

STATE OF NEW YORK

7985

2021-2022 Regular Sessions

IN ASSEMBLY

June 4, 2021

Introduced by M. of A. GLICK, REYES -- read once and referred to the Committee on Aging

AN ACT to amend the real property tax law, in relation to increasing the combined household income limit for eligibility for a senior citizen rent increase exemption (SCRIE), disability rent increase exemption (DRIE), senior citizen homeowners' exemption (SCHE), and disabled homeowners' exemption (DHE) on the basis of the consumer price index; and in relation to local laws, ordinances or resolutions providing for the abatement of taxes in a city with a population of one million or more persons

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

1 Section 1. Paragraph a of subdivision 1 and paragraphs a and b of
2 subdivision 3 of section 467-b of the real property tax law, paragraph a
3 of subdivision 1 as amended by chapter 576 of the laws of 1974, para-
4 graph a of subdivision 3 as amended by section 1 of part U of chapter 55
5 of the laws of 2014 and paragraph b of subdivision 3 as amended by
6 section 1 of chapter 129 of the laws of 2014, are amended to read as
7 follows:

8 a. "Dwelling unit" means that part of a dwelling in which a head of
9 the household resides and which is subject to either the emergency hous-
10 ing rent control law or to the rent and rehabilitation law of the city
11 of New York enacted pursuant to the local emergency housing rent control
12 law, or to the emergency tenant protection act of nineteen seventy-four
13 or is a dwelling unit contained in real property described in subdivi-
14 sion fourteen of this section;

15 a. for a dwelling unit where the head of the household is a person
16 sixty-two years of age or older, no tax abatement shall be granted if
17 the combined income of all members of the household for the income tax
18 year immediately preceding the date of making application exceeds four
19 thousand dollars, or such other sum not more than twenty-five thousand

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

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1 dollars beginning July first, two thousand five, twenty-six thousand
2 dollars beginning July first, two thousand six, twenty-seven thousand
3 dollars beginning July first, two thousand seven, twenty-eight thousand
4 dollars beginning July first, two thousand eight, twenty-nine thousand
5 dollars beginning July first, two thousand nine, and fifty thousand
6 dollars beginning July first, two thousand fourteen, as may be provided
7 by the local law, ordinance or resolution adopted pursuant to this
8 section, provided that when the head of the household retires before the
9 commencement of such income tax year and the date of filing the applica-
10 tion, the income for such year may be adjusted by excluding salary or
11 earnings and projecting his or her retirement income over the entire
12 period of such year. The maximum income threshold provided for herein
13 shall be increased by order of the commissioner of the state division of
14 housing and community renewal on January first of each year to reflect
15 any increase in the regional consumer price index for the N.Y.,
16 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
17 ers (CPI-U) during the preceding twelve month period.

18 b. for a dwelling unit where the head of the household qualifies as a
19 person with a disability pursuant to subdivision five of this section,
20 no tax abatement shall be granted if the combined income for all members
21 of the household for the current income tax year exceeds fifty thousand
22 dollars beginning July first, two thousand fourteen, as may be provided
23 by the local law, ordinance or resolution adopted pursuant to this
24 section. The maximum income threshold provided for herein shall be
25 increased by order of the commissioner of the state division of housing
26 and community renewal on January first of each year to reflect any
27 increase in the regional consumer price index for the N.Y.,
28 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
29 ers (CPI-U) during the preceding twelve month period.

30 § 1-a. Section 467-b of the real property tax law is amended by adding
31 a new subdivision 14 to read as follows:

32 14. In a city with a population of one million or more, any such local
33 law, ordinance or resolution may provide for the abatement of taxes of
34 such city imposed on real property originally organized pursuant to
35 article two of the private housing finance law containing dwelling units
36 in which the qualifying head of household or their qualifying successor
37 in interest: (a) has a signed agreement with the landlord to limit
38 increases in maximum rent for the lifetime of the tenancy to the amount
39 established by the rent guidelines board in its annual guidelines for
40 rent adjustments for housing accommodations subject to the emergency
41 tenant protection act of nineteen seventy-four or the administrative
42 code of the city of New York or to a greater amount provided for in a
43 regulatory agreement approved by the New York city department of housing
44 preservation and development, and (b) is otherwise eligible for the tax
45 abatement provided in this section, regardless of whether such real
46 property is still subject to the regulations of said article; provided,
47 however, that the application for any abatement pursuant to this subdivi-
48 sion shall be subject to the approval of the New York city department
49 of housing preservation and development, or the approval of another
50 department designated by the mayor of the city of New York, in such
51 department's discretion.

