

STATE OF NEW YORK

2205

2023-2024 Regular Sessions

IN SENATE

January 19, 2023

Introduced by Sen. LIU -- 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, the administrative code of the city of New York and the real property law, in relation to classifying properties held in condominium and cooperative form for assessment purposes as class one-a properties; and to repeal certain provisions of the real property tax law relating thereto

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

1 Section 1. Subdivision 1 of section 1802 of the real property tax law,
2 as separately amended by chapters 123 and 529 of the laws of 1990, para-
3 graph class one as amended by chapter 332 of the laws of 2008, is
4 amended to read as follows:

5 1. All real property, for the purposes of this article, in a special
6 assessing unit shall be classified as follows:

7 Class one: (a) all one, two and three family residential real proper-
8 ty, including such dwellings used in part for nonresidential
9 purposes but which are used primarily for residential purposes,
10 except such property held in cooperative or condominium forms of
11 ownership other than (i) property defined in subparagraphs (b)
12 and (c) of this paragraph and (ii) property which contains no
13 more than three dwelling units held in condominium form of
14 ownership and which was classified within this class on a previ-
15 ous assessment roll; and provided that, notwithstanding the
16 provisions of paragraph (g) of subdivision twelve of section one
17 hundred two of this chapter, a mobile home or a trailer shall
18 not be classified within this class unless it is owner-occupied
19 and separately assessed; and (b) residential real property not
20 more than three stories in height held in condominium form of
21 ownership, provided that no dwelling unit therein previously was
22 on an assessment roll as a dwelling unit in other than condomin-

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

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ium form of ownership; and (c) residential real property consisting of one family house structures owned by the occupant, situated on land held in cooperative ownership by owner occupiers, provided that; (i) such house structures and land constituted bungalow colonies in existence prior to nineteen hundred forty; and (ii) the land is held in cooperative ownership for the sole purpose of maintaining one family residences for members own use; and (d) all vacant land located within a special assessing unit which is a city (i) other than such land in the borough of Manhattan, provided that any such vacant land which is not zoned residential must be situated immediately adjacent to property improved with a residential structure as defined in subparagraphs (a) and (b) of this paragraph, be owned by the same owner as such immediately adjacent residential property immediately prior to and since January 1, 1989, and have a total area not exceeding 10,000 square feet; and (ii) located in the borough of Manhattan north of or adjacent to the north side of 110th street provided such vacant land was classified within this class on the assessment roll with a taxable status date of January 5, 2008 and the owner of such land has entered into a recorded agreement with a governmental entity on or before December 31, 2008 requiring construction of housing affordable to persons or families of low income in accordance with the provisions of the private housing finance law. Notwithstanding the foregoing, such vacant land shall be classified according to its use on the assessment roll with a taxable status date immediately following commencement of construction, provided further, that construction pursuant to an approved plan for affordable housing shall commence no later than December 31, 2010; and (e) all vacant land located within a special assessing unit which is not a city, provided that such vacant land which is not zoned residential must be situated immediately adjacent to real property defined in subparagraph (a), (b) or (c) of this paragraph and be owned by the same person or persons who own the real property defined in such subparagraph immediately prior to and since January 1, 2003;

Class one-a: all other residential real property held in condominium or cooperative form of ownership which is not designated as class one; the department of finance of any city enacting a local law pursuant to this section shall reclassify class one-a properties used primarily to generate rental income to class two. The department of finance of any city enacting a local law pursuant to this section shall have, in addition to any other functions, powers and duties which have been or may be conferred on it by law, the power to make and promulgate rules to carry out the purposes of this section including, but not limited to, rules defining the class one-a properties primarily used to generate rental income, and relating to the timing, form and manner of any certification required to be submitted under this section. If a property previously reclassified from class one-a to class two ceases to be used primarily to generate rental income, the department shall reclassify such property to class one-a. The department shall use a five-year period when determining whether a property is used primarily to generate rental income;

Class two: all other residential real property which is not designated as class one or class one-a, except hotels and motels and other similar commercial property;

Class three: utility real property and property subject to former section four hundred seventy of this chapter;

Class four: all other real property which is not designated as class one, class one-a, class two, or class three.

§ 2. The real property tax law is amended by adding a new section 1803-c to read as follows:

§ 1803-c. Calculation of shares. 1. For the calendar year two thousand twenty-two, notwithstanding the provisions of sections eighteen hundred three, eighteen hundred three-a, and eighteen hundred three-b of this article to the contrary, the New York city commissioner of finance shall establish a new class one-a pursuant to subdivision one of section eighteen hundred two of this article and shall calculate shares for class one, class one-a, class two, class three and class four where the base year used in the calculation of the current base proportion shall be the 2017 assessment roll and the sum of class one-a and class two shall not exceed the prior year adjusted base proportion for such classes.

2. After two thousand twenty-three, assessment rolls prepared according to January first, two thousand twenty-five, the adjusted base proportions for class one and class one-a, shall not exceed each class' prior adjusted base proportion by more than five percent.

3. In a city having a population of one million or more, such city's tax fixing resolution shall set a tax rate for class one-a in the same manner as all class shares are calculated pursuant to sections eighteen hundred three, eighteen hundred three-a and eighteen hundred three-b of this article.

4. The assessment ratio for class one-a shall be six percent.

§ 3. Subdivision 1, paragraph (c) of subdivision 2 and subdivision 4 of section 307-a of the real property tax law, as added by section 1 of part G of chapter 63 of the laws of 2003, are amended to read as follows:

1. Generally. Notwithstanding any provision of any general, special or local law to the contrary, any city with a population of one million or more is hereby authorized and empowered to adopt and amend local laws in accordance with this section imposing an additional tax on certain class one and class one-a properties, as such properties are defined in section eighteen hundred two of this chapter, excluding vacant land.

(c) "Net real property tax" means the real property tax assessed on a class one or class one-a property after deduction for any exemption or abatement received pursuant to this chapter.

4. Property subject to additional tax. Such surcharge shall be imposed on class one and class one-a property, excluding vacant land, that provides rental income and is not the primary residence of the owner or owners of such class one or class one-a property, or the primary residence of the parent or child of such owner or owners.

§ 4. Paragraph (f) of subdivision 1 of section 467-a of the real property tax law, as added by chapter 273 of the laws of 1996, is amended and a new paragraph (m) is added to read as follows:

(f) "Property" means real property designated as class ~~[two]~~ one-a, pursuant to section eighteen hundred two of this chapter, held in the cooperative or condominium form of ownership.

(m) "Market value" shall be calculated by the New York city department of finance based upon comparable sales.

