

# STATE OF NEW YORK

1041

2021-2022 Regular Sessions

## IN SENATE

January 6, 2021

Introduced by Sen. RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1

AN ACT to amend the real property tax law, in relation to establishing a nonprofit organization rent increase exemption

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

1 Section 1. Article 4 of the real property tax law is amended by adding  
2 a new title 6 to read as follows:

3 TITLE 6

4 TAX ABATEMENT FOR LIMITING RENT INCREASES ON

5 NONPROFIT ORGANIZATIONS IN A CITY OF ONE MILLION OR MORE PERSONS

6 Section 499-aaaaa. Definitions.

7 499-bbbbbb. Real property tax abatement.

8 499-cccccc. Eligibility requirements.

9 499-dddddd. Application for certificate of abatement.

10 499-eeeeee. Enforcement and administration.

11 499-ffffff. Reporting requirements; revocation of abatements.

12 499-gggggg. Tax lien; interest and penalty.

13 499-hhhhhh. Confidentiality.

14 § 499-aaaaa. Definitions. When used in this title, the following terms  
15 shall mean or include:

16 1. "Abatement base". The lesser of (a) two dollars and fifty cents of  
17 the tax liability per square foot or (b) fifty per centum of the tax  
18 liability per square foot.

19 2. "Abatement zone". Any area of a city having a population of one  
20 million or more. Any tax lot that is partly located inside an abatement  
21 zone shall be deemed to be entirely located inside such zone.

22 3. "Aggregate floor area". The sum of the gross areas of the several  
23 floors of a building, measured from the exterior faces of exterior walls  
24 or from the center lines of walls separating two buildings.

25 4. "Applicant". The landlord and the tenant.

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

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1 5. "Benefit period". The period commencing with the first day of the  
2 month immediately following the rent commencement date and terminating  
3 no later than one hundred twenty months thereafter.

4 6. "Billable assessed value". The lesser of the taxable transitional  
5 or the taxable actual assessed value of the eligible building and the  
6 land on which the eligible building is located for the fiscal year in  
7 which the benefit period commences.

8 7. "Commercial activities". The buying, selling or otherwise providing  
9 of goods or services by a nonprofit organization.

10 8. "Department of finance". The department of finance of any city  
11 having a population of one million or more.

12 9. "Eligible building". With respect to the abatement zone defined in  
13 subdivision two of this section, a non-residential or mixed-use building  
14 which shall not include any building owned by a governmental agency.  
15 Each condominium unit in a building that meets the requirements of this  
16 subdivision shall be considered a separate eligible building.

17 10. "Eligibility period". The period commencing April first, two thou-  
18 sand twenty-three and terminating March thirty-first, two thousand thir-  
19 ty-three.

20 11. "Eligible premises". With respect to the abatement zone defined in  
21 subdivision two of this section, premises located in an eligible build-  
22 ing that (a) are occupied or used by a nonprofit organization and (b)  
23 are occupied or used by a tenant under a lease that meets the eligibil-  
24 ity requirements of section four hundred ninety-nine-cccc of this  
25 title.

26 12. "Fiscal year". The fiscal year of any city having a population of  
27 one million or more.

28 13. "Governmental agency". The United States of America or any agency  
29 or instrumentality thereof, the state of New York, the city of New York,  
30 any public corporation (including a body corporate and politic created  
31 pursuant to agreement or compact between the state of New York and any  
32 other state), public benefit corporation, public authority or other  
33 political subdivision of the state.

34 14. "Landlord". Any person who (a) controls all non-residential  
35 portions of an eligible building, including, without limitation, the  
36 record owner, the lessee under a ground lease, any mortgagee in  
37 possession or any receiver, and (b) who grants the right to use or occu-  
38 py eligible premises to any tenant, provided that landlord shall not  
39 include any lessee who at any time during the lease term occupied or  
40 used or occupies or uses any part of the non-residential portions of  
41 such eligible building, other than premises occupied or used by such  
42 lessee to provide rental or management services to such building.

