

STATE OF NEW YORK

5948

2023-2024 Regular Sessions

IN SENATE

March 23, 2023

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

AN ACT to amend the real property tax law, in relation to the senior citizen and disabled property owner exemption

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

1 Section 1. Paragraph (b) of subdivision 1 of section 467 of the real
2 property tax law, as amended by section 1 of part B of chapter 686 of
3 the laws of 2022, is amended to read as follows:

4 (b) (1) Any local law, ordinance or resolution adopted pursuant to
5 paragraph (a) of this subdivision may be amended, or a local law, ordi-
6 nance or resolution may be adopted, to provide an exemption so as to
7 increase the maximum income eligibility level of such municipal corpo-
8 ration as provided in subdivision three of this section (represented in
9 the hereinbelow schedule as M), to the extent provided in the following
10 schedule:

11 ANNUAL INCOME	PERCENTAGE ASSESSED VALUATION
12	EXEMPT FROM TAXATION OR PILOT
13 More than (M) but	
14 [less than (M+ \$1,000)]	45 per centum
15 (M+ \$1,000 or more) but	
16 less than (M+ \$2,000)	40 per centum
17 (M+ \$2,000 or more) but]	
18 less than (M+ [\$3,000	35 per centum
19 \$10,000)	
20 [(M+ \$3,000 or more) but	
21 less than (M+ \$3,900)	30 per centum
22 (M+ \$3,900 or more) but	

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

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1 ~~less than (M+ \$4,800) 25 per centum~~
 2 ~~(M+ \$4,800 or more) but~~
 3 ~~less than (M+ \$5,700) 20 per centum]~~

4 (2) Any local law, ordinance or resolution adopted pursuant to subpar-
 5 agraph one of this paragraph may be amended, or a local law, ordinance
 6 or resolution may be adopted, to provide an exemption so as to increase
 7 the maximum income eligibility level of such municipal corporation as
 8 provided in subdivision three of this section (represented in the here-
 9 inbelow schedule as M), and as increased as provided for in such subpar-
 10 agraph one to the extent provided in the following schedule:

11 ANNUAL INCOME	12 PERCENTAGE ASSESSED VALUATION EXEMPT FROM TAXATION OR PILOT
13 (M+ [\$5,700] <u>\$10,000</u> or more) but	
14 less than (M+ [\$6,600	15 15 per centum
15 <u>\$25,000</u>)	
16 [(M+ \$6,600 or more) but	
17 less than (M+ \$7,500) 10 per centum]	

18 (3) Any local law, ordinance or resolution adopted pursuant to subpar-
 19 agraphs one and two of this paragraph may be amended, or a local law,
 20 ordinance or resolution may be adopted, to provide an exemption so as to
 21 increase the maximum income eligibility level of such municipal corpo-
 22 ration as provided in subdivision three of this section (represented in
 23 the hereinbelow schedule as M), and as increased as provided for in such
 24 subparagraph one to the extent provided in the following schedule:

25 ANNUAL INCOME	26 PERCENTAGE ASSESSED VALUATION EXEMPT FROM TAXATION OR PILOT
27 (M+ [\$7,500] <u>\$25,000</u> or more)	
28 less than (M+ [\$8,400	29 5 per centum
29 <u>\$35,000</u>)	

30 § 2. Paragraph (a) of subdivision 3 of section 467 of the real proper-
 31 ty tax law, as separately amended by chapter 488 and section 1 of part B
 32 of chapter 686 of the laws of 2022, is amended to read as follows:

