

STATE OF NEW YORK

1288--A

2023-2024 Regular Sessions

IN ASSEMBLY

January 17, 2023

Introduced by M. of A. WILLIAMS, OTIS, MILLER -- read once and referred to the Committee on Real Property Taxation -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- reported and referred to the Committee on Ways and Means -- 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:

Section 1. Subdivision 16 of section 420-a of the real property tax law, as added by chapter 358 of the laws of 2018, is amended to read as follows:

16. (a) (i) For the purposes of this subdivision, "municipal corporation" shall mean a county, city, town, village or school district ~~[which, after public hearing, adopts a local law, ordinance or resolution, providing that this subdivision shall be applicable to nonprofit organizations within its jurisdiction. Such local law, ordinance or resolution shall apply to property transfers occurring on or after the effective date of such local law, ordinance or resolution. A copy of such local law, ordinance or resolution shall be filed with the commissioner].~~

(ii) Where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the levy of taxes but prior to the taxable status date applicable to the following year's assessment roll, such nonprofit organization may~~[, if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located,~~ file an application for exemption with the assessor no later than the ~~[time specified in such local law, ordinance or resolution]~~ taxable status date applicable to the assessment roll three years subsequent to the purchase of such prop-

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

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erty. The assessor shall make a determination of whether the parcel would have qualified for exempt status on the ~~[tax]~~ assessment roll on which the taxes were levied, had title to the parcel been in the name of the applicant on the taxable status date applicable to the ~~[tax]~~ assessment roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a complaint, the board of assessment review shall schedule a time and place for a hearing with respect thereto no later than thirty days after the mailing of the notice by the assessor. The board of assessment review shall meet and determine the exempt amount, and shall immediately notify the assessor and the applicant, by first class mail, of its determination. The amount of exemption determined pursuant to this paragraph shall be subject to review as provided in article seven of this chapter. Such a proceeding shall be commenced within thirty days of the mailing of the notice of the board of assessment review to the new owner as provided in this paragraph.

(iii) Upon receipt of a determination of the exempt amount as provided in subparagraph (ii) of this paragraph, the assessor shall determine the pro rata exemption to be credited toward such property by multiplying the tax rate or tax rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate ~~[tax]~~ assessment roll used for the fiscal year or years during which the transfer occurred times the exempt amount, as determined in subparagraph (ii) of this paragraph, times the fraction of each fiscal year or years remaining subsequent to the transfer of title. The assessor shall immediately transmit a statement of the pro rata exemption credit due to each municipal corporation which levied taxes or for which taxes were levied on the ~~[tax]~~ assessment roll used for the fiscal year or years during which the transfer occurred and to the applicant.

(iv) Each municipal corporation which receives notice of pro rata exemption credits pursuant to this subdivision shall include an appropriation in its budget for the next fiscal year equal to the aggregate amount of such credits to be applied in that fiscal year. Where a parcel, the owner of which is entitled to a pro rata exemption credit, is subject to taxation in said next fiscal year, the receiver or collector shall apply the credit to reduce the amount of taxes owed for the parcel in such fiscal year. Pro rata exemption credits in excess of the amount of taxes, if any, owed for the parcel shall be paid by the treasurer of a municipal corporation which levies such taxes for or on behalf of the municipal corporation to all owners of property entitled to such credits within thirty days of the expiration of the warrant to collect taxes in said next fiscal year. Notwithstanding the foregoing, where the municipal corporation has been reimbursed by another municipal corporation for the tax credit to be paid to the owner pursuant to this subdivision, such credit shall be paid to such municipal corporation instead of such owner.

(b) (i) Notwithstanding the provisions of this section, where a nonprofit organization that meets the requirements for an exemption

1 pursuant to this section, purchases property after the taxable status
2 date but prior to the levy of taxes, such nonprofit organization may~~[~~
3 ~~if permitted by a local law, ordinance or resolution of the municipal~~
4 ~~corporation in which the nonprofit organization is located,~~~~]~~ file an
5 application for an exemption with the assessor ~~[within thirty days of~~
6 ~~the transfer of title to such nonprofit organization]~~ no later than the
7 taxable status date applicable to the assessment roll three years subse-
8 quent to the purchase of such property. The assessor shall make a deter-
9 mination within thirty days after receipt of such application of whether
10 the applicant would qualify for an exemption pursuant to this section on
11 the assessment roll if title had been in the name of the applicant on
12 the taxable status date applicable to such assessment roll. The applica-
13 tion shall be made on a form prescribed by the commissioner.

