

# STATE OF NEW YORK

7583

2021-2022 Regular Sessions

## IN ASSEMBLY

May 14, 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 property tax exemptions for nonprofit organizations

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

1 Section 1. Subdivision 16 of section 420-a of the real property tax  
2 law, as added by chapter 358 of the laws of 2018, is amended to read as  
3 follows:

4 16. (a) (i) For the purposes of this subdivision, "municipal corpo-  
5 ration" shall mean a county, city, town, village or school district  
6 [~~which, after public hearing, adopts a local law, ordinance or resolu-~~  
7 ~~tion, providing that this subdivision shall be applicable to nonprofit~~  
8 ~~organizations within its jurisdiction. Such local law, ordinance or~~  
9 ~~resolution shall apply to property transfers occurring on or after the~~  
10 ~~effective date of such local law, ordinance or resolution. A copy of~~  
11 ~~such local law, ordinance or resolution shall be filed with the commis-~~  
12 ~~sioner~~].

13 (ii) Where a nonprofit organization that meets the requirements for an  
14 exemption pursuant to this section, purchases property after the levy of  
15 taxes but prior to the taxable status date applicable to the following  
16 year's assessment roll, such nonprofit organization may[~~, if permitted~~  
17 ~~by a local law, ordinance or resolution of the municipal corporation in~~  
18 ~~which the nonprofit organization is located,~~] file an application for  
19 exemption with the assessor no later than the [~~time specified in such~~  
20 ~~local law, ordinance or resolution~~] taxable status date applicable to  
21 the following year's assessment roll. The assessor shall make a deter-  
22 mination of whether the parcel would have qualified for exempt status on  
23 the [~~tax~~] assessment roll on which the taxes were levied, had title to  
24 the parcel been in the name of the applicant on the taxable status date  
25 applicable to the [~~tax~~] assessment roll. The application shall be on a

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

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1 form prescribed by the commissioner. The assessor, no later than thirty  
2 days after receipt of such application, shall notify both the applicant  
3 and the board of assessment review, by first class mail, of the exempt  
4 amount, if any, and the right of the owner to a review of the exempt  
5 amount upon the filing of a written complaint. Such complaint shall be  
6 on a form prescribed by the commissioner and shall be filed with the  
7 board of assessment review within twenty days of the mailing of such  
8 notice. If no complaint is received, the board of assessment review  
9 shall so notify the assessor and the exempt amount determined by the  
10 assessor shall be final. If the applicant files a complaint, the board  
11 of assessment review shall schedule a time and place for a hearing with  
12 respect thereto no later than thirty days after the mailing of the  
13 notice by the assessor. The board of assessment review shall meet and  
14 determine the exempt amount, and shall immediately notify the assessor  
15 and the applicant, by first class mail, of its determination. The amount  
16 of exemption determined pursuant to this paragraph shall be subject to  
17 review as provided in article seven of this chapter. Such a proceeding  
18 shall be commenced within thirty days of the mailing of the notice of  
19 the board of assessment review to the new owner as provided in this  
20 paragraph.

21 (iii) Upon receipt of a determination of the exempt amount as provided  
22 in subparagraph (ii) of this paragraph, the assessor shall determine the  
23 pro rata exemption to be credited toward such property by multiplying  
24 the tax rate or tax rates for each municipal corporation which levied  
25 taxes, or for which taxes were levied, on the appropriate [~~tax~~ assess-  
26 ment roll used for the fiscal year or years during which the transfer  
27 occurred times the exempt amount, as determined in subparagraph (ii) of  
28 this paragraph, times the fraction of each fiscal year or years remain-  
29 ing subsequent to the transfer of title. The assessor shall immediately  
30 transmit a statement of the pro rata exemption credit due to each munic-  
31 ipal corporation which levied taxes or for which taxes were levied on  
32 the [~~tax~~ assessment roll used for the fiscal year or years during which  
33 the transfer occurred and to the applicant.