33 (a) if the income of the owner or the combined income of the owners of
 34 the property for the income tax year immediately preceding the date of
 35 making application for exemption exceeds the sum of three thousand
 36 dollars, or such other sum not less than three thousand dollars nor more
 37 than twenty-six thousand dollars beginning July first, two thousand six,
 38 twenty-seven thousand dollars beginning July first, two thousand seven,
 39 twenty-eight thousand dollars beginning July first, two thousand eight,
 40 twenty-nine thousand dollars beginning July first, two thousand nine,
 41 fifty thousand dollars beginning July first, two thousand twenty-two,
 42 and [~~in a city with a population of one million or more~~] fifty thousand
 43 dollars beginning July first, two thousand seventeen, as may be provided
 44 by the local law, ordinance or resolution adopted pursuant to this
 45 section. Where the taxable status date is on or before April fourteenth,
 46 income tax year shall mean the twelve-month period for which the owner
 47 or owners filed a federal personal income tax return for the year before
 48 the income tax year immediately preceding the date of application and
 49 where the taxable status date is on or after April fifteenth, income tax

1 year shall mean the twelve-month period for which the owner or owners
 2 filed a federal personal income tax return for the income tax year imme-
 3 diately preceding the date of application. Where title is vested in
 4 either the husband or the wife, their combined income may not exceed
 5 such sum, except where the husband or wife, or ex-husband or ex-wife is
 6 absent from the property as provided in subparagraph (ii) of paragraph
 7 (d) of this subdivision, then only the income of the spouse or ex-spouse
 8 residing on the property shall be considered and may not exceed such
 9 sum. Such income shall include social security and retirement benefits,
 10 interest, dividends, total gain from the sale or exchange of a capital
 11 asset which may be offset by a loss from the sale or exchange of a capi-
 12 tal asset in the same income tax year, net rental income, salary or
 13 earnings, and net income from self-employment, but shall not include a
 14 return of capital, gifts, inheritances, payments made to individuals
 15 because of their status as victims of Nazi persecution, as defined in
 16 P.L. 103-286 or monies earned through employment in the federal foster
 17 grandparent program and any such income shall be offset by all medical
 18 and prescription drug expenses actually paid which were not reimbursed
 19 or paid for by insurance, if the governing board of a municipality,
 20 after a public hearing, adopts a local law, ordinance or resolution
 21 providing therefor. In addition, an exchange of an annuity for an annui-
 22 ty contract, which resulted in non-taxable gain, as determined in
 23 section one thousand thirty-five of the internal revenue code, shall be
 24 excluded from such income. Provided that such exclusion shall be based
 25 on satisfactory proof that such an exchange was solely an exchange of an
 26 annuity for an annuity contract that resulted in a non-taxable transfer
 27 determined by such section of the internal revenue code. Furthermore,
 28 such income shall not include the proceeds of a reverse mortgage, as
 29 authorized by section six-h of the banking law, and sections two hundred
 30 eighty and two hundred eighty-a of the real property law; provided,
 31 however, that monies used to repay a reverse mortgage may not be
 32 deducted from income, and provided additionally that any interest or
 33 dividends realized from the investment of reverse mortgage proceeds
 34 shall be considered income. The provisions of this paragraph notwith-
 35 standing, such income shall not include veterans disability compen-
 36 sation, as defined in Title 38 of the United States Code provided the
 37 governing board of such municipality, after public hearing, adopts a
 38 local law, ordinance or resolution providing therefor. In computing net
 39 rental income and net income from self-employment no depreciation
 40 deduction shall be allowed for the exhaustion, wear and tear of real or
 41 personal property held for the production of income;

42 § 3. Paragraph (b) of subdivision 1 of section 459-c of the real prop-
 43 erty tax law, as amended by section 2 of part B of chapter 686 of the
 44 laws of 2022, is amended to read as follows:

45 (b) Any local law or resolution adopted pursuant to paragraph (a) of
 46 this subdivision may be amended, or a local law or resolution may be
 47 adopted, to provide an exemption so as to increase the maximum income
 48 eligibility level of such municipal corporation as provided in subdivi-
 49 sion five of this section (represented in the hereinbelow schedule as
 50 M), to the extent provided in the following schedule:

51 ANNUAL INCOME	PERCENTAGE ASSESSED VALUATION
52	EXEMPT FROM TAXATION OR PILOT
53 More than (M) but	
54 [less than (M+ \$1,000)	45 per centum
55 (M+ \$1,000 or more) but	

