

# STATE OF NEW YORK

4199

2021-2022 Regular Sessions

## IN SENATE

February 2, 2021

Introduced by Sens. HOYLMAN, BAILEY, BIAGGI, GIANARIS, JACKSON, KAVANAGH, KRUEGER, LIU, MAY, MYRIE, RAMOS, RIVERA, SALAZAR, SANDERS, SEPULVEDA, SERRANO, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to imposing an additional tax on certain non-primary residence class one and class two properties in a city with a population of one million or more

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

1 Section 1. The real property tax law is amended by adding a new  
2 section 307-b to read as follows:

3 § 307-b. Additional tax on certain non-primary residence properties in  
4 a city with a population of one million or more. 1. Generally. Notwith-  
5 standing any provision of any general, specific or local law to the  
6 contrary, any city with a population of one million or more is hereby  
7 authorized and empowered to adopt and amend local laws in accordance  
8 with this section imposing an additional tax on certain residential  
9 properties and dwelling units.

10 2. Definitions. As used in this section: (a) "Assessed value" means  
11 the determination made by the assessors of a city having a population of  
12 one million or more of the valuation of real property.

13 (b) "Assessed value attributable to a tenant-stockholder" means the  
14 proportion of the assessed value of real property owned by a cooperative  
15 apartment corporation, represented by a tenant-stockholder's share or  
16 shares of stock in such corporation as determined by its or their  
17 proportional relationship to the total outstanding stock of the corpo-  
18 ration, including that owned by the corporation.

19 (c) "Commissioner of finance" means the commissioner of finance of a  
20 city having a population of one million or more, or his or her designee.

21 (d) "Department of finance" means the department of finance of a city  
22 having a population of one million or more.

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

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1 (e) "Five-year average market value" shall mean the average monetary  
2 value of a property for the previous five years, using a comparable  
3 sale-based valuation method, as determined by the department of finance.

4 3. Additional tax. (a) A local law enacted pursuant to this section  
5 may provide for a tax as follows for fiscal years beginning on or after  
6 July first, two thousand twenty-two:

7 (i) For one, two or three family residences with a five-year average  
8 market value of five million dollars or higher, a tax of at least one-  
9 half percent and no more than four percent on the excess market value  
10 above five million dollars.

11 (ii) For residential real property held in the condominium form of  
12 ownership with an assessed value of three hundred thousand dollars or  
13 higher, a tax of at least ten percent and no more than thirteen and  
14 one-half percent of the excess assessed value above three hundred thou-  
15 sand dollars.

16 (iii) For dwelling units in a property held in the cooperative form of  
17 ownership with an assessed value attributable to a tenant-stockholder of  
18 three hundred thousand dollars or higher, a tax of at least ten percent  
19 and no more than thirteen and one-half percent of the excess assessed  
20 value above three hundred thousand dollars. The additional taxes attrib-  
21 utable to each tenant-stockholder shall be added by the cooperative  
22 apartment corporation to the amount of such taxes otherwise payable by  
23 or chargeable to such tenant-stockholder.

24 (b) Subject to the limitations established in paragraph (a) of this  
25 subdivision, any such local law may establish a graduated rate schedule  
26 for imposing such tax, at rates and excess value thresholds as the local  
27 legislative body determines appropriate.

28 (c) Except as otherwise provided in this section, such tax may be  
29 imposed, administered, collected and enforced by the commissioner of  
30 finance of such city by such means and in such manner as other taxes  
31 that are now imposed, administered, collected and enforced by such  
32 commissioner in accordance with the charter or administrative code of  
33 any such city or as otherwise may be provided by any such local law.

34 4. Exemptions. (a) A local law enacted pursuant to this section shall  
35 include an exemption from the additional tax imposed for residential  
36 properties or dwelling units that are: (i) the primary residence of at  
37 least one owner of the property or dwelling unit; (ii) the primary resi-  
38 dence of a parent or child of at least one owner of the property or  
39 dwelling unit; (iii) held in the condominium or cooperative form of  
40 ownership with an assessed value or assessed value attributable to a  
41 tenant-stockholder of three hundred thousand dollars or higher, where  
42 the owner has within the prior three years obtained an appraisal report  
43 certified by a state certified real estate appraiser or authenticated by  
44 a state licensed real estate appraiser, as those terms are defined in  
45 section one hundred sixty-a of the executive law, showing that the resi-  
46 dential property or dwelling unit has an appraised value of less than  
47 five million dollars; or (iv) rented on a full-time basis to a tenant or  
48 tenants for whom the property or dwelling unit is their primary resi-  
49 dence.

50 (b) Proof that a residential property or dwelling unit is eligible for  
51 an exemption provided in paragraph (a) of this subdivision shall be in  
52 such form as required by local law or the rules of the commissioner of  
53 finance.

54 (c) Any such local law may provide for exemptions from such tax in  
55 addition to those specified in this subdivision.

1 (d) In the event that a property granted an exemption from taxation  
2 pursuant to this section or local law ceases to be used in a manner  
3 making the property eligible for such exemption, the owner or owners  
4 shall so notify the commissioner of finance in a time, form and manner  
5 as so required by local law or the rules of the commissioner.

6 5. Rules. The department of finance of any city enacting a local law  
7 pursuant to this section shall have, in addition to any other functions,  
8 powers and duties which have been or may be conferred on it by law, the  
9 power to make and promulgate rules to carry out the purposes of this  
10 section.

11 § 2. This act shall take effect immediately.