14 (ii) If the assessor's determination is made prior to the filing of
15 the tentative assessment roll, the assessor shall enter the exempt
16 amount, if any, on the tentative assessment roll and, within ten days
17 after filing such roll, notify the applicant of the approval or denial
18 of such exemption, the exempt amount, if any, and the applicant's right
19 to review by the board of assessment review.

20 (iii) If the assessor's determination is made after the filing of the
21 tentative assessment roll, the assessor shall petition the board of
22 assessment review to correct the tentative or final assessment roll in
23 the manner provided in title three of article five of this chapter, with
24 respect to unlawful entries, in the case of wholly exempt parcels, and
25 with respect of clerical errors, in the case of partially exempt
26 parcels, if the assessor determines that an exemption should be granted
27 and, within ten days of petitioning the board of assessment review,
28 notify the applicant of the approval or denial of such exemption, the
29 amount of such exemption, if any, and the applicant's right to adminis-
30 trative or judicial review of such determination pursuant to article
31 five or seven of this chapter, respectively.

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

36 (d) If, for any reason, the pro rata tax credit as provided in para-
37 graph (a) of this subdivision is not extended against the ~~[tax]~~ assess-
38 ment roll immediately succeeding the fiscal year during which the trans-
39 fer occurred, the assessor shall immediately notify the municipal
40 corporation which levied the tax or for which the taxes were levied of
41 the amount of pro rata exemption credits for the year in which such
42 transfer occurred. Such municipal corporation shall proceed as provided
43 in subparagraph (iv) of paragraph (a) of this subdivision.

44 (e) If, for any reason, a determination to exempt property from taxa-
45 tion as provided in paragraph (b) of this subdivision is not entered on
46 the ~~[tax]~~ assessment roll for the year immediately succeeding the fiscal
47 year during which the transfer occurred, the assessor shall determine
48 the pro rata tax exemption credit for such ~~[tax]~~ assessment roll by
49 multiplying the tax rate or tax rates for each municipal corporation
50 which levied taxes or for which taxes were levied times the exempt
51 amount and shall immediately notify such municipal corporation or corpo-
52 rations of the pro rata exemption credits for such ~~[tax]~~ assessment
53 roll. Such municipal corporation shall add such pro rata exemption cred-
54 its for such property to any outstanding pro rata exemption amounts and
55 proceed as provided in subparagraph (iv) of paragraph (a) of this subdi-
56 vision.

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

8. (a) (i) For the purposes of this subdivision, "municipal corporation" shall mean a county, city, town, village or school district ~~[which, after public hearing, adopts a local law, ordinance or resolution, providing that this subdivision shall be applicable to nonprofit organizations within its jurisdiction. Such local law, ordinance or resolution shall apply to property transfers occurring on or after the effective date of such local law, ordinance or resolution. A copy of such local law, ordinance or resolution shall be filed with the commissioner].~~

(ii) Where a nonprofit organization that meets the requirements for an exemption pursuant to this section, purchases property after the levy of taxes but prior to the taxable status date applicable to the following year's assessment roll, such nonprofit organization may file~~[, if permitted by a local law, ordinance or resolution of the municipal corporation in which the nonprofit organization is located,~~] an application for exemption with the assessor no later than the ~~[time specified in such local law, ordinance or resolution]~~ taxable status date applicable to the assessment roll three years subsequent to the purchase of such property. The assessor shall make a determination of whether the parcel would have qualified for exempt status on the ~~[tax]~~ assessment roll on which the taxes were levied, had title to the parcel been in the name of the applicant on the taxable status date applicable to the ~~[tax]~~ assessment roll. The application shall be on a form prescribed by the commissioner. The assessor, no later than thirty days after receipt of such application, shall notify both the applicant and the board of assessment review, by first class mail, of the exempt amount, if any, and the right of the owner to a review of the exempt amount upon the filing of a written complaint. Such complaint shall be on a form prescribed by the commissioner and shall be filed with the board of assessment review within twenty days of the mailing of such notice. If no complaint is received, the board of assessment review shall so notify the assessor and the exempt amount determined by the assessor shall be final. If the applicant files a complaint, the board of assessment review shall schedule a time and place for a hearing with respect thereto no later than thirty days after the mailing of the notice by the assessor. The board of assessment review shall meet and determine the exempt amount, and shall immediately notify the assessor and the applicant, by first class mail, of its determination. The amount of exemption determined pursuant to this paragraph shall be subject to review as provided in article seven of this chapter. Such a proceeding shall be commenced within thirty days of the mailing of the notice of the board of assessment review to the new owner as provided in this paragraph.

