STATE OF NEW YORK

7097

2021-2022 Regular Sessions

IN ASSEMBLY

April 22, 2021

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

AN ACT to amend the real property tax law, in relation to exemption of capital improvements to residential buildings

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

Section 1. Subparagraph (iii) of paragraph (a) of subdivision 2 of section 421-f of the real property tax law, as amended by section 3 of part WW of chapter 55 of the laws of 2021, is amended to read as follows:

(iii) Except in a special assessing unit that is not a city, such exemption shall be limited to [~~eighty~~] **one hundred forty-five** thousand dollars in increased market value, or such other sum less than [~~eighty~~] **one hundred forty-five** thousand dollars, but not less than five thousand dollars as may be provided by the local law or resolution, of the property attributable to such reconstruction, alteration or improvement and any increase in market value greater than such amount shall not be eligible for the exemption pursuant to this section. In a special assessing unit that is not a city, the exemption shall be limited to seven hundred fifty thousand dollars in increased market value. For the purposes of this section, the market value of the reconstruction, alteration or improvement, or new construction as authorized by subdivision one-a of this section, shall be equal to the increased assessed value attributable to such reconstruction, alteration, improvement or new construction divided by the class one ratio in a special assessing unit or the most recently established state equalization rate or special equalization rate in the remainder of the state, except where the state equalization rate or special equalization rate equals or exceeds ninety-five percent, in which case the increase in assessed value attributable to such reconstruction, alteration, improvement or new construction

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

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shall be deemed to equal the market value of such reconstruction, alteration or improvement.

§ 2. Subparagraph (iii) of paragraph (a) of subdivision 2 of section 421-f of the real property tax law, as amended by chapter 590 of the laws of 1994, is amended to read as follows:

(iii) Such exemption shall be limited to [~~eighty~~] **one hundred forty-five** thousand dollars in increased market value, or such other sum less than [~~eighty~~] **one hundred forty-five** thousand dollars, but not less than five thousand dollars as may be provided by the local law or resolution, of the property attributable to such reconstruction, alteration or improvement and any increase in market value greater than such amount shall not be eligible for the exemption pursuant to this section. For the purposes of this section, the market value of the reconstruction, alteration or improvement shall be equal to the increased assessed value attributable to such reconstruction, alteration or improvement divided by the class I ratio in a special assessing unit or the most recently established state equalization rate or special equalization rate in the remainder of the state, except where the state equalization rate or special equalization rate equals or exceeds ninety-five percent, in which case the increase in assessed value attributable to such reconstruction, alteration or improvement shall be deemed to equal the market value of such reconstruction, alteration or improvement.

§ 3. This act shall take effect immediately; provided that the amendments to subparagraph (iii) of paragraph (a) of subdivision 2 of section 421-f of the real property tax law made by section one of this act shall be subject to the expiration and reversion of such subdivision when upon such date the provisions of section two of this act shall take effect.