

# STATE OF NEW YORK

7583--A

2021-2022 Regular Sessions

## IN ASSEMBLY

May 14, 2021

Introduced by M. of A. GALEF, OTIS, B. MILLER -- read once and referred to the Committee on Real Property Taxation -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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; provided that where a nonprofit  
22 organization that meets the requirements for an exemption pursuant to  
23 this section purchased property after the levy of taxes but prior to the

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

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taxable status date applicable to the following year's assessment roll in the years two thousand seventeen, two thousand eighteen, two thousand nineteen, two thousand twenty or two thousand twenty-one, such nonprofit organization may file an application for exemption with the assessor no later than the next taxable status date following the effective date of the chapter of the laws of two thousand twenty-one which amended this subdivision. The assessor shall make a determination of whether the parcel would have qualified for exempt status on the [~~tax~~] assessment roll on which the taxes were levied, had title to the parcel been in the name of the applicant on the taxable status date applicable to the [~~tax~~] assessment roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a complaint, the board of assessment review shall schedule a time and place for a hearing with respect thereto no later than thirty days after the mailing of the notice by the assessor. The board of assessment review shall meet and determine the exempt amount, and shall immediately notify the assessor and the applicant, by first class mail, of its determination. The amount of exemption determined pursuant to this paragraph shall be subject to review as provided in article seven of this chapter. Such a proceeding shall be commenced within thirty days of the mailing of the notice of the board of assessment review to the new owner as provided in this paragraph.

(iii) Upon receipt of a determination of the exempt amount as provided in subparagraph (ii) of this paragraph, the assessor shall determine the pro rata exemption to be credited toward such property by multiplying the tax rate or tax rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate [~~tax~~] assessment roll used for the fiscal year or years during which the transfer occurred times the exempt amount, as determined in subparagraph (ii) of this paragraph, times the fraction of each fiscal year or years remaining subsequent to the transfer of title. The assessor shall immediately transmit a statement of the pro rata exemption credit due to each municipal corporation which levied taxes or for which taxes were levied on the [~~tax~~] assessment roll used for the fiscal year or years during which the transfer occurred and to the applicant.

(iv) Each municipal corporation which receives notice of pro rata exemption credits pursuant to this subdivision shall include an appropriation in its budget for the next fiscal year equal to the aggregate amount of such credits to be applied in that fiscal year. Where a parcel, the owner of which is entitled to a pro rata exemption credit, is subject to taxation in said next fiscal year, the receiver or collector shall apply the credit to reduce the amount of taxes owed for the parcel in such fiscal year. Pro rata exemption credits in excess of the amount of taxes, if any, owed for the parcel shall be paid by the treasurer of a municipal corporation which levies such taxes for or on behalf of the municipal corporation to all owners of property entitled to such credits within thirty days of the expiration of the warrant to collect taxes in said next fiscal year. Notwithstanding the foregoing, where the

1 municipal corporation has been reimbursed by another municipal corpo-  
2 ration for the tax credit to be paid to the owner pursuant to this  
3 subdivision, such credit shall be paid to such municipal corporation  
4 instead of such owner.

5 (b) (i) Notwithstanding the provisions of this section, where a  
6 nonprofit organization that meets the requirements for an exemption  
7 pursuant to this section, purchases property after the taxable status  
8 date but prior to the levy of taxes, such nonprofit organization may~~7~~  
9 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
10 ~~corporation in which the nonprofit organization is located,~~ file an  
11 application for an exemption with the assessor ~~[within thirty days of~~  
12 ~~the transfer of title to such nonprofit organization]~~ no later than the  
13 taxable status date applicable to the following year's assessment roll;  
14 provided that where a nonprofit organization that meets the requirements  
15 for an exemption pursuant to this section purchased property after the  
16 taxable status date but prior to the levy of taxes in the years two  
17 thousand seventeen, two thousand eighteen, two thousand nineteen, two  
18 thousand twenty or two thousand twenty-one, such nonprofit organization  
19 may file an application for exemption with the assessor no later than  
20 the next taxable status date following the effective date of the chapter  
21 of the laws of two thousand twenty-one which amended this subdivision.

22 The assessor shall make a determination within thirty days after receipt  
23 of such application of whether the applicant would qualify for an  
24 exemption pursuant to this section on the assessment roll if title had  
25 been in the name of the applicant on the taxable status date applicable  
26 to such assessment roll. The application shall be made on a form  
27 prescribed by the commissioner.

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

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

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

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

1 transfer occurred. Such municipal corporation shall proceed as provided  
2 in subparagraph (iv) of paragraph (a) of this subdivision.