§ 5. Subdivision 2 of section 467-a of the real property tax law is amended by adding seven new paragraphs (d-7), (d-8), (d-9), (d-10), (d-11), (d-12) and (d-13) to read as follows:

(d-7) Eligible dwelling units in property whose average unit market value is less than or equal to six hundred fifty thousand dollars shall receive a partial abatement of real property taxes attributable to or due on such dwelling units, not to exceed thirty-three percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-8) Eligible dwelling units in property whose average unit market value is between six hundred fifty thousand one dollars to seven hundred fifty thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed twenty-two and five-tenths percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-9) Eligible dwelling units in property whose average unit market value is between seven hundred fifty thousand one and one million five hundred thousand dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed seventeen and five-tenths percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-10) Eligible dwelling units in property whose average unit market value is between one million five hundred thousand one dollars and two million six hundred sixty-six thousand six hundred sixty-seven dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed thirteen and thirteen-hundredths percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-11) Eligible dwelling units in property whose average unit market value is between two million six hundred sixty-six thousand six hundred sixty-eight dollars and three million eight hundred thirty-three thousand three hundred thirty-three dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed eight and seventy-five hundredth percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-12) Eligible dwelling units in property whose average unit market value is between three million eight hundred thirty-three thousand three hundred thirty-four dollars and five million dollars shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed four and thirty-eight hundredths percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

(d-13) Eligible dwelling units in property whose average unit market value is five million dollars or more shall receive a partial abatement of the real property taxes attributable to or due on such dwelling units, not to exceed zero percent in the fiscal year commencing in calendar year two thousand twenty-four and thereafter.

§ 6. The real property tax law is amended by adding a new section 467-a-1 to read as follows:

§ 467-a-1. Enhanced partial abatement for certain condominiums and cooperative residences. 1. In addition to the partial abatement received pursuant to section four hundred sixty-seven-a of this article, in the fiscal year commencing in calendar year two thousand twenty-four, eligible units in property whose average unit market value is less than six hundred fifty thousand dollars shall receive an enhanced abatement equal

1 to the excess above two percent of the difference between the prior
2 year's property tax and the current year's property tax.

3 2. In addition to the partial abatement received pursuant to section
4 four hundred sixty-seven-a of this article, in the fiscal year commenc-
5 ing in calendar year two thousand twenty-five, eligible units in proper-
6 ty whose average unit market value is less than six hundred fifty thou-
7 sand dollars shall receive an enhanced abatement equal to the excess
8 above four percent of the difference between the prior year's property
9 tax and the current year's property tax.

10 3. In addition to the partial abatement received pursuant to section
11 four hundred sixty-seven-a of this article, in the fiscal year commenc-
12 ing in calendar year two thousand twenty-six and thereafter, eligible
13 units in property whose average unit market value is less than six
14 hundred fifty thousand dollars shall receive an enhanced abatement equal
15 to the excess above six percent of the difference between the prior
16 year's property tax and the current year's property tax. The enhanced
17 condominium and cooperative abatement shall not be eligible for units
18 where the commissioner determines that renovation or construction within
19 the unit or building has produced a substantial yearly increase in the
20 unit's assessed value.

21 § 7. Subdivision 7 of section 499-aaa of the real property tax law, as
22 added by chapter 461 of the laws of 2008, is amended to read as follows:

23 7. "Eligible building" shall mean a class one, class one-a, class two
24 or class four real property, as defined in subdivision one of section
25 eighteen hundred two of this chapter, located within a city having a
26 population of one million or more persons. No building shall be eligible
27 for more than one tax abatement pursuant to this title.

28 § 8. Subdivision 7 of section 499-aaaa of the real property tax law,
29 as added by chapter 473 of the laws of 2008, is amended to read as
30 follows:

31 7. "Eligible building" shall mean a class one, class one-a, class two
32 or class four real property, as defined in subdivision one of section
33 eighteen hundred two of this chapter, located within a city having a
34 population of one million or more persons. No building shall be eligible
35 for more than one tax abatement pursuant to this title.

36 § 9. Paragraph (b) of subdivision 3 of section 522 of the real proper-
37 ty tax law, as added by chapter 714 of the laws of 1982, is amended to
38 read as follows:

39 (b) in a special assessing unit, the determination, pursuant to
40 section eighteen hundred two of this chapter, of whether real property
41 is included in class one, one-a, two, three or four.

42 § 10. Subdivision 10 of section 523-b of the real property tax law, as
43 added by chapter 593 of the laws of 1998, is amended to read as follows:

44 10. On or before April first, each year the commission shall mail to
45 each applicant, who has filed an application for the correction of the
46 assessment, a notice of the commission's determination of such appli-
47 cant's assessment. Such notice shall also contain the statement as to
48 the final determination of the assessment review commission, or a state-
49 ment that the commission has not yet made a determination as to the
50 final assessed valuation which shall be made as soon as the petitioners
51 application is reviewed or heard. If the applicants property is a prop-
52 erty defined in subdivision one of section eighteen hundred two of this
53 chapter as "Class 1", the commissions determination shall contain the
54 statement: "If you are dissatisfied with the determination of the
55 Assessment Review Commission and you are the owner of a one, two or
56 three family residential structure or residential real property not more

1 than three stories in height held in condominium form of ownership,
2 provided that no dwelling unit therein previously was on an assessment
3 roll as a dwelling unit in other than condominium form of ownership, and
4 you reside at such residence, you may seek judicial review of your
5 assessment either under title one of article seven of the real property
6 tax law or under small claims assessment review law provided by title
7 one-A of article seven of the real property tax law." Such notice shall
8 also state that the last date to file petitions for judicial review and
9 the location where small claims assessment review petitions may be
10 obtained.

11 Each applicant that has filed an application of a property as defined
12 in subdivision one of section eighteen hundred two of this chapter as
13 "Class 1-a", "Class 2", "Class 3" or "Class 4", shall receive a notice
14 as to the final determination of the assessment review commission or a
15 statement that the commission has not yet made a determination as to the
16 final assessed valuation which shall be made as soon as the petitioners
17 application is reviewed or heard. Such applicants determinations shall
18 contain the statement: "If you are dissatisfied with the determination
19 of the Assessment Review Commission you may seek judicial review of your
20 assessment under title one of article seven of the real property tax
21 law." Such notice shall also state the last date to file petitions for
22 judicial review. A final determination when rendered shall contain the
23 same statement. Failure to mail any such notice or failure of the appli-
24 cant to receive the same shall not affect the validity of the assess-
25 ment.

26 § 11. Paragraph (b) of subdivision 3 of section 701 of the real prop-
27 erty tax law, as added by chapter 714 of the laws of 1982, is amended to
28 read as follows:

29 (b) In a special assessing unit, the determination, pursuant to
30 section eighteen hundred two of this chapter, of whether real property
31 is included in class one, one-a, two, three or four.

32 § 12. Subparagraph 2 of paragraph (a) of subdivision 3 of section 720
33 of the real property tax law, as amended by chapter 679 of the laws of
34 1986, is amended to read as follows:

35 (2) "Major type of property" in special assessing units, for assess-
36 ments on rolls completed after December thirty-first, nineteen hundred
37 eighty-one, shall mean classes one, one-a, two, three and four as
38 defined in subdivision one of section eighteen hundred two of this chap-
39 ter.

