

# STATE OF NEW YORK

8994

## IN SENATE

April 8, 2024

Introduced by Sen. FERNANDEZ -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1

AN ACT to amend the real property tax law, in relation to tax abatements for dwelling units occupied by certain persons residing in rent-controlled or rent regulated properties; and providing state aid to cities affected by such tax abatements

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

1 Section 1. The section heading of section 467-b of the real property  
2 tax law, as amended by chapter 188 of the laws of 2005, is amended to  
3 read as follows:

4 Tax abatement for rent-controlled and rent regulated property occupied  
5 by senior citizens or persons with disabilities or persons paying a  
6 maximum rent or legal regulated rent which exceeds one-half of the  
7 combined income of all members of their household.

8 § 2. Paragraph b of subdivision 1 of section 467-b of the real proper-  
9 ty tax law, as amended by chapter 188 of the laws of 2005, is amended to  
10 read as follows:

11 b. "Head of the household" means a person (i) who is sixty-two years  
12 of age or older, [~~or~~] (ii) who qualifies as a person with a disability  
13 pursuant to subdivision five of this section, or (iii) who pays a maxi-  
14 mum rent or legal regulated rent which exceeds one-half of the combined  
15 income of all members of their household, and is entitled to the  
16 possession or to the use or occupancy of a dwelling unit;

17 § 3. Subdivision 2 of section 467-b of the real property tax law, as  
18 amended by chapter 747 of the laws of 1985, paragraph (c) as added by  
19 chapter 553 of the laws of 2015 and paragraph (d) as added by chapter  
20 343 of the laws of 2016, is amended to read as follows:

21 2. The governing body of any municipal corporation is hereby author-  
22 ized and empowered to adopt, after public hearing, in accordance with  
23 the provisions of this section, a local law, ordinance or resolution  
24 providing for the abatement of taxes of said municipal corporation  
25 imposed on real property containing a dwelling unit as defined herein by  
26 one of the following amounts: (a) where the head of the household does

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

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1 not receive a monthly allowance for shelter pursuant to the social  
2 services law, an amount not in excess of that portion of any increase in  
3 maximum rent or legal regulated rent which causes such maximum rent or  
4 legal regulated rent to exceed one-third of the combined income of all  
5 members of the household; or

6 (b) where the head of the household qualifies as a person paying a  
7 maximum rent or legal regulated rent which exceeds one-half of the  
8 combined income of all members of the household and does not receive a  
9 monthly allowance for shelter pursuant to the social services law, an  
10 amount not in excess of that portion of any increase in maximum rent or  
11 legal regulated rent which causes such maximum rent or legal regulated  
12 rent to exceed one-half of the combined income of all members of the  
13 household; or

14 (c) where the head of the household receives a monthly allowance for  
15 shelter pursuant to the social services law, an amount not in excess of  
16 that portion of any increase in maximum rent or legal regulated rent  
17 which is not covered by the maximum allowance for shelter which such  
18 person is entitled to receive pursuant to the social services law.

19 [~~(e)~~] Provided, however, that in a city of a population of one million  
20 or more, where the head of household has been granted a rent increase  
21 exemption order that is in effect as of January first, two thousand  
22 fifteen or takes effect on or before July first, two thousand fifteen,  
23 the amount determined by paragraph (a) of this subdivision shall be an  
24 amount not in excess of the difference between the maximum rent or legal  
25 regulated rent and the amount specified in such order, as adjusted by  
26 any other provision of this section.

27 (d)(1) Provided, however, that in a city with a population of one  
28 million or more, a head of the household who has received a rent  
29 increase exemption order that has expired and who, upon renewal applica-  
30 tion for the period commencing immediately after such expiration, is  
31 determined to be ineligible for a rent increase exemption order because  
32 the combined income of all members of the household exceeds the maximum  
33 amount allowed by this section or the maximum rent or legal regulated  
34 rent does not exceed one-third of the combined income of all members of  
35 the household, may submit a new application during the following calen-  
36 dar year, and if such head of the household receives a rent increase  
37 exemption order that commences during such calendar year, the tax abate-  
38 ment amount for such order shall be calculated as if such prior rent  
39 increase exemption order had not expired. However, no tax abatement  
40 benefits may be provided for the period of ineligibility.