43 15. "Lease commencement date". The date set forth in the lease on  
44 which the term of the lease commences.

45 16. "Mixed-use building". A building used for both residential and  
46 commercial activities or by a nonprofit organization, provided that more  
47 than twenty-five per centum of the aggregate floor area of such building  
48 is used or held out for use as commercial, community facility or acces-  
49 sory use space.

50 17. "Person". An individual, corporation, limited liability company,  
51 partnership, association, agency, trust, estate, foreign or domestic  
52 government or subdivision thereof, nonprofit organization, or other  
53 entity.

54 18. "Renewal tenant". A person who (a) occupies premises in an eligi-  
55 ble building under a lease which expires during the eligibility period  
56 and (b) executes a lease for the continued occupancy of all or part of

1 such premises or all or part of such premises and additional premises in  
2 such eligible building, provided such premises are eligible premises and  
3 such lease meets the eligibility requirements of section four hundred  
4 ninety-nine-cccc of this title.

5 19. "Rent commencement date". The date set forth in the lease on which  
6 the obligation to pay basic fixed rent shall commence.

7 20. "Subtenant". A person whose right to occupy and use the eligible  
8 premises is not derived from a lease with the landlord.

9 21. "Tax commission". The tax commission in any city having a popu-  
10 lation of one million or more.

11 22. "Tax liability". The product obtained by multiplying the billable  
12 assessed value for the fiscal year in which the benefit period commences  
13 by the tax rate applicable to the eligible building for such fiscal year  
14 as set by the local legislative body of any city having a population of  
15 one million or more.

16 23. "Tax liability per square foot". The tax liability divided by the  
17 total number of square feet in the eligible building, as listed on the  
18 records of the department of finance.

19 24. "Tenant". A person, including any successors in interest, who  
20 executes a lease with the landlord for the right to occupy or use the  
21 eligible premises and who occupies or uses the eligible premises pursu-  
22 ant to such lease. Tenant shall not include any subtenant. When used in  
23 this title, "tenant" includes "renewal tenant".

24 25. "Tenant's percentage share". The percentage of the eligible  
25 building's aggregate floor area allocated to the eligible premises,  
26 which shall be presumed to be such percentage as set forth in the lease  
27 for the eligible premises.

28 § 499-bbbbb. Real property tax abatement. 1. Within a city having a  
29 population of one million or more, eligible buildings containing eligi-  
30 ble premises shall receive an abatement of real property taxes during  
31 the benefit period as follows:

32 (a) for each of the first five years of the benefit period, the abate-  
33 ment shall be equal to the product obtained by (i) multiplying the  
34 tenant's percentage share by the number of square feet in the eligible  
35 building, as listed on the records of the department of finance and (ii)  
36 multiplying the product obtained in subparagraph (i) of this paragraph  
37 by the abatement base;

38 (b) for the sixth, seventh, and eighth year of the benefit period, the  
39 abatement shall be equal to two-thirds of the abatement in the first  
40 year of the benefit period; and

41 (c) for the ninth and tenth year of the benefit period, the abatement  
42 shall be equal to one-third of the abatement in the first year of the  
43 benefit period.

44 2. If, as a result of application to the tax commission or a court  
45 order or action by the department of finance, the billable assessed  
46 value is reduced, the department of finance shall recalculate the abate-  
47 ment utilizing such reduced billable assessed value. The amount equal to  
48 the difference between the abatement originally granted and the abate-  
49 ment as so recalculated shall be deducted from any refund otherwise  
50 payable or remission otherwise due as a result of such reduction in  
51 billable assessed value, and any balance of such amount remaining unpaid  
52 after making any such deduction shall be paid to the department of  
53 finance within thirty days from the date of mailing by the department of  
54 finance of a notice of the amount payable. Such amount payable shall  
55 constitute a tax lien on the eligible building as of the date of such  
56 notice and, if not paid within such thirty-day period, penalty and

1 interest at the rate applicable to delinquent taxes on such eligible  
2 building shall be charged and collected on such amount from the date of  
3 such notice to the date of payment.