40 § 13. The opening paragraph of subdivision 1 of section 1805 of the
41 real property tax law, as amended by chapter 935 of the laws of 1984, is
42 amended and two new subdivisions 1-a and 1-b are added to read as
43 follows:

44 The assessor of any special assessing unit shall not increase the
45 assessment of any individual parcel classified in class one or class
46 one-a in any one year, as measured from the assessment on the previous
47 year's assessment roll, by more than six percent and shall not increase
48 such assessment by more than twenty percent in any five-year period. The
49 first such five-year period shall be measured from the individual
50 assessment appearing on the assessment roll completed in nineteen
51 hundred eighty; provided that if such parcel would not have been subject
52 to the provisions of this subdivision in nineteen hundred eighty had
53 this subdivision then been in effect, the first such five-year period
54 shall be measured from the first year after nineteen hundred eighty in
55 which this subdivision applied to such parcel or would have applied to
56 such parcel had this subdivision been in effect in such year.

1 1-a. Assessment rolls computed for class one-a shall include any
2 outstanding phased-in increases accrued prior to the effective date of
3 the chapter of the laws of two thousand twenty-three which added this
4 subdivision pursuant to subdivision three of this section.

5 1-b. Class one-a parcels shall be assessed in a method comparable to
6 class one parcels.

7 § 14. Subdivisions e and f of section 11-208.1 of the administrative
8 code of the city of New York, subdivision e as amended by local law
9 number 41 of the city of New York for the year 1986 and subdivision f as
10 amended by chapter 385 of the laws of 2006, are amended to read as
11 follows:

12 e. As used in this section, the term "income-producing property" means
13 property owned for the purpose of securing an income from the property
14 itself, but shall not include property with an assessed value of forty
15 thousand dollars or less, or residential property containing ten or
16 fewer dwelling units or property classified in class one, one-a or two
17 as defined in article eighteen of the real property tax law containing
18 six or fewer dwelling units and one retail store.

19 f. Except in accordance with proper judicial order or as otherwise
20 provided by law, it shall be unlawful for the commissioner, any officer
21 or employee of the department, the president or a commissioner or
22 employee of the tax commission, any person engaged or retained by the
23 department or the tax commission on an independent contract basis, or
24 any person, who, pursuant to this section, is permitted to inspect any
25 income and expense statement or to whom a copy, an abstract or a portion
26 of any such statement is furnished, to divulge or make known in any
27 manner except as provided in this subdivision, the amount of income
28 and/or expense or any particulars set forth or disclosed in any such
29 statement required under this section. The commissioner, the president
30 of the tax commission, or any commissioner or officer or employee of the
31 department or the tax commission charged with the custody of such state-
32 ments shall not be required to produce any income and expense statement
33 or evidence of anything contained in them in any action or proceeding in
34 any court, except on behalf of the department or the tax commission.
35 Nothing herein shall be construed to prohibit the delivery to an owner
36 or his or her duly authorized representative of a certified copy of any
37 statement filed by such owner pursuant to this section or to prohibit
38 the publication of statistics so classified as to prevent the identifi-
39 cation of particular statements and the items thereof, or making known
40 aggregate income and expense information disclosed with respect to prop-
41 erty classified as class four as defined in article eighteen of the real
42 property tax law without identifying information about individual leas-
43 es, or making known a range as determined by the commissioner within
44 which the income and expenses of a property classified as class one-a or
45 class two falls, or the inspection by the legal representatives of the
46 department or of the tax commission of the statement of any owner who
47 shall bring an action to correct the assessment. Any violation of the
48 provisions of this subdivision shall be punished by a fine not exceeding
49 one thousand dollars or by imprisonment not exceeding one year, or both,
50 at the discretion of the court, and if the offender be an officer or
51 employee of the department or the tax commission, the offender shall be
52 dismissed from office.

53 § 15. Subdivision a of section 11-238 of the administrative code of
54 the city of New York, as amended by local law number 27 of the city of
55 New York for the year 2006, is amended to read as follows:

1 a. Imposition of surcharge. A real property tax surcharge is hereby
2 imposed on class one and class one-a property, as defined in section
3 eighteen hundred two of the real property tax law, excluding vacant
4 land, that provides rental income and is not the primary residence of
5 the owner or owners of such class one or class one-a property, or the
6 primary residence of the parent or child of such owner or owners, in an
7 amount equal to zero percent of the net real property taxes for fiscal
8 years beginning on or after July first, two thousand six. As used in
9 this section, "net real property tax" means the real property tax
10 assessed on class one property after deduction for any exemption or
11 abatement received pursuant to the real property tax law or this title.

12 § 16. Subdivisions a, a-1, a-2, a-3, a-4 and a-5 of section 11-319 of
13 the administrative code of the city of New York, subdivisions a, a-2
14 and a-3 as amended by local law number 24 of the city of New York for
15 the year 2021, subdivisions a-1 as amended, subdivision a-5 as added by
16 local law number 15 of the city of New York for the year 2011 and subdivi-
17 sion a-4 as amended by local law number 4 of the city of New York for
18 the year 2017, are amended to read as follows:

19 a. A tax lien or tax liens on a property or any component of the
20 amount thereof may be sold by the city as authorized by subdivision b of
21 this section, when such tax lien or tax liens shall have remained unpaid
22 in whole or in part for one year, provided, however, that a tax lien or
23 tax liens on any class one property or on class ~~[two]~~ one-a property
24 ~~[that is a residential condominium or residential cooperative]~~, as such
25 classes of property are defined in subdivision one of section eighteen
26 hundred two of the real property tax law, may be sold by the city only
27 when the real property tax component of such tax lien or tax liens shall
28 have remained unpaid in whole or in part for three years and, in the
29 case of any such class one property that is not vacant land or any such
30 class two property that is a residential condominium or residential
31 cooperative, as such classes of property are defined in subdivision one
32 of section eighteen hundred two of the real property tax law, equals or
33 exceeds the sum of five thousand dollars, or, in the case of any class
34 two residential property owned by a company organized pursuant to arti-
35 cle XI of the state private housing finance law ~~[that is not a residen-~~
36 ~~tial condominium or a residential cooperative]~~, as such class of proper-
37 ty is defined in subdivision one of section eighteen hundred two of the
38 real property tax law, for two years, and equals or exceeds the sum of
39 five thousand dollars or, in the case of abandoned class one property or
40 abandoned class ~~[two]~~ one-a property ~~[that is a residential condominium~~
41 ~~or residential cooperative]~~, for eighteen months, and after such sale,
42 shall be transferred, in the manner provided by this chapter, and
43 provided, further, however, that (i) the real property tax component of
44 such tax lien may not be sold pursuant to this subdivision on any: (A)
45 residential real property in class one that is receiving an exemption
46 pursuant to section 11-245.3 or 11-245.4 of this title, or pursuant to
47 section four hundred fifty-eight of the real property tax law with
48 respect to real property purchased with payments received as prisoner of
49 war compensation from the United States government, or pursuant to para-
50 graph (b) or (c) of subdivision two of section four hundred
51 fifty-eight-a of the real property tax law, or where the owner of such
52 residential real property in class one is receiving benefits in accord-
53 ance with department of finance memorandum 05-3, or any successor memo-
54 randum thereto, relating to active duty military personnel, or where the
55 owner of such residential real property in class one has been allowed a
56 credit pursuant to subsection (e) of section six hundred six of the tax