41 (2) No head of the household may receive more than three rent increase  
42 exemption orders calculated as if a prior rent increase exemption order  
43 had not expired, as described in subparagraph one of this paragraph.

44 § 4. Paragraph a of subdivision 3 of section 467-b of the real proper-  
45 ty tax law, as amended by section 1 of part U of chapter 55 of the laws  
46 of 2014, is amended to read as follows:

47 a. for a dwelling unit where the head of the household is a person  
48 sixty-two years of age or older or where the head of the household pays  
49 a maximum rent or legal regulated rent which exceeds one-half of the  
50 combined income of all members of the household, no tax abatement shall  
51 be granted if the combined income of all members of the household for  
52 the income tax year immediately preceding the date of making application  
53 exceeds four thousand dollars, or such other sum not more than twenty-  
54 five thousand dollars beginning July first, two thousand five, twenty-  
55 six thousand dollars beginning July first, two thousand six, twenty-sev-  
56 en thousand dollars beginning July first, two thousand seven,

1 twenty-eight thousand dollars beginning July first, two thousand eight,  
2 twenty-nine thousand dollars beginning July first, two thousand nine,  
3 and fifty thousand dollars beginning July first, two thousand fourteen,  
4 as may be provided by the local law, ordinance or resolution adopted  
5 pursuant to this section, provided that when the head of the household  
6 retires before the commencement of such income tax year and the date of  
7 filing the application, the income for such year may be adjusted by  
8 excluding salary or earnings and projecting his or her retirement income  
9 over the entire period of such year.

10 § 5. Paragraph a of subdivision 3 of section 467-b of the real proper-  
11 ty tax law, as separately amended by chapter 188 and chapter 205 of the  
12 laws of 2005, is amended to read as follows:

13 a. for a dwelling unit where the head of the household is a person  
14 sixty-two years of age or older or where the head of the household pays  
15 a maximum rent or legal regulated rent which exceeds one-half of the  
16 combined income of all members of the household, no tax abatement shall  
17 be granted if the combined income of all members of the household for  
18 the income tax year immediately preceding the date of making application  
19 exceeds four thousand dollars, or such other sum not more than twenty-  
20 five thousand dollars beginning July first, two thousand five, twenty-  
21 six thousand dollars beginning July first, two thousand six, twenty-sev-  
22 en thousand dollars beginning July first, two thousand seven,  
23 twenty-eight thousand dollars beginning July first, two thousand eight,  
24 and twenty-nine thousand dollars beginning July first, two thousand  
25 nine, as may be provided by the local law, ordinance or resolution  
26 adopted pursuant to this section, provided that when the head of the  
27 household retires before the commencement of such income tax year and  
28 the date of filing the application, the income for such year may be  
29 adjusted by excluding salary or earnings and projecting his or her  
30 retirement income over the entire period of such year.

31 § 6. Paragraph d of subdivision 1 of section 467-c of the real proper-  
32 ty tax law, as separately amended by chapters 188 and 205 of the laws of  
33 2005, and subparagraph 1 as amended by section 2 of part U of chapter 55  
34 of the laws of 2014, is amended to read as follows:

