

# STATE OF NEW YORK

8870

## IN SENATE

April 26, 2022

Introduced by Sen. REICHLIN-MELNICK -- read twice and ordered printed,  
and when printed to be committed to the Committee on Aging

AN ACT to amend the real property tax law, in relation to municipal corporations within counties having a population of between three hundred thirty-five thousand and three hundred forty thousand, or 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. Paragraph (a) of subdivision 3 of section 467 of the real  
2 property tax law, as amended by chapter 558 of the laws of 2021, is  
3 amended to read as follows:  
4 (a) if the income of the owner or the combined income of the owners of  
5 the property for the income tax year immediately preceding the date of  
6 making application for exemption exceeds the sum of three thousand  
7 dollars, or such other sum not less than three thousand dollars nor more  
8 than twenty-six thousand dollars beginning July first, two thousand six,  
9 twenty-seven thousand dollars beginning July first, two thousand seven,  
10 twenty-eight thousand dollars beginning July first, two thousand eight,  
11 twenty-nine thousand dollars beginning July first, two thousand nine,  
12 [~~and~~] in a city with a population of one million or more fifty thousand  
13 dollars beginning July first, two thousand seventeen, and in a municipal  
14 corporation within a county with a population between three hundred  
15 thirty-five thousand and three hundred forty thousand, or with a popu-  
16 lation of one million or more, according to the last decennial census,  
17 fifty thousand dollars beginning July first, two thousand twenty-two, as  
18 may be provided by the local law, ordinance or resolution adopted pursu-  
19 ant to this section. Where the taxable status date is on or before April  
20 fourteenth, income tax year shall mean the twelve-month period for which  
21 the owner or owners filed a federal personal income tax return for the  
22 year before the income tax year immediately preceding the date of appli-  
23 cation and where the taxable status date is on or after April fifteenth,  
24 income tax year shall mean the twelve-month period for which the owner  
25 or owners filed a federal personal income tax return for the income tax  
26 year immediately preceding the date of application. Where title is vest-

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

LBD10378-03-2

1 ed in either the husband or the wife, their combined income may not  
2 exceed such sum, except where the husband or wife, or ex-husband or  
3 ex-wife is absent from the property as provided in subparagraph (ii) of  
4 paragraph (d) of this subdivision, then only the income of the spouse or  
5 ex-spouse residing on the property shall be considered and may not  
6 exceed such sum. Such income shall include social security and retire-  
7 ment benefits, interest, dividends, total gain from the sale or exchange  
8 of a capital asset which may be offset by a loss from the sale or  
9 exchange of a capital asset in the same income tax year, net rental  
10 income, salary or earnings, and net income from self-employment, but  
11 shall not include a return of capital, gifts, inheritances, payments  
12 made to individuals because of their status as victims of Nazi perse-  
13 cution, as defined in P.L. 103-286 or monies earned through employment  
14 in the federal foster grandparent program and any such income shall be  
15 offset by all medical and prescription drug expenses actually paid which  
16 were not reimbursed or paid for by insurance, if the governing board of  
17 a municipality, after a public hearing, adopts a local law, ordinance or  
18 resolution providing therefor. In addition, an exchange of an annuity  
19 for an annuity contract, which resulted in non-taxable gain, as deter-  
20 mined in section one thousand thirty-five of the internal revenue code,  
21 shall be excluded from such income. Provided that such exclusion shall  
22 be based on satisfactory proof that such an exchange was solely an  
23 exchange of an annuity for an annuity contract that resulted in a non-  
24 taxable transfer determined by such section of the internal revenue  
25 code. Furthermore, such income shall not include the proceeds of a  
26 reverse mortgage, as authorized by section six-h of the banking law, and  
27 sections two hundred eighty and two hundred eighty-a of the real proper-  
28 ty law; provided, however, that monies used to repay a reverse mortgage  
29 may not be deducted from income, and provided additionally that any  
30 interest or dividends realized from the investment of reverse mortgage  
31 proceeds shall be considered income. The provisions of this paragraph  
32 notwithstanding, such income shall not include veterans disability  
33 compensation, as defined in Title 38 of the United States Code provided  
34 the governing board of such municipality, after public hearing, adopts a  
35 local law, ordinance or resolution providing therefor. In computing net  
36 rental income and net income from self-employment no depreciation  
37 deduction shall be allowed for the exhaustion, wear and tear of real or  
38 personal property held for the production of income;

39 § 2. This act shall take effect immediately.