52 § 2. Paragraphs b, d and m of subdivision 1 of section 467-c of the
53 real property tax law, paragraph b as amended by chapter 420 of the laws
54 of 1991, paragraph d as separately amended by chapters 188 and 205 of
55 the laws of 2005, subparagraph 1 of paragraph d as amended by section 2

1 of part U of chapter 55 of the laws of 2014 and paragraph m as amended
2 by chapter 129 of the laws of 2014, are amended to read as follows:

3 b. "Dwelling unit" means that part of a dwelling in which an eligible
4 head of the household resides and which is subject to the provisions of
5 either Article II, IV, V, or XI of the private housing finance law; or
6 that part of a dwelling which was or continues to be subject to a mort-
7 gage insured or initially insured by the federal government pursuant to
8 section two hundred thirteen of the National Housing Act, as amended, in
9 which an eligible head of the household resides or is a unit in a hous-
10 ing development described in subdivision thirteen of this section.

11 d. "Eligible head of the household" means (1) a person or his or her
12 spouse who is sixty-two years of age or older and is entitled to the
13 possession or to the use and occupancy of a dwelling unit, provided,
14 however, with respect to a dwelling which was subject to a mortgage
15 insured or initially insured by the federal government pursuant to
16 section two hundred thirteen of the National Housing Act, as amended
17 "eligible head of the household" shall be limited to that person or his
18 or her spouse who was entitled to possession or the use and occupancy of
19 such dwelling unit at the time of termination of such mortgage, and
20 whose income when combined with the income of all other members of the
21 household, does not exceed six thousand five hundred dollars for the
22 taxable period, or such other sum not less than sixty-five hundred
23 dollars nor more than twenty-five thousand dollars beginning July first,
24 two thousand five, twenty-six thousand dollars beginning July first, two
25 thousand six, twenty-seven thousand dollars beginning July first, two
26 thousand seven, twenty-eight thousand dollars beginning July first, two
27 thousand eight, twenty-nine thousand dollars beginning July first, two
28 thousand nine, and fifty thousand dollars beginning July first, two
29 thousand fourteen, as may be provided by local law; or (2) a person with
30 a disability as defined in this subdivision. The maximum income thresh-
31 old provided for herein shall be increased by order of the commissioner
32 of the state division of housing and community renewal on January first
33 of each year to reflect any increase in the regional consumer price
34 index for the N.Y., N.Y.-Northeastern, N.J. area, based upon the index
35 for all urban consumers (CPI-U) during the preceding twelve month peri-
36 od.

37 m. "Person with a disability" means an individual who is currently
38 receiving social security disability insurance (SSDI) or supplemental
39 security income (SSI) benefits under the federal social security act or
40 disability pension or disability compensation benefits provided by the
41 United States department of veterans affairs or those previously eligi-
42 ble by virtue of receiving disability benefits under the supplemental
43 security income program or the social security disability program and
44 currently receiving medical assistance benefits based on determination
45 of disability as provided in section three hundred sixty-six of the
46 social services law and whose income for the current income tax year,
47 together with the income of all members of such individual's household,
48 does not exceed fifty thousand dollars beginning July first, two thou-
49 sand fourteen, as may be provided by local law. The maximum income
50 threshold provided for herein shall be increased by order of the commis-
51 sioner of the state division of housing and community renewal on January
52 first of each year to reflect any increase in the regional consumer
53 price index for the N.Y., N.Y.-Northeastern, N.J. area, based upon the
54 index for all urban consumers (CPI-U) during the preceding twelve month
55 period.

