STATE OF NEW YORK

4230--B

2019-2020 Regular Sessions

IN SENATE

March 5, 2019

Introduced by Sens. KAMINSKY, BROOKS, GAUGHRAN, HARCKHAM, MAYER, THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT relating to assessment of property owned by water-works corporations; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Short title. This act shall be known and may be cited as the "New York state water tax equality act".

§ 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, that is used for conducting water, including, but not limited to, such replacement property in form, function and utility of the property being replaced on assessment rolls required by law to be completed, and filed on or after January 1, 2020 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 1, 2019; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January 1, 2021 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 1, 2019; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January 1, 2022 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 1, 2019; the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or

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

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after January 1, 2023 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 1, 2019; and the taxable assessed valuation of such property on assessment rolls required by law to be completed and filed on or after January 1, 2024, and thereafter shall be exempt from taxation as water system special franchise property as defined in subdivision 17 of section 102 of the real property tax law.

§ 3. The provisions of this act shall only apply to the New York public service commission designated Service Territory of water-works corporations located in counties of one million or more that are special assessing units as defined in said water-works corporation's tariff as of May 1, 2019.

§ 4. Any reduction in the taxable assessed value or removal of property in any taxing jurisdiction resulting from this act shall not be reflected in any adjusted proportions or adjusted base proportions established pursuant to article 18 of the real property tax law or adjusted homestead and non-homestead base proportions established pursuant to article 19 of the real property tax law.

§ 5. Any tax relief realized by this act shall be used to reduce current water rates and offset future water rate increases.

§ 6. Notwithstanding any other provision of law to the contrary, no municipality shall sell, transfer, or reassign ownership of a water system owned or operated by such municipality to a water works corporation, unless such sale, transfer, or reassignment is deemed to be in the public interest and approved by the public service commission pursuant to the public service law. For the purposes of this act, "municipality" shall mean any county with a population of one million or more that is a special assessing unit or any city, town, village, or public district within such a county; and a "public district," as herein used, is a district or other territorial division, whether incorporated or not, whose affairs are managed by any officer or officers, person or persons, elected by voters or taxpayers or appointed by a public officer or officers, and included, without excluding others, a water district, water supply district and a fire district.

§ 7. This act shall take effect immediately and shall expire and be deemed repealed on and after January 1, 2029.