

STATE OF NEW YORK

7072--A

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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 resolu-~~
7 ~~tion, 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; provided that where a nonprofit
22 organization that meets the requirements for an exemption pursuant to
23 this section purchased property after the levy of taxes but prior to the

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

LBD11501-03-1

1 taxable status date applicable to the following year's assessment roll
2 in the years two thousand seventeen, two thousand eighteen, two thousand
3 nineteen, two thousand twenty or two thousand twenty-one, such nonprofit
4 organization may file an application for exemption with the assessor no
5 later than the next taxable status date following the effective date of
6 the chapter of the laws of two thousand twenty-one which amended this
7 subdivision. The assessor shall make a determination of whether the
8 parcel would have qualified for exempt status on the [~~tax~~] assessment
9 roll on which the taxes were levied, had title to the parcel been in the
10 name of the applicant on the taxable status date applicable to the [~~tax~~]
11 assessment roll. The application shall be on a form prescribed by the
12 commissioner. The assessor, no later than thirty days after receipt of
13 such application, shall notify both the applicant and the board of
14 assessment review, by first class mail, of the exempt amount, if any,
15 and the right of the owner to a review of the exempt amount upon the
16 filing of a written complaint. Such complaint shall be on a form
17 prescribed by the commissioner and shall be filed with the board of
18 assessment review within twenty days of the mailing of such notice. If
19 no complaint is received, the board of assessment review shall so notify
20 the assessor and the exempt amount determined by the assessor shall be
21 final. If the applicant files a complaint, the board of assessment
22 review shall schedule a time and place for a hearing with respect there-
23 to no later than thirty days after the mailing of the notice by the
24 assessor. The board of assessment review shall meet and determine the
25 exempt amount, and shall immediately notify the assessor and the appli-
26 cant, by first class mail, of its determination. The amount of exemption
27 determined pursuant to this paragraph shall be subject to review as
28 provided in article seven of this chapter. Such a proceeding shall be
29 commenced within thirty days of the mailing of the notice of the board
30 of assessment review to the new owner as provided in this paragraph.

31 (iii) Upon receipt of a determination of the exempt amount as provided
32 in subparagraph (ii) of this paragraph, the assessor shall determine the
33 pro rata exemption to be credited toward such property by multiplying
34 the tax rate or tax rates for each municipal corporation which levied
35 taxes, or for which taxes were levied, on the appropriate [~~tax~~] assess-
36 ment roll used for the fiscal year or years during which the transfer
37 occurred times the exempt amount, as determined in subparagraph (ii) of
38 this paragraph, times the fraction of each fiscal year or years remain-
39 ing subsequent to the transfer of title. The assessor shall immediately
40 transmit a statement of the pro rata exemption credit due to each munic-
41 ipal corporation which levied taxes or for which taxes were levied on
42 the [~~tax~~] assessment roll used for the fiscal year or years during which
43 the transfer occurred and to the applicant.

44 (iv) Each municipal corporation which receives notice of pro rata
45 exemption credits pursuant to this subdivision shall include an appro-
46 priation in its budget for the next fiscal year equal to the aggregate
47 amount of such credits to be applied in that fiscal year. Where a
48 parcel, the owner of which is entitled to a pro rata exemption credit,
49 is subject to taxation in said next fiscal year, the receiver or collec-
50 tor shall apply the credit to reduce the amount of taxes owed for the
51 parcel in such fiscal year. Pro rata exemption credits in excess of the
52 amount of taxes, if any, owed for the parcel shall be paid by the treas-
53 urer of a municipal corporation which levies such taxes for or on behalf
54 of the municipal corporation to all owners of property entitled to such
55 credits within thirty days of the expiration of the warrant to collect
56 taxes in said next fiscal year. Notwithstanding the foregoing, where the

1 municipal corporation has been reimbursed by another municipal corpo-
2 ration for the tax credit to be paid to the owner pursuant to this
3 subdivision, such credit shall be paid to such municipal corporation
4 instead of such owner.

5 (b) (i) Notwithstanding the provisions of this section, where a
6 nonprofit organization that meets the requirements for an exemption
7 pursuant to this section, purchases property after the taxable status
8 date but prior to the levy of taxes, such nonprofit organization may~~[~~
9 ~~if permitted by a local law, ordinance or resolution of the municipal~~
10 ~~corporation in which the nonprofit organization is located,]~~ file an
11 application for an exemption with the assessor ~~[within thirty days of~~
12 ~~the transfer of title to such nonprofit organization]~~ no later than the
13 taxable status date applicable to the following year's assessment roll;
14 provided that where a nonprofit organization that meets the requirements
15 for an exemption pursuant to this section purchased property after the
16 taxable status date but prior to the levy of taxes in the years two
17 thousand seventeen, two thousand eighteen, two thousand nineteen, two
18 thousand twenty or two thousand twenty-one, such nonprofit organization
19 may file an application for exemption with the assessor no later than
20 the next taxable status date following the effective date of the chapter
21 of the laws of two thousand twenty-one which amended this subdivision.

