STATE OF NEW YORK

9545

IN ASSEMBLY

March 20, 2024

Introduced by M. of A. BORES -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to enabling any city having a population of one million or more to impose and collect taxes on vacant residential property

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

Section 1. The tax law is amended by adding a new section 1201-f to read as follows:

§ 1201-f. Vacancy tax. (a) Notwithstanding any other provision of law to the contrary, any city having a population of one million or more is hereby authorized and empowered to adopt and amend local laws imposing in any such city a tax such as the legislature has or would have the power and authority to impose on any residential property which has been vacant for a period of not less than one hundred eighty days or which is not the primary residence of any individual. The tax on such vacant residential property shall be one and one-half percent of the assessed property value for the first two years of such vacancy and three percent of the assessed property value after two years of such vacancy.

(b) Vacancies shall be automatically presumed except where a tax filing corresponds to an address or, for tax non-filers, upon submission of an exemption request to the department of revenue of such city. Exemptions shall require the submission of other, non-tax filing, documentation of residency at the address for the duration required including bills, bank statements, pay stubs, a notarized lease, a letter from the landlord, or an insurance policy.

(c) The following properties shall be exempt from the vacancy tax established pursuant to subdivision (a) of this section:

(i) properties built within the previous year;

(ii) properties where a registered owner died in the previous year;

(iii) properties undergoing renovation, provided that the permit for such renovations has been filed with the city for the year the property is vacant; and

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

LBD11545-01-3

(iv) properties where the previous occupants have been moved to a hospital or long term or supportive care facility and where there is an expectation that such occupants may be able to return to such property.

(d) Any such local law may provide for exclusions or exemptions from such tax other than those specified in this section.

(e) Such tax may be imposed, administered, collected and enforced by the commissioner of finance of such city by such means and in such manner as other taxes that are now imposed, administered, collected and enforced by such commissioner in accordance with the charter or administrative code of any such city or as otherwise may be provided by any such local law.

(f) In the case of a willfully false or fraudulent return with intent to evade the tax, an additional fee of two percent of the market value of the property.

(g) Revenues resulting from the imposition of tax authorized by this section shall be paid into the treasury of any such city and shall be credited to and deposited in the general fund of any such city for the purpose of the creation of a tax credit for properties within such city that do not pay a vacancy tax. The amount of such credit shall be determined by the department of taxation within such city and shall be based upon the previous year's vacancy tax receipts.

§ 2. This act shall take effect on the ninetieth day after it shall have become a law.