(iii) Upon receipt of a determination of the exempt amount as provided in subparagraph (ii) of this paragraph, the assessor shall determine the pro rata exemption to be credited toward such property by multiplying the tax rate or tax rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate ~~[tax]~~ assessment roll used for the fiscal year or years during which the transfer occurred times the exempt amount, as determined in subparagraph (ii) of this paragraph, times the fraction of each fiscal year or years remaining subsequent to the transfer of title. The assessor shall immediately transmit a statement of the pro rata exemption credit due to each municipal corporation which levied taxes or for which taxes were levied on

1 the [~~tax~~] assessment roll used for the fiscal year or years during which
2 the transfer occurred and to the applicant.

3 (iv) Each municipal corporation which receives notice of pro rata
4 exemption credits pursuant to this subdivision shall include an appro-
5 priation in its budget for the next fiscal year equal to the aggregate
6 amount of such credits to be applied in that fiscal year. Where a
7 parcel, the owner of which is entitled to a pro rata exemption credit,
8 is subject to taxation in said next fiscal year, the receiver or collec-
9 tor shall apply the credit to reduce the amount of taxes owed for the
10 parcel in such fiscal year. Pro rata exemption credits in excess of the
11 amount of taxes, if any, owed for the parcel shall be paid by the treas-
12 urer of a municipal corporation which levies such taxes for or on behalf
13 of the municipal corporation to all owners of property entitled to such
14 credits within thirty days of the expiration of the warrant to collect
15 taxes in said next fiscal year. Notwithstanding the foregoing, where the
16 municipal corporation has been reimbursed by another municipal corpo-
17 ration for the tax credit to be paid to the owner pursuant to this
18 subdivision, such credit shall be paid to such municipal corporation
19 instead of such owner.

20 (b) (i) Notwithstanding the provisions of this section, where a
21 nonprofit organization that meets the requirements for an exemption
22 pursuant to this section, purchases property after the taxable status
23 date but prior to the levy of taxes, such nonprofit organization may[
24 ~~if permitted by a local law, ordinance or resolution of the municipal~~
25 ~~corporation in which the nonprofit organization is located,~~] file an
26 application for an exemption with the assessor [~~within thirty days of~~
27 ~~the transfer of title to such nonprofit organization~~] no later than the
28 taxable status date applicable to the assessment roll three years subse-
29 quent to the purchase of such property. The assessor shall make a deter-
30 mination within thirty days after receipt of such application of whether
31 the applicant would qualify for an exemption pursuant to this section on
32 the assessment roll if title had been in the name of the applicant on
33 the taxable status date applicable to such assessment roll. The applica-
34 tion shall be made on a form prescribed by the commissioner.

35 (ii) If the assessor's determination is made prior to the filing of
36 the tentative assessment roll, the assessor shall enter the exempt
37 amount, if any, on the tentative assessment roll and, within ten days
38 after filing such roll, notify the applicant of the approval or denial
39 of such exemption, the exempt amount, if any, and the applicant's right
40 to review by the board of assessment review.

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

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

(d) If, for any reason, the pro rata tax credit as provided in paragraph (a) of this subdivision is not extended against the [~~tax~~] assessment roll immediately succeeding the fiscal year during which the transfer occurred, the assessor shall immediately notify the municipal corporation which levied the tax or for which the taxes were levied of the amount of pro rata exemption credits for the year in which such transfer occurred. Such municipal corporation shall proceed as provided in subparagraph (iv) of paragraph (a) of this subdivision.

(e) If, for any reason, a determination to exempt property from taxation as provided in paragraph (b) of this subdivision is not entered on the [~~tax~~] assessment roll for the year immediately succeeding the fiscal year during which the transfer occurred, the assessor shall determine the pro rata tax exemption credit for such [~~tax~~] assessment roll by multiplying the tax rate or tax rates for each municipal corporation which levied taxes or for which taxes were levied times the exempt amount and shall immediately notify such municipal corporation or corporations of the pro rata exemption credits for such [~~tax~~] assessment roll. Such municipal corporation shall add such pro rata exemption credits for such property to any outstanding pro rata exemption amounts and proceed as provided in subparagraph (iv) of paragraph (a) of this subdivision.

§ 3. This act shall take effect immediately.