4 3. In no event shall the abatement for the eligible premises granted  
5 pursuant to this title exceed the tax liability allocable to the eligi-  
6 ble premises.

7 4. Notwithstanding the provisions of any lease for occupancy of non-  
8 eligible premises in an eligible building or for occupancy of eligible  
9 premises for which no certificate of abatement has been issued pursuant  
10 to this title, a lessee of non-eligible premises or of eligible premises  
11 for which no certificate of abatement has been issued pursuant to this  
12 title shall not be entitled to receive directly or indirectly a  
13 reduction in either the real property taxes or any rent (including addi-  
14 tional rent) payable pursuant to such lease where such reduction would  
15 result from an abatement of real property taxes granted pursuant to this  
16 title. A landlord of an eligible building shall not allocate, credit,  
17 assign or disburse any portion of an abatement granted pursuant to this  
18 title to a lessee of non-eligible premises or of eligible premises for  
19 which no certificate of abatement has been issued pursuant to this  
20 title. A landlord shall not be required to reduce the real property  
21 taxes or any rent (including additional rent) payable by renewal tenants  
22 by an amount that exceeds the full amount of the abatement granted  
23 pursuant to this title, but a landlord shall be required to reduce the  
24 real property taxes or any rent (including additional rent) payable by  
25 renewal tenants by an amount that, in the aggregate, equals the full  
26 amount of the abatement granted pursuant to this title. Such reduction  
27 shall be allocated in accordance with the abatement granted for the  
28 eligible premises occupied by each such tenant.

29 5. A tenant who occupies or uses eligible premises for which a certif-  
30 icate of abatement is issued pursuant to this title shall not be eligi-  
31 ble to receive a second certificate of abatement for the same eligible  
32 premises. A tenant who occupies or uses eligible premises for which a  
33 certificate of abatement is issued pursuant to this title and who, upon  
34 the expiration of the lease for such eligible premises, relocates to  
35 otherwise eligible premises, shall not be eligible to receive a certif-  
36 icate of abatement for such otherwise eligible premises, except to the  
37 extent that the square footage of such otherwise eligible premises  
38 exceeds the square footage of all eligible premises previously occupied  
39 or used by such tenant for which such tenant held a certificate of  
40 abatement. If the square footage of such otherwise eligible premises  
41 exceeds the square footage of all such eligible premises previously  
42 occupied or used by such tenant and if there is any variation in the tax  
43 liability per square foot of such otherwise eligible premises, then, for  
44 purposes of determining which square footage in such otherwise eligible  
45 premises is entitled to an abatement pursuant to this title, square  
46 footage with the greatest tax liability per square foot, in an amount  
47 equal to the square footage of all such eligible premises previously  
48 occupied or used by such tenant, shall first be excluded.

49 § 499-cccc. Eligibility requirements. 1. No abatement shall be grant-  
50 ed pursuant to this title unless:

51 (a) the landlord enters into a ten year lease for eligible premises  
52 with a tenant; and

53 (b) such landlord includes within such lease with a tenant a renewal  
54 clause that limits a rent increase to no more than three percent annual-  
55 ly.

1 2. No abatement shall be granted pursuant to this title if an appli-  
2 cant shall fail to meet any of the requirements of this title within  
3 sixty days of the rent commencement date.

4 3. For purposes of this title, the expiration date of a lease shall be  
5 determined by the expiration date set forth in such lease, without  
6 giving effect to any rights of the landlord or the tenant to terminate  
7 such lease prior to the expiration date set forth therein.