1 law for the calendar year in which the date of the first publication,
2 pursuant to subdivision a of section 11-320 of this chapter, of the
3 notice of sale, occurs or for the calendar year immediately preceding
4 such date; or (B) real property that was granted an exemption pursuant
5 to section four hundred twenty-a, four hundred twenty-b, four hundred
6 forty-six, or four hundred sixty-two of the real property tax law in one
7 of the two fiscal years preceding the date of such sale, provided that:
8 (1) such exemption was granted to such real property upon the applica-
9 tion of a not-for-profit organization that owns such real property on or
10 after the date on which such real property was conveyed to such not-for-
11 profit organization; (2) the real property tax component of such lien
12 arose on or after the date on which such real property was conveyed to
13 such not-for-profit organization; and (3) such not-for-profit organiza-
14 tion is organized or conducted for one of the purposes described in
15 paragraph a or paragraph b of subdivision 1 of section 11-246 of this
16 chapter, and (ii) the sewer rents component, sewer surcharges component
17 or water rents component of such tax lien may not be sold pursuant to
18 this subdivision on any one family residential real property in class
19 one or on any two or three family residential real property in class one
20 that is receiving an exemption pursuant to section 11-245.3 or 11-245.4
21 of this title, or pursuant to section four hundred fifty-eight of the
22 real property tax law with respect to real property purchased with
23 payments received as prisoner of war compensation from the United States
24 government, or pursuant to paragraph (b) or (c) of subdivision two of
25 section four hundred fifty-eight-a of the real property tax law, or
26 where the owner of any two or three family residential real property in
27 class one is receiving benefits in accordance with department of finance
28 memorandum 05-3, or any successor memorandum thereto, relating to active
29 duty military personnel, or where the owner of any two or three family
30 residential real property in class one has been allowed a credit pursu-
31 ant to subsection (e) of section six hundred six of the tax law for the
32 calendar year in which the date of the first publication, pursuant to
33 subdivision a of section 11-320 of this chapter, of the notice of sale,
34 occurs or for the calendar year immediately preceding such date. A tax
35 lien or tax liens on any property classified as a class two property,
36 except ~~[a class two property that is a residential condominium or resi-~~
37 ~~dential cooperative, or]~~ a class two residential property owned by a
38 company organized pursuant to article XI of the state private housing
39 finance law ~~[that is not a residential condominium or a residential~~
40 ~~cooperative]~~, or class three property, as such classes of property are
41 defined in subdivision one of section eighteen hundred two of the real
42 property tax law, shall not be sold by the city unless such tax lien or
43 tax liens include a real property tax component as of the date of the
44 first publication, pursuant to subdivision a of section 11-320 of this
45 chapter, of the notice of sale. Notwithstanding any provision of this
46 subdivision to the contrary, any such tax lien or tax liens that remain
47 unpaid in whole or in part after such date may be sold regardless of
48 whether such tax lien or tax liens include a real property tax compo-
49 nent. A tax lien or tax liens on a property classified as a class four
50 property, as such class of property is defined in subdivision one of
51 section eighteen hundred two of the real property tax law, shall not be
52 sold by the city unless such tax lien or tax liens include a real prop-
53 erty tax component or sewer rents component or sewer surcharges compo-
54 nent or water rents component or emergency repair charges component,
55 where such emergency repair charges accrued on or after January first,
56 two thousand six and are made a lien pursuant to section 27-2144 of this

code, as of the date of the first publication, pursuant to subdivision a of section 11-320 of this chapter, of the notice of sale, provided, however, that any tax lien or tax liens that remain unpaid in whole or in part after such date may be sold regardless of whether such tax lien or tax liens include a real property tax component, sewer rents component, sewer surcharges component, water rents component or emergency repair charges component. For purposes of this subdivision, the words "real property tax" shall not include an assessment or charge upon property imposed pursuant to section 25-411 of the administrative code. A sale of a tax lien or tax liens shall include, in addition to such lien or liens that have remained unpaid in whole or in part for one year, or, in the case of any class one property or class ~~two~~ one-a property ~~[that is a residential condominium or residential cooperative]~~, when the real property tax component of such lien or liens has remained unpaid in whole or in part for three years, or, in the case of any class two residential property owned by a company organized pursuant to article XI of the state private housing finance law ~~[that is not a residential condominium or a residential cooperative]~~, when the real property tax component of such lien or liens has remained unpaid in whole or in part for two years, and equals or exceeds the sum of five thousand dollars, any taxes, assessments, sewer rents, sewer surcharges, water rents, any other charges that are made a lien subject to the provisions of this chapter, the costs of any advertisements and notices given pursuant to this chapter, any other charges that are due and payable, a surcharge pursuant to section 11-332 of this chapter, and interest and penalties thereon or such component of the amount thereof as shall be determined by the commissioner of finance. The commissioner of finance may promulgate rules defining "abandoned" property, as such term is used in this subdivision.

a-1. A subsequent tax lien or tax liens on a property or any component of the amount thereof may be sold by the city pursuant to this chapter, provided, however, that notwithstanding any provision in this chapter to the contrary, such tax lien or tax liens may be sold regardless of whether such tax lien or tax liens have remained unpaid in whole or in part for one year and, notwithstanding any provision in this chapter to the contrary, in the case of any class one property or class ~~two~~ one-a property ~~[that is a residential condominium or residential cooperative]~~ or, beginning January first, two thousand twelve, in the case of any class two residential property owned by a company organized pursuant to article XI of the state private housing finance law ~~[that is not a residential condominium or a residential cooperative]~~, such tax lien or tax liens may be sold if the real property tax component of such tax lien or tax liens has remained unpaid in whole or in part for one year, and provided, further, however, that (i) the real property tax component of such tax lien may not be sold pursuant to this subdivision on any residential real property in class one that is receiving an exemption pursuant to section 11-245.3 or 11-245.4 of this title, or pursuant to section four hundred fifty-eight of the real property tax law with respect to real property purchased with payments received as prisoner of war compensation from the United States government, or pursuant to paragraph (b) or (c) of subdivision two of section four hundred fifty-eight-a of the real property tax law, or where the owner of such residential real property in class one is receiving benefits in accordance with department of finance memorandum 05-3, or any successor memorandum thereto, relating to active duty military personnel, or where the owner of such residential real property in class one has been allowed a