22 The assessor shall make a determination within thirty days after receipt
23 of such application of whether the applicant would qualify for an
24 exemption pursuant to this section on the assessment roll if title had
25 been in the name of the applicant on the taxable status date applicable
26 to such assessment roll. The application shall be made on a form
27 prescribed by the commissioner.

28 (ii) If the assessor's determination is made prior to the filing of
29 the tentative assessment roll, the assessor shall enter the exempt
30 amount, if any, on the tentative assessment roll and, within ten days
31 after filing such roll, notify the applicant of the approval or denial
32 of such exemption, the exempt amount, if any, and the applicant's right
33 to review by the board of assessment review.

34 (iii) If the assessor's determination is made after the filing of the
35 tentative assessment roll, the assessor shall petition the board of
36 assessment review to correct the tentative or final assessment roll in
37 the manner provided in title three of article five of this chapter, with
38 respect to unlawful entries, in the case of wholly exempt parcels, and
39 with respect of clerical errors, in the case of partially exempt
40 parcels, if the assessor determines that an exemption should be granted
41 and, within ten days of petitioning the board of assessment review,
42 notify the applicant of the approval or denial of such exemption, the
43 amount of such exemption, if any, and the applicant's right to adminis-
44 trative or judicial review of such determination pursuant to article
45 five or seven of this chapter, respectively.

46 (c) If, for any reason, a determination to exempt property from taxa-
47 tion as provided in paragraph (b) of this subdivision is not entered on
48 the final assessment roll, the assessor shall petition the board of
49 assessment review to correct the final assessment roll.

50 (d) If, for any reason, the pro rata tax credit as provided in para-
51 graph (a) of this subdivision is not extended against the ~~[tax]~~ assess-
52 ment roll immediately succeeding the fiscal year during which the trans-
53 fer occurred, the assessor shall immediately notify the municipal
54 corporation which levied the tax or for which the taxes were levied of
55 the amount of pro rata exemption credits for the year in which such

1 transfer occurred. Such municipal corporation shall proceed as provided
2 in subparagraph (iv) of paragraph (a) of this subdivision.

3 (e) If, for any reason, a determination to exempt property from taxa-
4 tion as provided in paragraph (b) of this subdivision is not entered on
5 the [~~tax~~] assessment roll for the year immediately succeeding the fiscal
6 year during which the transfer occurred, the assessor shall determine
7 the pro rata tax exemption credit for such [~~tax~~] assessment roll by
8 multiplying the tax rate or tax rates for each municipal corporation
9 which levied taxes or for which taxes were levied times the exempt
10 amount and shall immediately notify such municipal corporation or corpo-
11 rations of the pro rata exemption credits for such [~~tax~~] assessment
12 roll. Such municipal corporation shall add such pro rata exemption cred-
13 its for such property to any outstanding pro rata exemption amounts and
14 proceed as provided in subparagraph (iv) of paragraph (a) of this subdivi-
15 sion.

16 § 2. Subdivision 8 of section 420-b of the real property tax law, as
17 added by chapter 358 of the laws of 2018, is amended to read as follows:

18 8. (a) (i) For the purposes of this subdivision, "municipal corpo-
19 ration" shall mean a county, city, town, village or school district
20 [~~which, after public hearing, adopts a local law, ordinance or resolu-~~
21 ~~tion, providing that this subdivision shall be applicable to nonprofit~~
22 ~~organizations within its jurisdiction. Such local law, ordinance or~~
23 ~~resolution shall apply to property transfers occurring on or after the~~
24 ~~effective date of such local law, ordinance or resolution. A copy of~~
25 ~~such local law, ordinance or resolution shall be filed with the commis-~~
26 ~~sioner~~].