8 4. The lease for the eligible premises shall contain the following  
9 provisions:

10 (a) a statement of the tenant's percentage share;

11 (b) a statement certifying the percentage of eligible premises occu-  
12 pied or used by a nonprofit organization; and

13 (c) a statement informing the tenant in at least twelve-point type  
14 that:

15 (1) an application for abatement of real property taxes pursuant to  
16 this title will be made for the premises;

17 (2) the rent, including amounts payable by the tenant for real proper-  
18 ty taxes, will accurately reflect any abatement of real property taxes  
19 granted pursuant to this title for the premises;

20 (3) a renewal of the lease will not increase rent by more than three  
21 percent annually pursuant to the lease agreement;

22 (4) all abatements granted with respect to a building pursuant to this  
23 title will be revoked if, during the benefit period, real estate taxes  
24 or water or sewer charges or other lienable charges are unpaid for more  
25 than one year, unless such delinquent amounts are paid as provided in  
26 subdivision four of section four hundred ninety-nine-fffff of this  
27 title; and

28 (5) all benefits granted with respect to eligible premises will be  
29 reduced if, during the benefit period, the aggregate floor area of such  
30 eligible premises occupied or used by a nonprofit organization is  
31 reduced.

32 5. No abatement shall be granted pursuant to this title if:

33 (a) the lease for the eligible premises provides that during the  
34 initial lease term required by subdivision one of this section either  
35 the landlord or the tenant may terminate such lease prior to the expira-  
36 tion date of such required initial lease term; provided that such lease  
37 may provide that either the landlord or the tenant may terminate such  
38 lease if (1) the other party is in default of any of such party's obli-  
39 gations under the lease, (2) the eligible premises are damaged or  
40 destroyed by fire or other casualty, (3) the eligible premises are  
41 rendered unusable for any reason not attributable to any act or failure  
42 to act of either tenant or landlord, or (4) the eligible premises are  
43 acquired by eminent domain; and

44 (b) there are real property taxes, water or sewer charges or other  
45 lienable charges currently due and owing on the eligible building which  
46 is the subject of an application for abatement pursuant to this title,  
47 unless such real property taxes or charges are currently being paid in  
48 timely installments pursuant to a written agreement with the department  
49 of finance or other appropriate agency.

50 6. No abatement shall be granted pursuant to this title unless the  
51 applicant shall file, together with the application, an affidavit  
52 setting forth the following information:

53 (a) a statement that within the seven years immediately preceding the  
54 date of application for a certificate of abatement, neither the appli-  
55 cant nor any person owning a substantial interest in the eligible build-  
56 ing as defined in paragraph (c) of this subdivision, nor any officer,

1 director or general partner of the applicant or such person was finally  
2 adjudicated by a court of competent jurisdiction to have violated  
3 section two hundred thirty-five of the real property law or any section  
4 of article one hundred fifty of the penal law or any similar arson law  
5 of another jurisdiction with respect to any building, or was an officer,  
6 director or general partner of a person at the time such person was  
7 finally adjudicated to have violated such law; and

8 (b) a statement setting forth any pending charges alleging violation  
9 of section two hundred thirty-five of the real property law or any  
10 section of article one hundred fifty of the penal law or any similar  
11 arson law of another jurisdiction with respect to any building by the  
12 applicant or any person owning a substantial interest in the eligible  
13 building as defined in paragraph (c) of this subdivision, or any offi-  
14 cer, director or general partner of the applicant or such person, or any  
15 person for whom the applicant or person owning a substantial interest in  
16 the eligible building is an officer, director or general partner.

17 (c) For purposes of this subdivision and subdivision seven of section  
18 four hundred ninety-nine-fffff of this title, "substantial interest"  
19 shall mean ownership and control of an interest of ten per centum or  
20 more in the eligible building or in any person owning the eligible  
21 building.

22 § 499-ddddd. Application for certificate of abatement. 1. Application  
23 for a certificate of abatement may be made on or after April first, two  
24 thousand twenty-two and until sixty days after the end of the eligibil-  
25 ity period. Applications shall be filed with the department of finance.  
26 No application may be filed prior to the date on which the lease for the  
27 eligible premises is executed by the landlord and tenant.