1 credit pursuant to subsection (e) of section six hundred six of the tax
2 law for the calendar year in which the date of the first publication,
3 pursuant to subdivision a of section 11-320 of this chapter, of the
4 notice of sale, occurs or for the calendar year immediately preceding
5 such date and (ii) the sewer rents component, sewer surcharges component
6 or water rents component of such tax lien may not be sold pursuant to
7 this subdivision on any one family residential real property in class
8 one or on any two or three family residential real property in class one
9 that is receiving an exemption pursuant to section 11-245.3 or 11-245.4
10 of this title, or pursuant to section four hundred fifty-eight of the
11 real property tax law with respect to real property purchased with
12 payments received as prisoner of war compensation from the United States
13 government, or pursuant to paragraph (b) or (c) of subdivision two of
14 section four hundred fifty-eight-a of the real property tax law, or
15 where the owner of any two or three family residential real property in
16 class one is receiving benefits in accordance with department of finance
17 memorandum 05-3, or any successor memorandum thereto, relating to active
18 duty military personnel, or where the owner of any two or three family
19 residential real property in class one has been allowed a credit pursu-
20 ant to subsection (e) of section six hundred six of the tax law for the
21 calendar year in which the date of the first publication, pursuant to
22 subdivision a of section 11-320 of this chapter, of the notice of sale,
23 occurs or for the calendar year immediately preceding such date. For
24 purposes of this subdivision, the term "subsequent tax lien or tax
25 liens" shall mean any tax lien or tax liens on property that become such
26 on or after the date of sale of any tax lien or tax liens on such prop-
27 erty that have been sold pursuant to this chapter, provided that the
28 prior tax lien or tax liens remain unpaid as of the date of the first
29 publication, pursuant to subdivision a of section 11-320 of this chap-
30 ter, of the notice of sale of the subsequent tax lien or tax liens. A
31 subsequent tax lien or tax liens on any property classified as a class
32 two property, except [~~a class two property that is a residential condo-~~
33 ~~minium or residential cooperative, or~~] a class two residential property
34 owned by a company organized pursuant to article XI of the state private
35 housing finance law [~~that is not a residential condominium or a residen-~~
36 ~~tial cooperative~~], or class three property, as such classes of property
37 are defined in subdivision one of section eighteen hundred two of the
38 real property tax law, shall not be sold by the city unless such tax
39 lien or tax liens include a real property tax component as of the date
40 of the first publication, pursuant to subdivision a of section 11-320 of
41 this chapter, of the notice of sale. Notwithstanding any provision of
42 this subdivision to the contrary, any such tax lien or tax liens that
43 remain unpaid in whole or in part after such date may be sold regardless
44 of whether such tax lien or tax liens include a real property tax compo-
45 nent. A subsequent tax lien or tax liens on a property classified as a
46 class four property, as such class of property is defined in subdivision
47 one of section eighteen hundred two of the real property tax law, shall
48 not be sold by the city unless such tax lien or tax liens include a real
49 property tax component or sewer rents component or sewer surcharges
50 component or water rents component or emergency repair charges compo-
51 nent, where such emergency repair charges accrued on or after January
52 first, two thousand six and are made a lien pursuant to section 27-2144
53 of this code, as of the date of the first publication, pursuant to
54 subdivision a of section 11-320 of this chapter, of the notice of sale,
55 provided, however, that any tax lien or tax liens that remain unpaid in
56 whole or in part after such date may be sold regardless of whether such

1 tax lien or tax liens include a real property tax component, sewer rents
2 component, sewer surcharges component, water rents component or emergen-
3 cy repair charges component. For purposes of this subdivision, the words
4 "real property tax" shall not include an assessment or charge upon prop-
5 erty imposed pursuant to section 25-411 of the administrative code.
6 Nothing in this subdivision shall be deemed to limit the rights
7 conferred by section 11-332 of this chapter on the holder of a tax lien
8 certificate with respect to a subsequent tax lien.

9 a-2. In addition to any sale authorized pursuant to subdivision a or
10 subdivision a-1 of this section and notwithstanding any provision of
11 this chapter to the contrary, beginning on December first, two thousand
12 seven, the water rents, sewer rents and sewer surcharges components of
13 any tax lien on any class of real property, as such real property is
14 classified in subdivision one of section eighteen hundred two of the
15 real property tax law, may be sold by the city pursuant to this chapter,
16 where such water rents, sewer rents or sewer surcharges component of
17 such tax lien, as of the date of the first publication, pursuant to
18 subdivision a of section 11-320 of this chapter, of the notice of sale:
19 (i) shall have remained unpaid in whole or in part for one year and (ii)
20 equals or exceeds the sum of one thousand dollars or, beginning on March
21 first, two thousand eleven, in the case of any two or three family resi-
22 dential real property in class one, for one year, and equals or exceeds
23 the sum of two thousand dollars, or, beginning on January first, two
24 thousand twenty-one, in the case of any two or three family residential
25 real property in class one, for one year, and equals or exceeds the sum
26 of three thousand dollars, or, beginning on January first, two thousand
27 twelve, in the case of any class two residential property owned by a
28 company organized pursuant to article XI of the state private housing
29 finance law [~~that is not a residential condominium or a residential~~
30 ~~cooperative~~], as such class of property is defined in subdivision one of
31 section eighteen hundred two of the real property tax law, for two
32 years, and equals or exceeds the sum of five thousand dollars; provided,
33 however, that such water rents, sewer rents or sewer surcharges compo-
34 nent of such tax lien may not be sold pursuant to this subdivision on
35 any one family residential real property in class one or on any two or
36 three family residential real property in class one that is receiving an
37 exemption pursuant to section 11-245.3 or 11-245.4 of this title, or
38 pursuant to section four hundred fifty-eight of the real property tax
39 law with respect to real property purchased with payments received as
40 prisoner of war compensation from the United States government, or
41 pursuant to paragraph (b) or (c) of subdivision two of section four
42 hundred fifty-eight-a of the real property tax law, or where the owner
43 of any two or three family residential real property in class one is
44 receiving benefits in accordance with department of finance memorandum
45 05-3, or any successor memorandum thereto, relating to active duty mili-
46 tary personnel, or where the owner of any two or three family residen-
47 tial real property in class one has been allowed a credit pursuant to
48 subsection (e) of section six hundred six of the tax law for the calen-
49 dar year in which the date of the first publication, pursuant to subdivi-
50 sion a of section 11-320 of this chapter, of the notice of sale,
51 occurs or for the calendar year immediately preceding such date. After
52 such sale, any such water rents, sewer rents or sewer surcharges compo-
53 nent of such tax lien may be transferred in the manner provided by this
54 chapter.

55 a-3. In addition to any sale authorized pursuant to subdivision a or
56 subdivision a-1 of this section and notwithstanding any provision of