35 d. "Eligible head of the household" means (1) a person or his or her  
36 spouse who is sixty-two years of age or older, or a person who pays a  
37 maximum rent which exceeds one-half of the combined income of all  
38 members of the household, and is entitled to the possession or to the  
39 use and occupancy of a dwelling unit, provided, however, with respect to  
40 a dwelling which was subject to a mortgage insured or initially insured  
41 by the federal government pursuant to section two hundred thirteen of  
42 the National Housing Act, as amended "eligible head of the household"  
43 shall be limited to that person or his or her spouse who was entitled to  
44 possession or the use and occupancy of such dwelling unit at the time of  
45 termination of such mortgage, and whose income when combined with the  
46 income of all other members of the household, does not exceed six thou-  
47 sand five hundred dollars for the taxable period, or such other sum not  
48 less than sixty-five hundred dollars nor more than twenty-five thousand  
49 dollars beginning July first, two thousand five, twenty-six thousand  
50 dollars beginning July first, two thousand six, twenty-seven thousand  
51 dollars beginning July first, two thousand seven, twenty-eight thousand  
52 dollars beginning July first, two thousand eight, twenty-nine thousand  
53 dollars beginning July first, two thousand nine, and fifty thousand  
54 dollars beginning July first, two thousand fourteen, as may be provided  
55 by local law; or (2) a person with a disability as defined in this  
56 subdivision.

§ 7. Subparagraph 1 of paragraph d of subdivision 1 of section 467-c of the real property tax law, as separately amended by chapters 188 and 205 of the laws of 2005, is amended to read as follows:

(1) a person or his or her spouse who is sixty-two years of age or older, or a person who pays a maximum rent which exceeds one-half of the combined income of all members of the household, and is entitled to the possession or to the use and occupancy of a dwelling unit, provided, however, with respect to a dwelling which was subject to a mortgage insured or initially insured by the federal government pursuant to section two hundred thirteen of the National Housing Act, as amended "eligible head of the household" shall be limited to that person or his or her spouse who was entitled to possession or the use and occupancy of such dwelling unit at the time of termination of such mortgage, and whose income when combined with the income of all other members of the household, does not exceed six thousand five hundred dollars for the taxable period, or such other sum not less than sixty-five hundred dollars nor more than twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, and twenty-nine thousand dollars beginning July first, two thousand nine, as may be provided by local law; or

§ 8. Subparagraph 1 of paragraph a of subdivision 3 of section 467-c of the real property tax law, as amended by chapter 747 of the laws of 1985, is amended to read as follows:

(1) where the eligible head of the household who is either sixty-two years of age or older or is disabled does not receive a monthly allowance for shelter pursuant to the social services law, the amount by which increases in the maximum rent subsequent to such person's eligibility date have resulted in the maximum rent exceeding one-third of the combined income of all members of the household for the taxable period, or where the eligible head of the household is a person who pays a maximum rent which exceeds one-half of the combined income of all members of the household does not receive a monthly allowance for shelter pursuant to the social services law, the amount by which increases in the maximum rent subsequent to such person's date have resulted in the maximum rent exceeding one-half of the combined income of all members of the household for the taxable period, except that in no event shall a rent increase exemption order/tax abatement certificate become effective prior to January first, nineteen hundred seventy-six; or

§ 9. The state comptroller shall annually pay to each city providing real property tax abatements pursuant to sections 467-b and 467-c of the real property tax law an amount equal to 10 per centum of the real property tax revenue lost during the city fiscal year due to the implementation of the provisions of this act. Each city eligible for state payments pursuant to this section shall provide the state comptroller with such information as he or she shall deem necessary.

§ 10. This act shall take effect July 1, 2024; provided however, that:

a. the amendments to paragraph a of subdivision 3 of section 467-b of the real property tax law, made by section four of this act shall be subject to the expiration of such paragraph pursuant to section 4 of part U of chapter 55 of the laws of 2014, as amended, and shall be deemed to expire therewith, when upon such date section five of this act shall take effect; and

b. the amendments to subparagraph (1) of paragraph d of subdivision 1 of section 467-c of the real property tax law, made by section six of

1 this act shall not affect the expiration of such subparagraph pursuant  
2 to section 4 of part U of chapter 55 of the laws of 2014, as amended,  
3 and shall expire and be deemed repealed therewith, when upon such date  
4 section seven of this act shall take effect.