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

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

18 8. (a) (i) For the purposes of this subdivision, "municipal corpo-  
19 ration" shall mean a county, city, town, village or school district  
20 ~~[which, after public hearing, adopts a local law, ordinance or resolu-~~  
21 ~~tion, providing that this subdivision shall be applicable to nonprofit~~  
22 ~~organizations within its jurisdiction. Such local law, ordinance or~~  
23 ~~resolution shall apply to property transfers occurring on or after the~~  
24 ~~effective date of such local law, ordinance or resolution. A copy of~~  
25 ~~such local law, ordinance or resolution shall be filed with the commis-~~  
26 ~~sioner].~~

27 (ii) Where a nonprofit organization that meets the requirements for an  
28 exemption pursuant to this section, purchases property after the levy of  
29 taxes but prior to the taxable status date applicable to the following  
30 year's assessment roll, such nonprofit organization may file ~~[, if~~  
31 ~~permitted by a local law, ordinance or resolution of the municipal~~  
32 ~~corporation in which the nonprofit organization is located,~~ an applica-  
33 tion for exemption with the assessor no later than the ~~[time specified~~  
34 ~~in such local law, ordinance or resolution]~~ taxable status date applica-  
35 ble to the following year's assessment roll; provided that where a  
36 nonprofit organization that meets the requirements for an exemption  
37 pursuant to this section purchased property after the levy of taxes but  
38 prior to the taxable status date applicable to the following year's  
39 assessment roll in the years two thousand seventeen, two thousand eigh-  
40 teen, two thousand nineteen, two thousand twenty or two thousand twen-  
41 ty-one, such nonprofit organization may file an application for  
42 exemption with the assessor no later than the next taxable status date  
43 following the effective date of the chapter of the laws of two thousand  
44 twenty-one which amended this subdivision. The assessor shall make a  
45 determination of whether the parcel would have qualified for exempt  
46 status on the ~~[tax]~~ assessment roll on which the taxes were levied, had  
47 title to the parcel been in the name of the applicant on the taxable  
48 status date applicable to the ~~[tax]~~ assessment roll. The application  
49 shall be on a form prescribed by the commissioner. The assessor, no  
50 later than thirty days after receipt of such application, shall notify  
51 both the applicant and the board of assessment review, by first class  
52 mail, of the exempt amount, if any, and the right of the owner to a  
53 review of the exempt amount upon the filing of a written complaint. Such  
54 complaint shall be on a form prescribed by the commissioner and shall be  
55 filed with the board of assessment review within twenty days of the  
56 mailing of such notice. If no complaint is received, the board of

1 assessment review shall so notify the assessor and the exempt amount  
2 determined by the assessor shall be final. If the applicant files a  
3 complaint, the board of assessment review shall schedule a time and  
4 place for a hearing with respect thereto no later than thirty days after  
5 the mailing of the notice by the assessor. The board of assessment  
6 review shall meet and determine the exempt amount, and shall immediately  
7 notify the assessor and the applicant, by first class mail, of its  
8 determination. The amount of exemption determined pursuant to this para-  
9 graph shall be subject to review as provided in article seven of this  
10 chapter. Such a proceeding shall be commenced within thirty days of the  
11 mailing of the notice of the board of assessment review to the new owner  
12 as provided in this paragraph.

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

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

43 (b) (i) Notwithstanding the provisions of this section, where a  
44 nonprofit organization that meets the requirements for an exemption  
45 pursuant to this section, purchases property after the taxable status  
46 date but prior to the levy of taxes, such nonprofit organization may[  
47 ~~if permitted by a local law, ordinance or resolution of the municipal~~  
48 ~~corporation in which the nonprofit organization is located,~~] file an  
49 application for an exemption with the assessor [~~within thirty days of~~  
50 ~~the transfer of title to such nonprofit organization~~] no later than the  
51 taxable status date applicable to the following year's assessment roll;  
52 provided that where a nonprofit organization that meets the requirements  
53 for an exemption pursuant to this section purchased property after the  
54 taxable status date but prior to the levy of taxes in the years two  
55 thousand seventeen, two thousand eighteen, two thousand nineteen, two  
56 thousand twenty or two thousand twenty-one, such nonprofit organization

1 may file an application for exemption with the assessor no later than  
2 the next taxable status date following the effective date of the chapter  
3 of the laws of two thousand twenty-one which amended this subdivision.

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 subdi-  
52 vision.

53 § 3. This act shall take effect immediately.