34 (iv) Each municipal corporation which receives notice of pro rata  
35 exemption credits pursuant to this subdivision shall include an appro-  
36 priation in its budget for the next fiscal year equal to the aggregate  
37 amount of such credits to be applied in that fiscal year. Where a  
38 parcel, the owner of which is entitled to a pro rata exemption credit,  
39 is subject to taxation in said next fiscal year, the receiver or collec-  
40 tor shall apply the credit to reduce the amount of taxes owed for the  
41 parcel in such fiscal year. Pro rata exemption credits in excess of the  
42 amount of taxes, if any, owed for the parcel shall be paid by the treas-  
43 urer of a municipal corporation which levies such taxes for or on behalf  
44 of the municipal corporation to all owners of property entitled to such  
45 credits within thirty days of the expiration of the warrant to collect  
46 taxes in said next fiscal year. Notwithstanding the foregoing, where the  
47 municipal corporation has been reimbursed by another municipal corpo-  
48 ration for the tax credit to be paid to the owner pursuant to this  
49 subdivision, such credit shall be paid to such municipal corporation  
50 instead of such owner.

51 (b) (i) Notwithstanding the provisions of this section, where a  
52 nonprofit organization that meets the requirements for an exemption  
53 pursuant to this section, purchases property after the taxable status  
54 date but prior to the levy of taxes, such nonprofit organization may[~~r,~~  
55 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
56 ~~corporation in which the nonprofit organization is located,~~] file an

1 application for an exemption with the assessor [~~within thirty days of~~  
2 ~~the transfer of title to such nonprofit organization~~] no later than the  
3 taxable status date applicable to the following year's assessment roll.

4 The assessor shall make a determination within thirty days after receipt  
5 of such application of whether the applicant would qualify for an  
6 exemption pursuant to this section on the assessment roll if title had  
7 been in the name of the applicant on the taxable status date applicable  
8 to such assessment roll. The application shall be made on a form  
9 prescribed by the commissioner.

10 (ii) If the assessor's determination is made prior to the filing of  
11 the tentative assessment roll, the assessor shall enter the exempt  
12 amount, if any, on the tentative assessment roll and, within ten days  
13 after filing such roll, notify the applicant of the approval or denial  
14 of such exemption, the exempt amount, if any, and the applicant's right  
15 to review by the board of assessment review.

16 (iii) If the assessor's determination is made after the filing of the  
17 tentative assessment roll, the assessor shall petition the board of  
18 assessment review to correct the tentative or final assessment roll in  
19 the manner provided in title three of article five of this chapter, with  
20 respect to unlawful entries, in the case of wholly exempt parcels, and  
21 with respect of clerical errors, in the case of partially exempt  
22 parcels, if the assessor determines that an exemption should be granted  
23 and, within ten days of petitioning the board of assessment review,  
24 notify the applicant of the approval or denial of such exemption, the  
25 amount of such exemption, if any, and the applicant's right to adminis-  
26 trative or judicial review of such determination pursuant to article  
27 five or seven of this chapter, respectively.

28 (c) If, for any reason, a determination to exempt property from taxa-  
29 tion as provided in paragraph (b) of this subdivision is not entered on  
30 the final assessment roll, the assessor shall petition the board of  
31 assessment review to correct the final assessment roll.

32 (d) If, for any reason, the pro rata tax credit as provided in para-  
33 graph (a) of this subdivision is not extended against the [~~tax~~] assess-  
34 ment roll immediately succeeding the fiscal year during which the trans-  
35 fer occurred, the assessor shall immediately notify the municipal  
36 corporation which levied the tax or for which the taxes were levied of  
37 the amount of pro rata exemption credits for the year in which such  
38 transfer occurred. Such municipal corporation shall proceed as provided  
39 in subparagraph (iv) of paragraph (a) of this subdivision.

40 (e) If, for any reason, a determination to exempt property from taxa-  
41 tion as provided in paragraph (b) of this subdivision is not entered on  
42 the [~~tax~~] assessment roll for the year immediately succeeding the fiscal  
43 year during which the transfer occurred, the assessor shall determine  
44 the pro rata tax exemption credit for such [~~tax~~] assessment roll by  
45 multiplying the tax rate or tax rates for each municipal corporation  
46 which levied taxes or for which taxes were levied times the exempt  
47 amount and shall immediately notify such municipal corporation or corpo-  
48 rations of the pro rata exemption credits for such [~~tax~~] assessment  
49 roll. Such municipal corporation shall add such pro rata exemption cred-  
50 its for such property to any outstanding pro rata exemption amounts and  
51 proceed as provided in subparagraph (iv) of paragraph (a) of this subdivi-  
52 sion.

