise.

43 (10) Duration of credit. No reassessment relief credit as provided by
44 this subsection shall be granted following the completion of the reas-
45 essment phase-in as authorized by section four hundred eighty-five-u of
46 the real property tax law.

47 (11) Administration. (A) The department shall be responsible for the
48 administration and oversight of the reassessment relief credit provided
49 by this subsection, and the commissioner shall promulgate any rules and
50 regulations necessary to implement the provisions of this subsection.

51 (B) The governing body of a special assessing unit that is not a city
52 shall, upon request, assist the commissioner in providing any and all
53 information deemed necessary to facilitate the credit established by
54 this subsection.

55 (12) Calculation. When the calculation of any other personal income
56 tax credit is based in whole or in part upon the real property taxes

1 paid by the taxpayer, the amount of real property taxes so paid shall be
2 reduced by the credit authorized by this subsection, if applicable, in
3 the course of performing such calculation. When the calculation of any
4 other personal income tax credit is based in whole or in part upon an
5 individual's state tax liability, the credit authorized by this
6 subsection shall not be taken into account in the calculation of such
7 state tax liability. When the calculation of a city tax surcharge is
8 based in whole or in part upon the net state tax of an individual, the
9 credit authorized by this subsection shall not be taken into account in
10 the calculation of such net state tax.

11 (13) Error. If the commissioner determines after issuing a credit that
12 it was issued in an excessive amount or to an ineligible or incorrect
13 party, the commissioner shall be empowered to utilize any of the proce-
14 dures for collection, levy and lien of personal income tax set forth in
15 this article, any other relevant procedures referenced within the
16 provisions of this article, and any other law as may be applicable, to
17 recoup the improperly issued amount.

18 § 2. This act shall take effect immediately.