

STATE OF NEW YORK

7072

2021-2022 Regular Sessions

IN SENATE

May 26, 2021

Introduced by Sen. GAUGHRAN -- 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 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 resol-~~
7 ~~ution, 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~~[,~~
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 subdi-
52 vision.

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

~~[which, after public hearing, adopts a local law, ordinance or resolution, providing that this subdivision shall be applicable to nonprofit organizations within its jurisdiction. Such local law, ordinance or resolution shall apply to property transfers occurring on or after the effective date of such local law, ordinance or resolution. A copy of such local law, ordinance or resolution shall be filed with the commissioner].~~

(ii) Where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the levy of taxes but prior to the taxable status date applicable to the following year's assessment roll, such nonprofit organization may file~~[, if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located,~~] an application for exemption with the assessor no later than the ~~[time specified in such local law, ordinance or resolution]~~ taxable status date applicable to the following year's assessment roll. 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

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.