28 2. No abatement pursuant to this title shall be granted unless the  
29 applicant files an application for a certificate of abatement within  
30 sixty days following the lease commencement date.

31 3. In addition to any other information required by the department of  
32 finance, the application for a certificate of abatement shall include an  
33 abstract of the lease for the eligible premises for which an abatement  
34 is being sought, which abstract is signed by the landlord and the  
35 tenant. Such abstract shall include the tenant's percentage share, the  
36 lease commencement date, the rent commencement date, the expiration date  
37 for such lease and a description of the lease renewal clause, including  
38 the annual rent increase percentage. Such application shall also include  
39 (a) a statement of the number of persons who will, on the rent commence-  
40 ment date, be employed in the eligible premises, (b) a statement of the  
41 location of all commercial space in the city of New York occupied by the  
42 tenant prior to the execution of the lease for the eligible premises,  
43 (c) the commencement and expiration dates of all leases for eligible  
44 premises, and (d) the aggregate floor area of the eligible building.  
45 Such application shall also state that the applicant agrees to comply  
46 with and be subject to the rules issued from time to time by the depart-  
47 ment of finance.

48 4. Within one hundred eighty days following the lease commencement  
49 date, the applicant shall provide, in addition to any other information  
50 required by the department of finance, evidence acceptable to the  
51 department of finance of the number of employees in the eligible prem-  
52 ises. The department of finance shall issue a certificate of abatement  
53 upon determining that the applicant has submitted proof acceptable to  
54 the department of finance that the applicant has met the requirements  
55 set forth in this title.

1 5. The burden of proof shall be on the applicant to show by clear and  
2 convincing evidence that the requirements for granting a certificate of  
3 abatement have been satisfied. The department of finance shall have the  
4 authority to require that statements in connection with such application  
5 be made under oath.

6 6. The department of finance may provide by rule for reasonable admin-  
7 istrative charges or fees necessary to defray expenses in administering  
8 the abatement program provided by this title.

9 § 499-eeee. Enforcement and administration. The department of finance  
10 shall have, in addition to any other functions, powers and duties which  
11 have been or may be conferred on it by law, the following functions,  
12 powers and duties:

13 1. To receive and review applications for certificates of abatement  
14 under this title and issue such certificates where authorized pursuant  
15 to this title.

16 2. To receive all certificates of continuing eligibility required by  
17 section four hundred ninety-nine-fffff of this title.

18 3. To collect all real property taxes, with interest and penalty, due  
19 and owing as a result of reduction, termination or revocation of any  
20 abatement granted pursuant to this title.

21 4. To make and promulgate rules to carry out the purposes of this  
22 title.

23 § 499-fffff. Reporting requirements; revocation of abatements. 1. For  
24 the duration of the applicant's benefit period, the applicant shall file  
25 annually with the department of finance, on or before July first of each  
26 year, a certificate of continuing eligibility confirming that the eligi-  
27 ble premises are occupied by the tenant who originally executed the  
28 lease and that the eligible premises are being used for the purposes  
29 described in the application. Such certificate of continuing eligibil-  
30 ity shall be on a form prescribed by the department of finance and shall  
31 contain such additional information as the department of finance shall  
32 require. The department of finance shall have the authority to terminate  
33 abatements granted pursuant to this title upon failure of an applicant  
34 to file such certificate by such July first date. The burden of proof  
35 shall be on the applicant to establish continuing eligibility for bene-  
36 fits and the department of finance shall have the authority to require  
37 that statements made in such certificate shall be made under oath.

38 2. The department of finance shall revoke any abatement granted pursu-  
39 ant to this title when the tenant who originally executed the lease is  
40 no longer occupying the eligible premises. Such revocation shall be  
41 retroactive to the date that such tenant vacated the eligible premises  
42 and the department of finance shall require the landlord to pay, with  
43 interest, any taxes which become payable as a result of such revocation.  
44 The landlord shall notify the department of finance within thirty days  
45 following the date on which such tenant vacated the eligible premises  
46 and, for failure to comply with this notification requirement, shall be  
47 liable for penalty calculated for the same period as interest is calcu-  
48 lated pursuant to the preceding sentence.

