STATE OF NEW YORK

8025

IN SENATE

January 20, 2022

Introduced by Sen. PALUMBO -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to repeal sections 2, 3, 4, and 5 of chapter 330 of the laws of 2011 amending the town law relating to payments for certain school, fire, fire protection, and ambulance districts for lands exempt from real property taxation for purposes which implement the Peconic Bay community preservation fund; and providing for the repeal of certain provisions upon expiration thereof

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

Section 1. Sections 2, 3, 4, and 5 of chapter 330 of the laws of 2011 amending the town law relating to payments for certain school, fire, fire protection, and ambulance districts for lands exempt from real property taxation for purposes which implement the Peconic Bay community preservation fund are REPEALED.

§ 2. Notwithstanding any provision of law to the contrary, a town may make annual payments from its community preservation fund enacted pursuant to section 64-e of the town law to school, fire, fire protection, and ambulance districts. Such payments may be made to mitigate the impact of lost tax revenues from lands made wholly exempt as a result of their acquisition by the federal, state, or local government for the preservation of community character as defined in subdivision 4 of section 64-e of the town law. Before approving such payments, the town board shall determine that the lost tax revenue would result in an extraordinary financial hardship to such districts.

§ 3. Such payments made by a town pursuant to this act shall only be made for lands within such districts which are wholly exempt from real property taxation pursuant to the real property tax law that have been acquired by the federal government, state government, or a municipal corporation for community preservation purposes pursuant to section 64-e of the town law, whether or not said lands were actually acquired with community preservation funds. For the purposes of determining the payment to each eligible district, each eligible parcel shall be assessed as provided for in the real property tax law. Such assessments

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

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shall be approved by commissioner of taxation and finance in the same manner as state lands, as provided for in subdivision 3 of section 542 of the real property tax law. Such eligible parcels shall be reassessed annually. The town shall apply each eligible district's tax rate to determine the maximum payment for each eligible parcel in that district for each year.

§ 4. Where the total annual budget appropriation by a town for the payments provided for by this act is less than the aggregate payments for all districts, then the town shall apportion such annual payment for each district based on a percentage calculated as a proportion of each district's payment to the aggregate of payments to all districts. In such case, each district shall receive its proportional share of the budget appropriation. Such payment made by the town shall be used solely to reduce the property tax liability of the remaining taxpayers of the district within such town. Not more than 10 percent of the fund collected in any fiscal year may be used for the purpose outlined in this section. The last fiscal year for which twelve full months of collected revenue is available shall be used to determine the maximum appropriation permitted by this section. The maximum percentage of the fund to be appropriated for such payments for any year or years may be reduced below 10 percent by an election upon proposition pursuant to section 81 of the town law.

§ 5. The town board shall adopt an annual plan before the payments authorized by this act may be made. No monies from the fund shall be expended for such payments, except as approved in said plan. Said plan shall specify each parcel eligible for a payment and shall provide for the amount of payment for each eligible parcel for the current fiscal year as well as an estimate for the following fiscal year. In addition, such plan shall provide the assessed value of each eligible parcel. Said plan shall be approved and adopted by the town board after a public hearing.

§ 6. This act shall take effect immediately; provided, however, that sections two, three, four and five of this act shall expire and be deemed repealed December 31, 2050.