53 § 2. Subdivision 8 of section 420-b of the real property tax law, as  
54 added by chapter 358 of the laws of 2018, is amended to read as follows:

55 8. (a) (i) For the purposes of this subdivision, "municipal corpo-  
56 ration" shall mean a county, city, town, village or school district

1 ~~[which, after public hearing, adopts a local law, ordinance or resolu-~~  
2 ~~tion, providing that this subdivision shall be applicable to nonprofit~~  
3 ~~organizations within its jurisdiction. Such local law, ordinance or~~  
4 ~~resolution shall apply to property transfers occurring on or after the~~  
5 ~~effective date of such local law, ordinance or resolution. A copy of~~  
6 ~~such local law, ordinance or resolution shall be filed with the commis-~~  
7 ~~sioner].~~

8 (ii) Where a nonprofit organization that meets the requirements for an  
9 exemption pursuant to this section, purchases property after the levy of  
10 taxes but prior to the taxable status date applicable to the following  
11 year's assessment roll, such nonprofit organization may file~~[, if~~  
12 ~~permitted by a local law, ordinance or resolution of the municipal~~  
13 ~~corporation in which the nonprofit organization is located,]~~ an applica-  
14 tion for exemption with the assessor no later than the ~~[time specified~~  
15 ~~in such local law, ordinance or resolution]~~ taxable status date applica-  
16 ble to the following year's assessment roll. The assessor shall make a  
17 determination of whether the parcel would have qualified for exempt  
18 status on the ~~[tax]~~ assessment roll on which the taxes were levied, had  
19 title to the parcel been in the name of the applicant on the taxable  
20 status date applicable to the ~~[tax]~~ assessment roll. The application  
21 shall be on a form prescribed by the commissioner. The assessor, no  
22 later than thirty days after receipt of such application, shall notify  
23 both the applicant and the board of assessment review, by first class  
24 mail, of the exempt amount, if any, and the right of the owner to a  
25 review of the exempt amount upon the filing of a written complaint. Such  
26 complaint shall be on a form prescribed by the commissioner and shall be  
27 filed with the board of assessment review within twenty days of the  
28 mailing of such notice. If no complaint is received, the board of  
29 assessment review shall so notify the assessor and the exempt amount  
30 determined by the assessor shall be final. If the applicant files a  
31 complaint, the board of assessment review shall schedule a time and  
32 place for a hearing with respect thereto no later than thirty days after  
33 the mailing of the notice by the assessor. The board of assessment  
34 review shall meet and determine the exempt amount, and shall immediately  
35 notify the assessor and the applicant, by first class mail, of its  
36 determination. The amount of exemption determined pursuant to this para-  
37 graph shall be subject to review as provided in article seven of this  
38 chapter. Such a proceeding shall be commenced within thirty days of the  
39 mailing of the notice of the board of assessment review to the new owner  
40 as provided in this paragraph.

41 (iii) Upon receipt of a determination of the exempt amount as provided  
42 in subparagraph (ii) of this paragraph, the assessor shall determine the  
43 pro rata exemption to be credited toward such property by multiplying  
44 the tax rate or tax rates for each municipal corporation which levied  
45 taxes, or for which taxes were levied, on the appropriate ~~[tax]~~ assess-  
46 ment roll used for the fiscal year or years during which the transfer  
47 occurred times the exempt amount, as determined in subparagraph (ii) of  
48 this paragraph, times the fraction of each fiscal year or years remain-  
49 ing subsequent to the transfer of title. The assessor shall immediately  
50 transmit a statement of the pro rata exemption credit due to each munic-  
51 ipal corporation which levied taxes or for which taxes were levied on  
52 the ~~[tax]~~ assessment roll used for the fiscal year or years during which  
53 the transfer occurred and to the applicant.