27 (ii) Where a nonprofit organization that meets the requirements for an
28 exemption pursuant to this section, purchases property after the levy of
29 taxes but prior to the taxable status date applicable to the following
30 year's assessment roll, such nonprofit organization may file [~~if~~
31 ~~permitted by a local law, ordinance or resolution of the municipal~~
32 ~~corporation in which the nonprofit organization is located,~~] an applica-
33 tion for exemption with the assessor no later than the [~~time specified~~
34 ~~in such local law, ordinance or resolution~~] taxable status date applica-
35 ble to the following year's assessment roll; provided that where a
36 nonprofit organization that meets the requirements for an exemption
37 pursuant to this section purchased property after the levy of taxes but
38 prior to the taxable status date applicable to the following year's
39 assessment roll in the years two thousand seventeen, two thousand eigh-
40 teen, two thousand nineteen, two thousand twenty or two thousand twen-
41 ty-one, such nonprofit organization may file an application for
42 exemption with the assessor no later than the next taxable status date
43 following the effective date of the chapter of the laws of two thousand
44 twenty-one which amended this subdivision. The assessor shall make a
45 determination of whether the parcel would have qualified for exempt
46 status on the [~~tax~~] assessment roll on which the taxes were levied, had
47 title to the parcel been in the name of the applicant on the taxable
48 status date applicable to the [~~tax~~] assessment roll. The application
49 shall be on a form prescribed by the commissioner. The assessor, no
50 later than thirty days after receipt of such application, shall notify
51 both the applicant and the board of assessment review, by first class
52 mail, of the exempt amount, if any, and the right of the owner to a
53 review of the exempt amount upon the filing of a written complaint. Such
54 complaint shall be on a form prescribed by the commissioner and shall be
55 filed with the board of assessment review within twenty days of the
56 mailing of such notice. If no complaint is received, the board of

1 assessment review shall so notify the assessor and the exempt amount
2 determined by the assessor shall be final. If the applicant files a
3 complaint, the board of assessment review shall schedule a time and
4 place for a hearing with respect thereto no later than thirty days after
5 the mailing of the notice by the assessor. The board of assessment
6 review shall meet and determine the exempt amount, and shall immediately
7 notify the assessor and the applicant, by first class mail, of its
8 determination. The amount of exemption determined pursuant to this para-
9 graph shall be subject to review as provided in article seven of this
10 chapter. Such a proceeding shall be commenced within thirty days of the
11 mailing of the notice of the board of assessment review to the new owner
12 as provided in this paragraph.

13 (iii) Upon receipt of a determination of the exempt amount as provided
14 in subparagraph (ii) of this paragraph, the assessor shall determine the
15 pro rata exemption to be credited toward such property by multiplying
16 the tax rate or tax rates for each municipal corporation which levied
17 taxes, or for which taxes were levied, on the appropriate [~~tax~~] assess-
18 ment roll used for the fiscal year or years during which the transfer
19 occurred times the exempt amount, as determined in subparagraph (ii) of
20 this paragraph, times the fraction of each fiscal year or years remain-
21 ing subsequent to the transfer of title. The assessor shall immediately
22 transmit a statement of the pro rata exemption credit due to each munic-
23 ipal corporation which levied taxes or for which taxes were levied on
24 the [~~tax~~] assessment roll used for the fiscal year or years during which
25 the transfer occurred and to the applicant.

26 (iv) Each municipal corporation which receives notice of pro rata
27 exemption credits pursuant to this subdivision shall include an appro-
28 priation in its budget for the next fiscal year equal to the aggregate
29 amount of such credits to be applied in that fiscal year. Where a
30 parcel, the owner of which is entitled to a pro rata exemption credit,
31 is subject to taxation in said next fiscal year, the receiver or collec-
32 tor shall apply the credit to reduce the amount of taxes owed for the
33 parcel in such fiscal year. Pro rata exemption credits in excess of the
34 amount of taxes, if any, owed for the parcel shall be paid by the treas-
35 urer of a municipal corporation which levies such taxes for or on behalf
36 of the municipal corporation to all owners of property entitled to such
37 credits within thirty days of the expiration of the warrant to collect
38 taxes in said next fiscal year. Notwithstanding the foregoing, where the
39 municipal corporation has been reimbursed by another municipal corpo-
40 ration for the tax credit to be paid to the owner pursuant to this
41 subdivision, such credit shall be paid to such municipal corporation
42 instead of such owner.

43 (b) (i) Notwithstanding the provisions of this section, where a
44 nonprofit organization that meets the requirements for an exemption
45 pursuant to this section, purchases property after the taxable status
46 date but prior to the levy of taxes, such nonprofit organization may[~~7~~
47 ~~if permitted by a local law, ordinance or resolution of the municipal~~
48 ~~corporation in which the nonprofit organization is located,~~] file an
49 application for an exemption with the assessor [~~within thirty days of~~
50 ~~the transfer of title to such nonprofit organization~~] no later than the
51 taxable status date applicable to the following year's assessment roll;
52 provided that where a nonprofit organization that meets the requirements
53 for an exemption pursuant to this section purchased property after the
54 taxable status date but prior to the levy of taxes in the years two
55 thousand seventeen, two thousand eighteen, two thousand nineteen, two
56 thousand twenty or two thousand twenty-one, such nonprofit organization

1 may file an application for exemption with the assessor no later than
2 the next taxable status date following the effective date of the chapter
3 of the laws of two thousand twenty-one which amended this subdivision.

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 subdivi-
52 sion.

53 § 3. This act shall take effect immediately.