49 3. If any portion of the premises for which an abatement has been  
50 granted pursuant to this title ceases to be occupied or used as eligible  
51 premises or is occupied by a subtenant, the department of finance shall  
52 reduce the abatement granted pursuant to this title by an amount equal  
53 to the percentage of such eligible premises which has ceased to be occu-  
54 pied or used as eligible premises or is occupied by a subtenant. Such  
55 reduction shall be retroactive to the date that such premises ceased to  
56 be occupied or used as eligible premises or was occupied by a subtenant,

1 and the department of finance shall require the landlord to pay, with  
2 interest, any taxes which become payable as a result of such reduction.  
3 The landlord shall notify the department of finance within thirty days  
4 following the date on which the premises ceased to be occupied or used  
5 as eligible premises or was occupied by a subtenant and, for failure to  
6 comply with this notification requirement, shall be liable for penalty  
7 calculated for the same period as interest is calculated pursuant to the  
8 preceding sentence.

9 4. If, during the benefit period, any real property tax or water or  
10 sewer charge or other lienable charge due and payable with respect to an  
11 eligible building shall remain unpaid for at least one year following  
12 the date upon which such tax or charge became due and payable, all  
13 abatements granted pursuant to this title with respect to such building  
14 shall be revoked, unless within thirty days from the mailing of a notice  
15 of revocation by the department of finance satisfactory proof is  
16 presented to the department of finance that any and all delinquent taxes  
17 and charges owing with respect to such building as of the date of such  
18 notice have been paid in full or are currently being paid in timely  
19 installments pursuant to a written agreement with the department of  
20 finance or other appropriate agency. Any revocation pursuant to this  
21 subdivision shall be effective with respect to real property taxes which  
22 become due and payable following the date of such revocation.

23 5. The department of finance may deny, reduce, suspend, terminate or  
24 revoke any abatement granted pursuant to this title whenever:

25 (a) the landlord or the tenant receiving abatement pursuant to this  
26 title fails to comply with the requirements of this title or the rules  
27 promulgated hereunder; or

28 (b) an application, certificate, report or other document submitted by  
29 the applicant contains a false or misleading statement as to a material  
30 fact or omits to state any material fact necessary in order to make the  
31 statement therein not false or misleading, and may declare any applicant  
32 who makes such false or misleading statement or omission to be ineligi-  
33 ble for future abatement pursuant to this title for the same or other  
34 property. In addition, the department of finance shall require the  
35 applicant to pay, with penalty and interest, any abatement received  
36 pursuant to this title as a result of such false or misleading statement  
37 or omission of a material fact.

38 6. Notwithstanding any other provision of this title, the department  
39 of finance shall deny, terminate or revoke any abatement applied for or  
40 granted pursuant to this title upon a determination that the lease  
41 between the landlord and the tenant does not constitute a bona fide  
42 arm's length lease. In making such determination, the department of  
43 finance may consider, among other factors, the relationship, if any,  
44 between the landlord and the tenant and whether the business terms of  
45 such lease are consistent with the business terms generally found in  
46 leases for comparable space.

47 7. (a) If any person described in the statement required by paragraph  
48 (b) of subdivision six of section four hundred ninety-nine-cccc of this  
49 title or paragraph (b) of this subdivision is finally adjudicated by a  
50 court of competent jurisdiction to be guilty of any charge listed in  
51 such statement, the department of finance shall revoke the abatement  
52 granted pursuant to this title and shall require the payment, with  
53 interest, of any abatement received pursuant to this title.