54 (iv) Each municipal corporation which receives notice of pro rata  
55 exemption credits pursuant to this subdivision shall include an appro-  
56 priation in its budget for the next fiscal year equal to the aggregate

1 amount of such credits to be applied in that fiscal year. Where a  
2 parcel, the owner of which is entitled to a pro rata exemption credit,  
3 is subject to taxation in said next fiscal year, the receiver or collec-  
4 tor shall apply the credit to reduce the amount of taxes owed for the  
5 parcel in such fiscal year. Pro rata exemption credits in excess of the  
6 amount of taxes, if any, owed for the parcel shall be paid by the treas-  
7 urer of a municipal corporation which levies such taxes for or on behalf  
8 of the municipal corporation to all owners of property entitled to such  
9 credits within thirty days of the expiration of the warrant to collect  
10 taxes in said next fiscal year. Notwithstanding the foregoing, where the  
11 municipal corporation has been reimbursed by another municipal corpo-  
12 ration for the tax credit to be paid to the owner pursuant to this  
13 subdivision, such credit shall be paid to such municipal corporation  
14 instead of such owner.

15 (b) (i) Notwithstanding the provisions of this section, where a  
16 nonprofit organization that meets the requirements for an exemption  
17 pursuant to this section, purchases property after the taxable status  
18 date but prior to the levy of taxes, such nonprofit organization may~~[,~~  
19 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
20 ~~corporation in which the nonprofit organization is located,~~] file an  
21 application for an exemption with the assessor [~~within thirty days of~~  
22 ~~the transfer of title to such nonprofit organization~~] no later than the  
23 taxable status date applicable to the following year's assessment roll.  
24 The assessor shall make a determination within thirty days after receipt  
25 of such application of whether the applicant would qualify for an  
26 exemption pursuant to this section on the assessment roll if title had  
27 been in the name of the applicant on the taxable status date applicable  
28 to such assessment roll. The application shall be made on a form  
29 prescribed by the commissioner.

30 (ii) If the assessor's determination is made prior to the filing of  
31 the tentative assessment roll, the assessor shall enter the exempt  
32 amount, if any, on the tentative assessment roll and, within ten days  
33 after filing such roll, notify the applicant of the approval or denial  
34 of such exemption, the exempt amount, if any, and the applicant's right  
35 to review by the board of assessment review.

36 (iii) If the assessor's determination is made after the filing of the  
37 tentative assessment roll, the assessor shall petition the board of  
38 assessment review to correct the tentative or final assessment roll in  
39 the manner provided in title three of article five of this chapter, with  
40 respect to unlawful entries, in the case of wholly exempt parcels, and  
41 with respect of clerical errors, in the case of partially exempt  
42 parcels, if the assessor determines that an exemption should be granted  
43 and, within ten days of petitioning the board of assessment review,  
44 notify the applicant of the approval or denial of such exemption, the  
45 amount of such exemption, if any, and the applicant's right to adminis-  
46 trative or judicial review of such determination pursuant to article  
47 five or seven of this chapter, respectively.

48 (c) If, for any reason, a determination to exempt property from taxa-  
49 tion as provided in paragraph (b) of this subdivision is not entered on  
50 the final assessment roll, the assessor shall petition the board of  
51 assessment review to correct the final assessment roll.

52 (d) If, for any reason, the pro rata tax credit as provided in para-  
53 graph (a) of this subdivision is not extended against the [~~tax~~] assess-  
54 ment roll immediately succeeding the fiscal year during which the trans-  
55 fer occurred, the assessor shall immediately notify the municipal  
56 corporation which levied the tax or for which the taxes were levied of

1 the amount of pro rata exemption credits for the year in which such  
2 transfer occurred. Such municipal corporation shall proceed as provided  
3 in subparagraph (iv) of paragraph (a) of this subdivision.

4 (e) If, for any reason, a determination to exempt property from taxa-  
5 tion as provided in paragraph (b) of this subdivision is not entered on  
6 the [~~tax~~] assessment roll for the year immediately succeeding the fiscal  
7 year during which the transfer occurred, the assessor shall determine  
8 the pro rata tax exemption credit for such [~~tax~~] assessment roll by  
9 multiplying the tax rate or tax rates for each municipal corporation  
10 which levied taxes or for which taxes were levied times the exempt  
11 amount and shall immediately notify such municipal corporation or corpo-  
12 rations of the pro rata exemption credits for such [~~tax~~] assessment  
13 roll. Such municipal corporation shall add such pro rata exemption cred-  
14 its for such property to any outstanding pro rata exemption amounts and  
15 proceed as provided in subparagraph (iv) of paragraph (a) of this subdi-  
16 vision.

17 § 3. This act shall take effect immediately and shall apply to assess-  
18 ment rolls on the basis of taxable status dates occurring on or after  
19 January 1, 2021.