1 ~~less than (M+ \$2,000) 40 per centum~~
2 ~~(M+ \$2,000 or more) but]~~
3 less than (M+ [~~\$3,000~~ \$10,000) 35 per centum
4 [~~(M+ \$3,000 or more) but~~
5 ~~less than (M+ \$3,900) 30 per centum~~
6 ~~(M+ \$3,900 or more) but~~
7 ~~less than (M+ \$4,800) 25 per centum~~
8 ~~(M+ \$4,800 or more) but~~
9 ~~less than (M+ \$5,700) 20 per centum]~~
10 (M+ [~~\$5,700~~ \$10,000 or more) but
11 less than (M+ [~~\$6,600~~ \$25,000) 15 per centum
12 [~~(M+ \$6,600 or more) but~~
13 ~~less than (M+ \$7,500) 10 per centum]~~
14 (M + [~~\$7,500~~ \$25,000 or more) but
15 less than (M+ [~~\$8,400~~ \$35,000) 5 per centum

16 § 4. Paragraph (a) of subdivision 5 of section 459-c of the real prop-
17 erty tax law, as separately amended by chapter 488 and section 2 of part
18 B of chapter 686 of the laws of 2022, is amended to read as follows:

19 (a) if the income of the owner or the combined income of the owners of
20 the property for the income tax year immediately preceding the date of
21 making application for exemption exceeds the sum of three thousand
22 dollars, or such other sum not less than three thousand dollars nor more
23 than twenty-six thousand dollars beginning July first, two thousand six,
24 twenty-seven thousand dollars beginning July first, two thousand seven,
25 twenty-eight thousand dollars beginning July first, two thousand eight,
26 twenty-nine thousand dollars beginning July first, two thousand nine,
27 and fifty thousand dollars beginning July first, two thousand twenty-
28 two, and [~~in a city with a population of one million or more~~] fifty
29 thousand dollars beginning July first, two thousand seventeen, as may be
30 provided by the local law or resolution adopted pursuant to this
31 section. Income tax year shall mean the twelve month period for which
32 the owner or owners filed a federal personal income tax return, or if no
33 such return is filed, the calendar year. Where title is vested in either
34 the husband or the wife, their combined income may not exceed such sum,
35 except where the husband or wife, or ex-husband or ex-wife is absent
36 from the property due to divorce, legal separation or abandonment, then
37 only the income of the spouse or ex-spouse residing on the property
38 shall be considered and may not exceed such sum. Such income shall
39 include social security and retirement benefits, interest, dividends,
40 total gain from the sale or exchange of a capital asset which may be
41 offset by a loss from the sale or exchange of a capital asset in the
42 same income tax year, net rental income, salary or earnings, and net
43 income from self-employment, but shall not include a return of capital,
44 gifts, inheritances or monies earned through employment in the federal
45 foster grandparent program and any such income shall be offset by all
46 medical and prescription drug expenses actually paid which were not
47 reimbursed or paid for by insurance, if the governing board of a munici-
48 pality, after a public hearing, adopts a local law or resolution provid-
49 ing therefor. In computing net rental income and net income from self-
50 employment no depreciation deduction shall be allowed for the
51 exhaustion, wear and tear of real or personal property held for the
52 production of income;

53 § 5. The state shall, within an appropriation made available therefor,
54 reimburse municipal corporations for the difference between the amount
55 of real property tax revenue abated for the fiscal year of such munici-
56 pality that occurs after April 1, 2023 pursuant to the income thresholds

1 established pursuant to the provisions of this act, and the amount of
2 real property tax revenue that would have been abated for such period
3 pursuant to the income thresholds that were in effect immediately prior
4 to the effective date of this act.

5 § 6. This act shall take effect immediately and shall apply to any
6 local law, resolution or ordinance amended or adopted on and after the
7 effective date of this act.