1 § 2-a. Section 467-c of the real property tax law is amended by adding
2 a new subdivision 13 to read as follows:

3 13. In a city with a population of one million or more, any such local
4 law, ordinance or resolution may provide for the abatement of taxes of
5 such city imposed on real property originally organized pursuant to
6 article two of the private housing finance law containing dwelling units
7 in which the qualifying head of household or their qualifying successor
8 in interest: (a) has a signed agreement with the landlord to limit
9 increases in maximum rent for the lifetime of the tenancy to an amount
10 established by the rent guidelines board in its annual guidelines for
11 rent adjustments for housing accommodations subject to the emergency
12 tenant protection act of nineteen seventy-four or the administrative
13 code of the city of New York or to a greater amount provided for in a
14 regulatory agreement approved by the New York city department of housing
15 preservation and development, and (b) is otherwise eligible for the tax
16 abatement provided in this section, regardless of whether such real
17 property is still subject to the regulations of said article; provided,
18 however, that the application for any abatement pursuant to this subdi-
19 vision shall be subject to the approval of the New York city department
20 of housing preservation and development, or the approval of another
21 department designated by the mayor of the city of New York, in such
22 department's discretion.

23 § 3. Paragraph (a) of subdivision 3 of section 467 of the real proper-
24 ty tax law, as separately amended by chapters 131 and 279 of the laws of
25 2017, is amended to read as follows:

26 (a) if the income of the owner or the combined income of the owners of
27 the property for the income tax year immediately preceding the date of
28 making application for exemption exceeds the sum of three thousand
29 dollars, or such other sum not less than three thousand dollars nor more
30 than twenty-six thousand dollars beginning July first, two thousand six,
31 twenty-seven thousand dollars beginning July first, two thousand seven,
32 twenty-eight thousand dollars beginning July first, two thousand eight,
33 twenty-nine thousand dollars beginning July first, two thousand nine,
34 and in a city with a population of one million or more fifty thousand
35 dollars beginning July first, two thousand seventeen, as may be provided
36 by the local law, ordinance or resolution adopted pursuant to this
37 section. The maximum income threshold provided for herein shall be
38 increased by order of the commissioner on January first of each year to
39 reflect any increase in the regional consumer price index for the N.Y.,
40 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
41 ers (CPI-U) during the preceding twelve month period. Income tax year
42 shall mean the twelve month period for which the owner or owners filed a
43 federal personal income tax return, or if no such return is filed, the
44 calendar year. Where title is vested in either the husband or the wife,
45 their combined income may not exceed such sum, except where the husband
46 or wife, or ex-husband or ex-wife is absent from the property as
47 provided in subparagraph (ii) of paragraph (d) of this subdivision, then
48 only the income of the spouse or ex-spouse residing on the property
49 shall be considered and may not exceed such sum. Such income shall
50 include social security and retirement benefits, interest, dividends,
51 total gain from the sale or exchange of a capital asset which may be
52 offset by a loss from the sale or exchange of a capital asset in the
53 same income tax year, net rental income, salary or earnings, and net
54 income from self-employment, but shall not include a return of capital,
55 gifts, inheritances, payments made to individuals because of their
56 status as victims of Nazi persecution, as defined in P.L. 103-286 or

1 monies earned through employment in the federal foster grandparent
2 program and any such income shall be offset by all medical and
3 prescription drug expenses actually paid which were not reimbursed or
4 paid for by insurance, if the governing board of a municipality, after a
5 public hearing, adopts a local law, ordinance or resolution providing
6 therefor. In addition, an exchange of an annuity for an annuity
7 contract, which resulted in non-taxable gain, as determined in section
8 one thousand thirty-five of the internal revenue code, shall be excluded
9 from such income. Provided that such exclusion shall be based on satis-
10 factory proof that such an exchange was solely an exchange of an annuity
11 for an annuity contract that resulted in a non-taxable transfer deter-
12 mined by such section of the internal revenue code. Furthermore, such
13 income shall not include the proceeds of a reverse mortgage, as author-
14 ized by section six-h of the banking law, and sections two hundred
15 eighty and two hundred eighty-a of the real property law; provided,
16 however, that monies used to repay a reverse mortgage may not be
17 deducted from income, and provided additionally that any interest or
18 dividends realized from the investment of reverse mortgage proceeds
19 shall be considered income. The provisions of this paragraph notwith-
20 standing, such income shall not include veterans disability compen-
21 sation, as defined in Title 38 of the United States Code provided the
22 governing board of such municipality, after public hearing, adopts a
23 local law, ordinance or resolution providing therefor. In computing net
24 rental income and net income from self-employment no depreciation
25 deduction shall be allowed for the exhaustion, wear and tear of real or
26 personal property held for the production of income;

