

STATE OF NEW YORK

2559

2021-2022 Regular Sessions

IN ASSEMBLY

January 19, 2021

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 Assembly, 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 twenty-one shall not
11 exceed the taxable assessed valuation of such real property on final
12 assessment rolls completed and filed on or after January first, two
13 thousand twenty; the taxable assessed valuation of such property on
14 assessment rolls required by law to be completed and filed on or after
15 January first, two thousand twenty-two shall not exceed eighty percent
16 of the taxable assessed valuation of such real property on final assess-
17 ment rolls completed and filed on or after January first, two thousand
18 twenty; the taxable assessed valuation of such property on assessment
19 rolls required by law to be completed and filed on or after January
20 first, two thousand twenty-three shall not exceed sixty percent of the
21 taxable assessed valuation of such real property on final assessment
22 rolls completed and filed on or after January first, two thousand twen-
23 ty; 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-four 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 twenty; and
28 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-five 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 twenty.

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, 2026.