

# STATE OF NEW YORK

4250

2021-2022 Regular Sessions

## IN SENATE

February 3, 2021

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the real property tax law and the tax law, in relation to preventing the transitioning of the school tax relief (STAR) exemption into a personal income tax credit; and repealing certain provisions of the real property tax law and the tax law relating thereto

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

1 Section 1. Paragraph (a) of subdivision 6 of section 425 of the real  
2 property tax law, as amended by section 1 of part A of chapter 60 of the  
3 laws of 2016, is amended to read as follows:

4 (a) Generally. All owners of the property who primarily reside thereon  
5 [~~and who are not subject to the provisions of subdivision sixteen of~~  
6 ~~this section~~] must jointly file an application for exemption with the  
7 assessor on or before the appropriate taxable status date. Such applica-  
8 tion may be filed by mail if it is enclosed in a postpaid envelope prop-  
9 erly addressed to the appropriate assessor, deposited in a post office  
10 or official depository under the exclusive care of the United States  
11 postal service, and postmarked by the United States postal service on or  
12 before the applicable taxable status date. Each such application shall  
13 be made on a form prescribed by the commissioner, which shall require  
14 the applicant or applicants to agree to notify the assessor if their  
15 primary residence changes while their property is receiving the  
16 exemption. The assessor may request that proof of residency be submitted  
17 with the application. If the applicant requests a receipt from the  
18 assessor as proof of submission of the application, the assessor shall  
19 provide such receipt. If such request is made by other than personal  
20 request, the applicant shall provide the assessor with a self-addressed  
21 postpaid envelope in which to mail the receipt.

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

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1 § 2. Subdivision 16 of section 425 of the real property tax law is  
2 REPEALED.

3 § 3. Subdivision 2 of section 496 of the real property tax law, as  
4 amended by section 3 of part A of chapter 60 of the laws of 2016, para-  
5 graph (a) as amended by section 3 and paragraph (d) as amended by  
6 section 2 of part TT of chapter 59 of the laws of 2019, is amended to  
7 read as follows:

8 2. An application to renounce an exemption shall be made on a form  
9 prescribed by the commissioner and shall be filed with the county direc-  
10 tor of real property tax services no later than ten years after the levy  
11 of taxes upon the assessment roll on which the renounced exemption  
12 appears. The county director, after consulting with the assessor as  
13 appropriate, shall compute the total amount owed on account of the  
14 renounced exemption as follows:

15 (a) For each assessment roll on which the renounced exemption appears,  
16 the assessed value that was exempted shall be multiplied by the tax rate  
17 or rates that were applied to that assessment roll, or in the case of a  
18 renounced STAR exemption, the tax savings calculated pursuant to subdivi-  
19 sion two of section thirteen hundred six-a of this chapter. Interest  
20 shall then be added to each such product at the rate prescribed by  
21 section nine hundred twenty-four-a of this chapter or such other law as  
22 may be applicable for each month or portion thereon since the levy of  
23 taxes upon such assessment roll.

24 (b) The sum of the calculations made pursuant to paragraph (a) of this  
25 subdivision with respect to all of the assessment rolls in question  
26 shall be determined.

27 (c) A processing fee of five hundred dollars shall be added to the sum  
28 determined pursuant to paragraph (b) of this subdivision~~[, unless the~~  
29 ~~provisions of paragraph (d) of this subdivision are applicable.~~

30 ~~(d) If the applicant is renouncing a STAR exemption in order to quali-~~  
31 ~~fy for the personal income tax credit authorized by subsection (eee) of~~  
32 ~~section six hundred six of the tax law, and no other exemptions are~~  
33 ~~being renounced on the same application, or if the applicant is renounc-~~  
34 ~~ing a STAR exemption before school taxes have been levied on the assess-~~  
35 ~~ment roll upon which that exemption appears, no processing fee shall be~~  
36 ~~applicable].~~

37 § 4. Subdivision 6 of section 1306-a of the real property tax law is  
38 REPEALED.

39 § 5. Subsection (eee) of section 606 of the tax law is REPEALED.

40 § 6. The opening paragraph of subparagraph (a) of paragraph 2 of  
41 subsection (n-1) of section 606 of the tax law, as amended by section 7  
42 of part A of chapter 60 of the laws of 2016, is amended to read as  
43 follows:

44 To be eligible for the credit, the taxpayer (or taxpayers filing joint  
45 returns) on the personal income tax return filed for the taxable year  
46 two years prior, must have (i) been a resident, (ii) owned and primarily  
47 resided in real property receiving [~~either~~] the STAR exemption author-  
48 ized by section four hundred twenty-five of the real property tax law  
49 [~~or the school tax relief credit authorized by subsection (eee) of this~~  
50 ~~section], and (iii) had qualified gross income no greater than two~~  
51 hundred seventy-five thousand dollars. Provided, however, that no credit  
52 shall be allowed if any of the following apply:

53 § 7. This act shall take effect immediately.