

# STATE OF NEW YORK

---

2875

2021-2022 Regular Sessions

## IN SENATE

January 26, 2021

---

Introduced by Sen. KAVANAGH -- 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 extending certain provisions relating to exemption from taxation of alterations and improvements to multiple dwellings

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

1 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of  
2 section 489 of the real property tax law, as amended by section 1 of  
3 item RRR of subpart B of part XXX of chapter 58 of the laws of 2020, is  
4 amended to read as follows:

5 Any city to which the multiple dwelling law is applicable, acting  
6 through its local legislative body or other governing agency, is hereby  
7 authorized and empowered, to and including January first, two thousand  
8 [~~twenty-one~~ twenty-two, to adopt and amend local laws or ordinances  
9 providing that any increase in assessed valuation of real property shall  
10 be exempt from taxation for local purposes, as provided herein, to the  
11 extent such increase results from:

12 § 2. The closing paragraph of subparagraph 6 of paragraph (a) of  
13 subdivision 1 of section 489 of the real property tax law, as amended by  
14 section 2 of item RRR of subpart B of part XXX of chapter 58 of the laws  
15 of 2020, is amended to read as follows:

16 Such conversion, alterations or improvements shall be completed within  
17 thirty months after the date on which same shall be started except that  
18 such thirty month limitation shall not apply to conversions of residen-  
19 tial units which are registered with the loft board in accordance with  
20 article seven-C of the multiple dwelling law pursuant to subparagraph  
21 one of this paragraph. Notwithstanding the foregoing, a sixty month  
22 period for completion shall be available for alterations or improvements  
23 undertaken by a housing development fund company organized pursuant to  
24 article eleven of the private housing finance law, which are carried out

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

LBD06386-01-1

1 with the substantial assistance of grants, loans or subsidies from any  
2 federal, state or local governmental agency or instrumentality or which  
3 are carried out in a property transferred from such city if alterations  
4 and improvements are completed within seven years after the date of  
5 transfer. In addition, the local housing agency is hereby empowered to  
6 grant an extension of the period of completion for any project carried  
7 out with the substantial assistance of grants, loans or subsidies from  
8 any federal, state or local governmental agency or instrumentality, if  
9 such alterations or improvements are completed within sixty months from  
10 commencement of construction. Provided, further, that such conversion,  
11 alterations or improvements shall in any event be completed prior to  
12 June thirtieth, two thousand [~~twenty-one~~] ~~twenty-two~~. Exemption for  
13 conversions, alterations or improvements pursuant to subparagraph one,  
14 two, three or four of this paragraph shall continue for a period not to  
15 exceed fourteen years and begin no sooner than the first quarterly tax  
16 bill immediately following the completion of such conversion, alter-  
17 ations or improvements. Exemption for alterations or improvements pursu-  
18 ant to this subparagraph or subparagraph five of this paragraph shall  
19 continue for a period not to exceed thirty-four years and shall begin no  
20 sooner than the first quarterly tax bill immediately following the  
21 completion of such alterations or improvements. Such exemption shall be  
22 equal to the increase in the valuation which is subject to exemption in  
23 full or proportionally under this subdivision for ten or thirty years,  
24 whichever is applicable. After such period of time, the amount of such  
25 exempted assessed valuation of such improvements shall be reduced by  
26 twenty percent in each succeeding year until the assessed value of the  
27 improvements are fully taxable. Provided, however, exemption for any  
28 conversion, alterations or improvements which are aided by a loan or  
29 grant under article eight, eight-A, eleven, twelve, fifteen or twenty-  
30 two of the private housing finance law, section six hundred ninety-six-a  
31 or section ninety-nine-h of the general municipal law, or section three  
32 hundred twelve of the housing act of nineteen hundred sixty-four (42  
33 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing  
34 act (42 U.S.C.A. 12701 et. seq.), or started after July first, nineteen  
35 hundred eighty-three by a housing development fund company organized  
36 pursuant to article eleven of the private housing finance law which are  
37 carried out with the substantial assistance of grants, loans or subsi-  
38 dies from any federal, state or local governmental agency or instrumen-  
39 tality or which are carried out in a property transferred from any city  
40 and where alterations and improvements are completed within seven years  
41 after the date of transfer may commence at the beginning of any tax  
42 quarter subsequent to the start of such conversion, alterations or  
43 improvements and prior to the completion of such conversion, alterations  
44 or improvements.

45 § 3. This act shall take effect immediately.