1 this chapter to the contrary, beginning on December first, two thousand
2 seven, a subsequent tax lien on any class of real property, as such real
3 property is classified in subdivision one of section eighteen hundred
4 two of the real property tax law, may be sold by the city pursuant to
5 this chapter, regardless of whether such subsequent tax lien, or any
6 component of the amount thereof, shall have remained unpaid in whole or
7 in part for one year, and regardless of whether such subsequent tax
8 lien, or any component of the amount thereof, equals or exceeds the sum
9 of one thousand dollars or beginning on March first, two thousand elev-
10 en, in the case of any two or three family residential real property in
11 class one, a subsequent tax lien on such property may be sold by the
12 city pursuant to this chapter, regardless of whether such subsequent tax
13 lien, or any component of the amount thereof, shall have remained unpaid
14 in whole or in part for one year, and regardless of whether such subse-
15 quent tax lien, or any component of the amount thereof, equals or
16 exceeds the sum of two thousand dollars, or, beginning on January first,
17 two thousand twenty-one, in the case of any two or three family residen-
18 tial real property in class one, a subsequent tax lien on such property
19 may be sold by the city pursuant to this chapter, regardless of whether
20 such subsequent tax lien, or any component of the amount thereof, shall
21 have remained unpaid in whole or in part for one year, and regardless of
22 whether such subsequent tax lien, or any component of the amount there-
23 of, equals or exceeds the sum of three thousand dollars, or, beginning
24 on January first, two thousand twelve, in the case of any class two
25 residential property owned by a company organized pursuant to article XI
26 of the state private housing finance law [~~that is not a residential~~
27 ~~condominium or a residential cooperative~~], as such class of property is
28 defined in subdivision one of section eighteen hundred two of the real
29 property tax law, a subsequent tax lien on such property may be sold by
30 the city pursuant to this chapter, regardless of whether such subsequent
31 tax lien, or any component of the amount thereof, shall have remained
32 unpaid in whole or in part for two years, and regardless of whether such
33 subsequent tax lien, or any component of the amount thereof, equals or
34 exceeds the sum of five thousand dollars; provided, however, that such
35 subsequent tax lien may not be sold pursuant to this subdivision on any
36 one family residential real property in class one or on any two or three
37 family residential real property in class one that is receiving an
38 exemption pursuant to section 11-245.3 or 11-245.4 of this title, or
39 pursuant to section four hundred fifty-eight of the real property tax
40 law with respect to real property purchased with payments received as
41 prisoner of war compensation from the United States government, or
42 pursuant to paragraph (b) or (c) of subdivision two of section four
43 hundred fifty-eight-a of the real property tax law, or where the owner
44 of any two or three family residential real property in class one is
45 receiving benefits in accordance with department of finance memorandum
46 05-3, or any successor memorandum thereto, relating to active duty mili-
47 tary personnel, or where the owner of any two or three family residen-
48 tial real property in class one has been allowed a credit pursuant to
49 subsection (e) of section six hundred six of the tax law for the calen-
50 dar year in which the date of the first publication, pursuant to subdivi-
51 sion a of section 11-320 of this chapter, of the notice of sale,
52 occurs or for the calendar year immediately preceding such date. After
53 such sale, any such subsequent tax lien, or any component of the amount
54 thereof, may be transferred in the manner provided by this chapter. For
55 purposes of this subdivision, the term "subsequent tax lien" shall mean
56 the water rents, sewer rents or sewer surcharges component of any tax

1 lien on property that becomes such on or after the date of sale of any
2 water rents, sewer rents or sewer surcharges component of any tax lien
3 on such property that has been sold pursuant to this chapter, provided
4 that the prior tax lien remains unpaid as of the date of the first
5 publication, pursuant to subdivision a of section 11-320 of this chap-
6 ter, of the notice of sale of the subsequent tax lien. Nothing in this
7 subdivision shall be deemed to limit the rights conferred by section
8 11-332 of this chapter on the holder of a tax lien certificate with
9 respect to a subsequent tax lien.

10 a-4. In addition to any sale authorized pursuant to subdivision a,
11 a-1, a-2 or a-3 of this section and notwithstanding any provision of
12 this chapter to the contrary, beginning on March first, two thousand
13 eleven, the emergency repair charges component or alternative enforce-
14 ment expenses and fees component, where such emergency repair charges
15 accrued on or after January first, two thousand six and are made a lien
16 pursuant to section 27-2144 of this code, or where such alternative
17 enforcement expenses and fees are made a lien pursuant to section
18 27-2153 of this code, of any tax lien on any class of real property, as
19 such real property is defined in subdivision one of section eighteen
20 hundred two of the real property tax law, may be sold by the city pursu-
21 ant to this chapter, where such emergency repair charges component or
22 alternative enforcement expenses and fees component of such tax lien, as
23 of the date of the first publication, pursuant to subdivision a of
24 section 11-320 of this chapter, of the notice of sale: (i) shall have
25 remained unpaid in whole or in part for one year, and (ii) equals or
26 exceeds the sum of one thousand dollars or, beginning on January first,
27 two thousand twelve, in the case of any class two residential property
28 owned by a company organized pursuant to article XI of the state private
29 housing finance law [~~that is not a residential condominium or a residen-~~
30 ~~tial cooperative~~], as such class of property is defined in subdivision
31 one of section eighteen hundred two of the real property tax law, for
32 two years, and equals or exceeds the sum of five thousand dollars;
33 provided, however, that such emergency repair charges component or
34 alternative enforcement expenses and fees component of such tax lien may
35 only be sold pursuant to this subdivision on any one, two or three fami-
36 ly residential real property in class one, where such one, two or three
37 family residential property in class one is not the primary residence of
38 the owner. After such sale, any such emergency repair charges component
39 or alternative enforcement expenses and fees component of such tax lien
40 may be transferred in the manner provided by this chapter.

41 a-5. In addition to any sale authorized pursuant to subdivision a,
42 a-1, a-2 or a-3 of this section and notwithstanding any provision of
43 this chapter to the contrary, beginning on March first, two thousand
44 eleven, a subsequent tax lien on any class of real property, or begin-
45 ning on January first, two thousand twelve in the case of any class two
46 residential property owned by a company organized pursuant to article XI
47 of the state private housing finance law [~~that is not a residential~~
48 ~~condominium or a residential cooperative~~], a subsequent tax lien on such
49 property, may be sold by the city pursuant to this chapter, regardless
50 of the length of time such subsequent tax lien, or any component of the
51 amount thereof, shall have remained unpaid, and regardless of the amount
52 of such subsequent tax lien. After such sale, any such subsequent tax
53 lien, or any component of the amount thereof, may be transferred in the
54 manner provided by this chapter. For purposes of this subdivision, the
55 term "subsequent tax lien" shall mean the emergency repair charges
56 component or alternative enforcement expenses and fees component, where

1 such emergency repair charges accrued on or after January first, two
2 thousand six and are made a lien pursuant to section 27-2144 of this
3 code, or where such alternative enforcement expenses and fees are made a
4 lien pursuant to section 27-2153 of this code, of any tax lien on prop-
5 erty that becomes such on or after the date of sale of any emergency
6 repair charges component or alternative enforcement expenses and fees
7 component, of any tax lien on such property that has been sold pursuant
8 to this chapter, provided that the prior tax lien remains unpaid as of
9 the date of the first publication, pursuant to subdivision a of section
10 11-320 of this chapter, of the notice of sale of the subsequent tax
11 lien. Nothing in this subdivision shall be deemed to limit the rights
12 conferred by section 11-332 of this chapter on the holder of a tax lien
13 certificate with respect to a subsequent tax lien.