27 § 4. Paragraph (a) of subdivision 5 of section 459-c of the real prop-
28 erty tax law, as amended by chapter 131 of the laws of 2017, is amended
29 to read as follows:

30 (a) if the income of the owner or the combined income of the owners of
31 the property for the income tax year immediately preceding the date of
32 making application for exemption exceeds the sum of three thousand
33 dollars, or such other sum not less than three thousand dollars nor more
34 than twenty-six thousand dollars beginning July first, two thousand six,
35 twenty-seven thousand dollars beginning July first, two thousand seven,
36 twenty-eight thousand dollars beginning July first, two thousand eight,
37 twenty-nine thousand dollars beginning July first, two thousand nine,
38 and in a city with a population of one million or more fifty thousand
39 dollars beginning July first, two thousand seventeen, as may be provided
40 by the local law or resolution adopted pursuant to this section. The
41 maximum income threshold provided for herein shall be increased by order
42 of the commissioner on January first of each year to reflect any
43 increase in the regional consumer price index for the N.Y.,
44 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
45 ers (CPI-U) during the preceding twelve month period. Income tax year
46 shall mean the twelve month period for which the owner or owners filed a
47 federal personal income tax return, or if no such return is filed, the
48 calendar year. Where title is vested in either the husband or the wife,
49 their combined income may not exceed such sum, except where the husband
50 or wife, or ex-husband or ex-wife is absent from the property due to
51 divorce, legal separation or abandonment, then only the income of the
52 spouse or ex-spouse residing on the property shall be considered and may
53 not exceed such sum. Such income shall include social security and
54 retirement benefits, interest, dividends, total gain from the sale or
55 exchange of a capital asset which may be offset by a loss from the sale
56 or exchange of a capital asset in the same income tax year, net rental

1 income, salary or earnings, and net income from self-employment, but
2 shall not include a return of capital, gifts, inheritances or monies
3 earned through employment in the federal foster grandparent program and
4 any such income shall be offset by all medical and prescription drug
5 expenses actually paid which were not reimbursed or paid for by insur-
6 ance, if the governing board of a municipality, after a public hearing,
7 adopts a local law or resolution providing therefor. In computing net
8 rental income and net income from self-employment no depreciation
9 deduction shall be allowed for the exhaustion, wear and tear of real or
10 personal property held for the production of income;

11 § 5. This act shall take effect immediately; provided that:

12 (a) the amendments to paragraph a of subdivision 3 of section 467-b of
13 the real property tax law made by section one of this act shall not
14 affect the expiration of such paragraph pursuant to section 4 of part U
15 of chapter 55 of the laws of 2014, as amended, and shall be deemed to
16 expire therewith;

17 (b) the amendments to paragraph b of subdivision 3 of section 467-b of
18 the real property tax law made by section one of this act shall not
19 affect the expiration of such paragraph pursuant to section 4 of chapter
20 129 of the laws of 2014, as amended, and shall be deemed to expire ther-
21 ewith;

22 (c) the amendments to subparagraph 1 of paragraph d of subdivision 1
23 of section 467-c of the real property tax law made by section two of
24 this act shall not affect the expiration of such subparagraph pursuant
25 to section 4 of part U of chapter 55 of the laws of 2014, as amended,
26 and shall be deemed expired therewith; and

27 (d) the amendments to paragraph m of subdivision 1 of section 467-c of
28 the real property tax law made by section two of this act shall not
29 affect the expiration of such paragraph pursuant to section 4 of chapter
30 129 of the laws of 2014, as amended, and shall be deemed expired there-
31 with.