54 (b) The applicant shall, on the certificate of continuing eligibility,  
55 state whether any charges alleging violation by the applicant or any  
56 person owning a substantial interest in the eligible building, or any



1 officer, director or general partner of the applicant or person owning a  
2 substantial interest in the eligible building, or any person for whom  
3 the applicant or person owning a substantial interest in the eligible  
4 building is an officer, director or general partner, of section two  
5 hundred thirty-five of the real property law or any section of article  
6 one hundred fifty of the penal law or any similar arson law of another  
7 jurisdiction, are pending. For purposes of this paragraph, "substantial  
8 interest" shall have the same meaning as set forth in paragraph (c) of  
9 subdivision six of section four hundred ninety-nine-cccc of this title.

10 § 499-ggggg. Tax lien; interest and penalty. All taxes, with interest,  
11 required to be paid retroactively pursuant to this title shall consti-  
12 tute a tax lien as of the date it is determined such taxes and interest  
13 are owed. All interest shall be calculated from the date the taxes would  
14 have been due but for the abatement granted pursuant to this title at  
15 the applicable rate or rates of interest imposed by such city generally  
16 for non-payment of real property tax with respect to the eligible build-  
17 ing for the period in question. When a provision of this title requires  
18 the payment of a penalty in addition to interest, the amount of such  
19 penalty shall be equal to the amount of interest that would have been  
20 payable pursuant to such provision had such interest been calculated at  
21 the rate of three percent per annum.

22 § 499-hhhhh. Confidentiality. 1. Except in accordance with a proper  
23 judicial order or as otherwise provided by law, it shall be unlawful for  
24 the commissioner of finance, any officer or employee of the department  
25 of finance, the president or a commissioner or employee of the tax  
26 commission, any person engaged or retained by such department or such  
27 commission on an independent contract basis, or any person who, pursuant  
28 to this title, is permitted to inspect any information submitted by an  
29 applicant to the department of finance pursuant to this title or to whom  
30 a copy, an abstract or a portion of any such information is furnished,  
31 to divulge or make known in any manner any such information to any  
32 person not authorized pursuant to this title to inspect such informa-  
33 tion. The officers charged with custody of such information shall not be  
34 required to produce any of it or evidence of anything contained in it in  
35 any action or proceeding in any court except on behalf of the commis-  
36 sioner of finance in an action or proceeding under the provisions of  
37 this title, or on behalf of any party to any action or proceeding under  
38 the provisions of this title when such information or facts shown there-  
39 by are directly involved in such action or proceeding, in either of  
40 which events the court may require the production of, and may admit in  
41 evidence so much of such information or of the facts shown thereby, as  
42 are pertinent to the action or proceeding and no more. Nothing herein  
43 shall be construed to prohibit the inspection by the legal represen-  
44 tatives of the department of finance or the tax commission of such  
45 information submitted by any applicant who shall bring an action to  
46 correct an assessment. Nothing herein shall be construed to prohibit  
47 the delivery to an applicant or the applicant's duly authorized repre-  
48 sentative of a certified copy of any information submitted by an appli-  
49 cant to the department of finance pursuant to this title; or to any  
50 agency or any department of any city having a population of one million  
51 or more provided the same is requested for official business; nor to  
52 prohibit the inspection for official business of such information by the  
53 corporation counsel or other legal representatives of a city having a  
54 population of one million or more or by the district attorney of any  
55 county within such city; nor to prohibit the publication of statistics  
56 so classified as to prevent the identification of such information or

1 particular items thereof. Information submitted by an applicant to the  
2 department of finance pursuant to this title shall not be subject to  
3 disclosure pursuant to article six of the public officers law.

4 2. Any violation of the provisions of subdivision one of this section  
5 shall be punishable by a fine not exceeding one thousand dollars or by  
6 imprisonment not exceeding one year, or both, at the discretion of the  
7 court, and if the offender be an officer or employee of the department  
8 of finance or of the tax commission, the offender shall be dismissed  
9 from office.

10 § 2. This act shall take effect immediately.