14 § 17. Subparagraph (i) of paragraph 2 of subdivision b and subpara-
15 graph (ii) of paragraph 1 of subdivision h of section 11-320 of the
16 administrative code of the city of New York, subparagraph (i) of para-
17 graph 2 of subdivision b as amended by local law number 147 of the city
18 of New York for the year 2013 and subparagraph (ii) of paragraph 1 of
19 subdivision h as added by local law number 15 of the city of New York
20 for the year 2011, are amended to read as follows:

21 (i) Such notices shall also include, with respect to any property
22 owner in class one, class one-a or class two, as such classes of proper-
23 ty are defined in subdivision one of section eighteen hundred two of the
24 real property tax law, an exemption eligibility checklist. The exemption
25 eligibility checklist shall also be posted on the website of the depart-
26 ment no later than the first business day after March fifteenth of every
27 year prior to the date of sale, and shall continue to be posted on such
28 website until ten days prior to the date of sale. Within ten business
29 days of receipt of a completed exemption eligibility checklist from such
30 property owner, provided that such receipt occurs prior to the date of
31 sale of any tax lien or tax liens on his or her property, the department
32 of finance shall review such checklist to determine, based on the infor-
33 mation provided by the property owner, whether such property owner could
34 be eligible for any exemption, credit or other benefit that would enti-
35 tle them to be excluded from a tax lien sale and, if the department
36 determines that such property owner could be eligible for any such
37 exemption, credit or other benefit, shall mail such property owner an
38 application for the appropriate exemption, credit or other benefit. If,
39 within twenty business days of the date the department mailed such
40 application, the department has not received a completed application
41 from such property owner, the department shall mail such property owner
42 a second application, and shall telephone the property owner, if the
43 property owner has included his or her telephone number on the exemption
44 eligibility checklist.

45 (ii) all class two residential property owned by a company organized
46 pursuant to article XI of the state private housing finance law [~~that is~~
47 ~~not a residential condominium or a residential cooperative~~] on which any
48 tax lien has been sold pursuant to subdivision a, a-2 or a-4 of section
49 11-319 of this title.

50 § 18. Subdivision (a) of section 11-354 of the administrative code of
51 the city of New York, as amended by local law number 37 of the city of
52 New York for the year 1996, is amended to read as follows:

53 (a) Notwithstanding any other provision of law and notwithstanding any
54 omission to hold a tax lien sale, whenever any tax, assessment, sewer
55 rent, sewer surcharge, water rent, any charge that is made a lien
56 subject to the provisions of this chapter or chapter four of this title,

1 or interest and penalties thereon, has been due and unpaid for a period
2 of at least one year from the date on which the tax, assessment or other
3 legal charge represented thereby became a lien, or in the case of any
4 class one property or any class ~~[two]~~ one-a property ~~[that is a residen-~~
5 ~~tial condominium or residential cooperative]~~, as such classes of proper-
6 ty are defined in subdivision one of section eighteen hundred two of the
7 real property tax law, or in the case of a multiple dwelling owned by a
8 company organized pursuant to article XI of the private housing finance
9 law with the consent and approval of the department of housing preserva-
10 tion and development, for a period of at least three years from the date
11 on which the tax, assessment or other legal charge became a lien, the
12 city, as owner of a tax lien, may maintain an action in the supreme
13 court to foreclose such lien. Such action shall be governed by the
14 procedures set forth in section 11-335 of this chapter; provided, howev-
15 er, that such parcel shall only be sold to the highest responsible
16 bidder. Such purchaser shall be deemed qualified as a responsible bidder
17 pursuant to such criteria as are established in rules promulgated by the
18 commissioner of finance after consultation with the commissioner of
19 housing preservation and development.

20 § 19. The opening paragraph of subdivision 4 of section 11-401 of the
21 administrative code of the city of New York, as amended by local law
22 number 152 of the city of New York for the year 2017, is amended to read
23 as follows:

24 "Distressed property." Any parcel of class one, class one-a or class
25 two real property that is subject to a tax lien or liens that result
26 from an environmental control board judgment against the owner of such
27 parcel for a building code violation with a lien or liens to value
28 ratio, as determined by the commissioner of finance, equal to or greater
29 than 25 percent or any parcel of class one, class one-a, or class two
30 real property that is subject to a tax lien or liens with a lien or
31 liens to value ratio, as determined by the commissioner of finance,
32 equal to or greater than fifteen percent and that meets one of the
33 following two criteria:

34 § 20. Subdivisions a and b of section 11-401.1 of the administrative
35 code of the city of New York, as added by local law number 37 of the
36 city of New York for the year 1996, are amended to read as follows:

37 a. The commissioner of finance shall, not less than sixty days preced-
38 ing the date of the sale of a tax lien or tax liens, submit to the
39 commissioner of housing preservation and development a description by
40 block and lot, or by such other identification as the commissioner of
41 finance may deem appropriate, of any parcel of class one, class one-a or
42 class two real property on which there is a tax lien that may be fore-
43 closed by the city. The commissioner of housing preservation and devel-
44 opment shall determine, and direct the commissioner of finance, not less
45 than ten days preceding the date of the sale of a tax lien or tax liens,
46 whether any such parcel is a distressed property as defined in subdivi-
47 sion four of section 11-401 of this chapter. Any tax lien on a parcel so
48 determined to be a distressed property shall not be included in such
49 sale. In connection with a subsequent sale of a tax lien or tax liens,
50 the commissioner of finance may, not less than sixty days preceding the
51 date of the sale, resubmit to the commissioner of housing preservation
52 and development a description by block and lot, or by such other iden-
53 tification as the commissioner of finance may deem appropriate, of any
54 parcel of class one, class one-a or class two real property that was
55 previously determined to be a distressed property pursuant to this para-
56 graph and on which there is a tax lien that may be included in such

1 sale. The commissioner of housing preservation and development shall
2 determine, and direct the commissioner of finance, not less than ten
3 days preceding the date of the sale, whether such parcel remains a
4 distressed property. If the commissioner of housing preservation and
5 development determines that the parcel is not a distressed property,
6 then the tax lien on the parcel may be included in the sale.

7 b. The commissioner of housing preservation and development may peri-
8 odically review whether a parcel of class one, class one-a or class two
9 real property that is subject to subdivision c of this section or subdivi-
10 sion j of section 11-412.1 of this chapter remains a distressed prop-
11 erty. If the commissioner determines that the parcel is not a distressed
12 property as defined in subdivision four of section 11-401 of this chap-
13 ter, then the parcel shall not be subject to such subdivisions.

14 § 21. Subdivision b of section 11-404 of the administrative code of
15 the city of New York, as amended by local law number 37 of the city of
16 New York for the year 1996, is amended to read as follows:

17 b. A tax lien on any class one property or any class [~~two~~] one-a prop-
18 erty [~~that is a residential condominium or residential cooperative~~], as
19 such classes of property are defined in subdivision one of section eigh-
20 teen hundred two of the real property tax law, and on any multiple
21 dwelling owned by a company organized pursuant to article XI of the
22 private housing finance law with the consent and approval of the depart-
23 ment of housing preservation and development, shall not be foreclosed in
24 the manner provided in this chapter until such tax lien has been due and
25 unpaid for a period of at least three years from the date on which the
26 tax, assessment or other legal charge represented thereby became a lien.

27 § 22. Paragraph 5 of subdivision c of section 11-405 of the adminis-
28 trative code of the city of New York, as added by local law number 37 of
29 the city of New York for the year 1996, is amended to read as follows:

30 (5) Notwithstanding paragraph one, two or three of this subdivision,
31 with respect to installment agreements duly made, executed and filed on
32 or after the date on which this paragraph takes effect, the commissioner
33 of finance may also exclude or thereafter remove from such list any
34 parcel of class one, class one-a or class two real property, other than
35 a parcel described in paragraph four of this subdivision, as to which an
36 agreement has been duly made, executed and filed with such commissioner
37 for the payment of the delinquent taxes, assessments or other legal
38 charges, and the interest and penalties thereon, in installments. The
39 first installment thereof shall be paid upon the filing of the install-
40 ment agreement with the commissioner and shall be in an amount equal to
41 not less than fifteen percent of the total amount of such delinquent
42 taxes, assessments or other legal charges and the interest and penalties
43 thereon. The remaining installments, which shall be twice the number of
44 unpaid quarters of real estate taxes or the equivalent thereof, but
45 which shall in no event exceed thirty-two in number, shall be payable
46 quarterly on the first days of July, October, January and April. For the
47 purposes of calculating the number of such remaining installments,
48 unpaid real estate taxes that are due and payable on other than a quar-
49 terly basis shall be deemed to be payable on a quarterly basis.

50 § 23. Section 581 of the real property tax law is REPEALED.

51 § 24. Subdivision 1 of section 339-y of the real property law, as
52 amended by chapter 218 of the laws of 1986, subparagraph (ii) of para-
53 graph (d) as amended by chapter 223 of the laws of 1989, paragraph (e)
54 as added by chapter 135 of the laws of 1996, paragraph (f) as added by
55 chapter 293 of the laws of 1997 and paragraph (g) as added by 786 of the
56 laws of 2022, is amended to read as follows:

1 1. (a) With respect to all property submitted to the provisions of
2 this article other than property which is the subject of a qualified
3 leasehold condominium, each unit and its common interest, not including
4 any personal property, shall be deemed to be a parcel and shall be
5 subject to separate assessment and taxation by each assessing unit,
6 school district, special district, county or other taxing unit, for all
7 types of taxes authorized by law including but not limited to special ad
8 valorem levies and special assessments, except that the foregoing shall
9 not apply to a unit held under lease or sublease unless the declaration
10 requires the unit owner to pay all taxes attributable to his unit.
11 Neither the building, the property nor any of the common elements shall
12 be deemed to be a parcel.

13 ~~(b) [In no event shall the aggregate of the assessment of the units~~
14 ~~plus their common interests exceed the total valuation of the property~~
15 ~~were the property assessed as a parcel.~~

16 ~~(c)]~~ For the purposes of this and the next succeeding section the
17 terms "assessing unit", "assessment", "parcel", "special ad valorem
18 levy", "special assessment", "special district", "taxation" and "taxes"
19 shall have the meanings specified in section one hundred two of the real
20 property tax law.

21 ~~[(d) The provisions of paragraph (b) of this subdivision shall not~~
22 ~~apply to such real property classified within:~~

23 ~~(i) on and after January first, nineteen hundred eighty six, class one~~
24 ~~of section one thousand eight hundred two of the real property tax law;~~
25 ~~or~~

26 ~~(ii) on and after January first, nineteen hundred eighty four, the~~
27 ~~homestead class of an approved assessing unit which has adopted the~~
28 ~~provisions of section one thousand nine hundred three of the real prop-~~
29 ~~erty tax law, or the homestead class of the portion outside an approved~~
30 ~~assessing unit of an eligible split school district which has adopted~~
31 ~~the provisions of section nineteen hundred three a of the real property~~
32 ~~tax law; provided, however, that, in an approved assessing unit which~~
33 ~~adopted the provisions of section one thousand nine hundred three of the~~
34 ~~real property tax law prior to the effective date of this subdivision,~~
35 ~~paragraph (b) of this subdivision shall apply to all such real property~~
36 ~~(i) which is classified within the homestead class pursuant to paragraph~~
37 ~~one of subdivision (c) of section one thousand nine hundred one of the~~
38 ~~real property tax law and (ii) which, regardless of classification, was~~
39 ~~on the assessment roll prior to the effective date of this subdivision~~
40 ~~unless the governing body of such approved assessing unit provides by~~
41 ~~local law adopted after a public hearing, prior to the taxable status~~
42 ~~date of such assessing unit next occurring after December thirty first,~~
43 ~~nineteen hundred eighty three, that such paragraph (b) shall not apply~~
44 ~~to such real property to which this clause applies. Provided further,~~
45 ~~however, real property subject to the provisions of this subparagraph~~
46 ~~shall be assessed pursuant to subdivision two of section five hundred~~
47 ~~eighty one of the real property tax law.~~

48 ~~(e)]~~ (c) On the first assessment roll with a taxable status date on or
49 after the effective date of a declaration filed with the recording offi-
50 cer and on every assessment roll thereafter, the assessor shall enter
51 each unit as a parcel, as provided in paragraph (a) of this subdivision,
52 based upon the condition and ownership of each such unit on the appro-
53 priate valuation and taxable status dates. Units owned by a developer
54 may be entered as a single parcel with a parcel description correspond-
55 ing to the entire development, including the land under such develop-
56 ment, and excluding those units appearing separately. Upon the first

1 assessment roll where each unit is separately assessed, only an individ-
2 ual unit and its common interest shall constitute a parcel.

3 ~~[(f) The provisions of paragraph (b) of this subdivision shall not~~
4 ~~apply to a converted condominium unit in a municipal corporation other~~
5 ~~than a special assessing unit, which has adopted, prior to the taxable~~
6 ~~status date of the assessment roll upon which its taxes will be levied,~~
7 ~~a local law or, for a school district, a resolution providing that the~~
8 ~~provisions of paragraph (b) of this subdivision shall not apply to a~~
9 ~~converted condominium unit within that municipal corporation. A~~
10 ~~converted condominium unit for purposes of this paragraph shall mean a~~
11 ~~dwelling unit held in condominium form of ownership that has previously~~
12 ~~been on an assessment roll as a dwelling unit in other than condominium~~
13 ~~form of ownership, and has not been previously subject to the provisions~~
14 ~~of paragraph (b) of this subdivision.~~

15 ~~(g)]~~ (d) The provisions of paragraph (b) of this subdivision shall not
16 apply to real property owned or leased by a cooperative corporation or
17 on a condominium basis in the Town of Greenburgh, in Westchester County,
18 which has adopted, prior to the taxable status date of the assessment
19 roll upon which its taxes will be levied, a local law providing that the
20 provisions of paragraph (b) of this subdivision shall not apply to such
21 real property within such town; provided, however, the provisions of
22 this paragraph shall not apply to real property owned or leased by a
23 cooperative corporation or on a condominium basis that had been previ-
24 ously subject to the provisions of paragraph (b) of this subdivision
25 prior to January first, two thousand twenty-three; provided further,
26 however, the provisions of this paragraph shall not apply to real prop-
27 erty owned or leased by a cooperative corporation or on a condominium
28 basis that is participating in an affordable housing tax credit program
29 or has a regulatory agreement with a federal, state, or local agency
30 related to affordable housing requirements.

31 § 25. This act shall take effect on the first of January next succeed-
32 ing the date on which it shall have become a law and shall apply to
33 assessment rolls prepared pursuant to a taxable status date occurring on
34 or after such date. Effective immediately, the addition, amendment
35 and/or repeal of any rule or regulation necessary for the implementation
36 of this act on its effective date are authorized to be made and
37 completed on or before such effective date.