

STATE OF NEW YORK

2960

2023-2024 Regular Sessions

IN SENATE

January 26, 2023

Introduced by Sens. KAVANAGH, HOYLMAN-SIGAL, SERRANO -- 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 increasing the combined household income limit for eligibility for a senior citizen rent increase exemption (SCRIE), disability rent increase exemption (DRIE), senior citizen homeowners' exemption (SCHE), and disabled homeowners' exemption (DHE) on the basis of the consumer price index

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

1 Section 1. Paragraphs a and b of subdivision 3 of section 467-b of the
2 real property tax law, paragraph a as amended by section 1 of part U of
3 chapter 55 of the laws of 2014 and paragraph b as amended by chapter 129
4 of the laws of 2014, are amended to read as follows:
5 a. for a dwelling unit where the head of the household is a person
6 sixty-two years of age or older, no tax abatement shall be granted if
7 the combined income of all members of the household for the income tax
8 year immediately preceding the date of making application exceeds four
9 thousand dollars, or such other sum not more than twenty-five thousand
10 dollars beginning July first, two thousand five, twenty-six thousand
11 dollars beginning July first, two thousand six, twenty-seven thousand
12 dollars beginning July first, two thousand seven, twenty-eight thousand
13 dollars beginning July first, two thousand eight, twenty-nine thousand
14 dollars beginning July first, two thousand nine, and fifty thousand
15 dollars beginning July first, two thousand fourteen, as may be provided
16 by the local law, ordinance or resolution adopted pursuant to this
17 section, provided that when the head of the household retires before the
18 commencement of such income tax year and the date of filing the applica-
19 tion, the income for such year may be adjusted by excluding salary or
20 earnings and projecting his or her retirement income over the entire
21 period of such year. The maximum income threshold provided for herein

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

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1 shall be increased by order of the commissioner of the state division of
2 housing and community renewal on January first of each year to reflect
3 any increase in the regional consumer price index for the N.Y.,
4 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
5 ers (CPI-U) during the preceding twelve month period.

6 b. for a dwelling unit where the head of the household qualifies as a
7 person with a disability pursuant to subdivision five of this section,
8 no tax abatement shall be granted if the combined income for all members
9 of the household for the current income tax year exceeds fifty thousand
10 dollars beginning July first, two thousand fourteen, as may be provided
11 by the local law, ordinance or resolution adopted pursuant to this
12 section. The maximum income threshold provided for herein shall be
13 increased by order of the commissioner of the state division of housing
14 and community renewal on January first of each year to reflect any
15 increase in the regional consumer price index for the N.Y.,
16 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
17 ers (CPI-U) during the preceding twelve month period.

18 § 2. Paragraphs d and m of subdivision 1 of section 467-c of the real
19 property tax law, paragraph d as separately amended by chapters 188 and
20 205 of the laws of 2005, subparagraph 1 of paragraph d as amended by
21 section 2 of part U of chapter 55 of the laws of 2014 and paragraph m as
22 amended by chapter 129 of the laws of 2014, are amended to read as
23 follows:

24 d. "Eligible head of the household" means (1) a person or his or her
25 spouse who is sixty-two years of age or older and is entitled to the
26 possession or to the use and occupancy of a dwelling unit, provided,
27 however, with respect to a dwelling which was subject to a mortgage
28 insured or initially insured by the federal government pursuant to
29 section two hundred thirteen of the National Housing Act, as amended
30 "eligible head of the household" shall be limited to that person or his
31 or her spouse who was entitled to possession or the use and occupancy of
32 such dwelling unit at the time of termination of such mortgage, and
33 whose income when combined with the income of all other members of the
34 household, does not exceed six thousand five hundred dollars for the
35 taxable period, or such other sum not less than sixty-five hundred
36 dollars nor more than twenty-five thousand dollars beginning July first,
37 two thousand five, twenty-six thousand dollars beginning July first, two
38 thousand six, twenty-seven thousand dollars beginning July first, two
39 thousand seven, twenty-eight thousand dollars beginning July first, two
40 thousand eight, twenty-nine thousand dollars beginning July first, two
41 thousand nine, and fifty thousand dollars beginning July first, two
42 thousand fourteen, as may be provided by local law; or (2) a person with
43 a disability as defined in this subdivision. The maximum income thresh-
44 old provided for herein shall be increased by order of the commissioner
45 of the state division of housing and community renewal on January first
46 of each year to reflect any increase in the regional consumer price
47 index for the N.Y., N.Y.-Northeastern, N.J. area, based upon the index
48 for all urban consumers (CPI-U) during the preceding twelve month peri-
49 od.

50 m. "Person with a disability" means an individual who is currently
51 receiving social security disability insurance (SSDI) or supplemental
52 security income (SSI) benefits under the federal social security act or
53 disability pension or disability compensation benefits provided by the
54 United States department of veterans affairs or those previously eligi-
55 ble by virtue of receiving disability benefits under the supplemental
56 security income program or the social security disability program and

1 currently receiving medical assistance benefits based on determination
2 of disability as provided in section three hundred sixty-six of the
3 social services law and whose income for the current income tax year,
4 together with the income of all members of such individual's household,
5 does not exceed fifty thousand dollars beginning July first, two thou-
6 sand fourteen, as may be provided by local law. The maximum income
7 threshold provided for herein shall be increased by order of the commis-
8 sioner of the state division of housing and community renewal on January
9 first of each year to reflect any increase in the regional consumer
10 price index for the N.Y., N.Y.-Northeastern, N.J. area, based upon the
11 index for all urban consumers (CPI-U) during the preceding twelve month
12 period.

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

16 (a) if the income of the owner or the combined income of the owners of
17 the property for the income tax year immediately preceding the date of
18 making application for exemption exceeds the sum of three thousand
19 dollars, or such other sum not less than three thousand dollars nor more
20 than twenty-six thousand dollars beginning July first, two thousand six,
21 twenty-seven thousand dollars beginning July first, two thousand seven,
22 twenty-eight thousand dollars beginning July first, two thousand eight,
23 twenty-nine thousand dollars beginning July first, two thousand nine,
24 fifty thousand dollars beginning July first, two thousand twenty-two,
25 and in a city with a population of one million or more fifty thousand
26 dollars beginning July first, two thousand seventeen, as may be provided
27 by the local law, ordinance or resolution adopted pursuant to this
28 section. The maximum income threshold provided for herein shall be
29 increased by order of the commissioner on January first of each year to
30 reflect any increase in the regional consumer price index for the N.Y.,
31 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
32 ers (CPI-U) during the preceding twelve month period. Where the taxable
33 status date is on or before April fourteenth, income tax year shall mean
34 the twelve-month period for which the owner or owners filed a federal
35 personal income tax return for the year before the income tax year imme-
36 diately preceding the date of application and where the taxable status
37 date is on or after April fifteenth, income tax year shall mean the
38 twelve-month period for which the owner or owners filed a federal
39 personal income tax return for the income tax year immediately preceding
40 the date of application. Where title is vested in either the husband or
41 the wife, their combined income may not exceed such sum, except where
42 the husband or wife, or ex-husband or ex-wife is absent from the proper-
43 ty as provided in subparagraph (ii) of paragraph (d) of this subdivi-
44 sion, then only the income of the spouse or ex-spouse residing on the
45 property shall be considered and may not exceed such sum. Such income
46 shall include social security and retirement benefits, interest, divi-
47 dends, total gain from the sale or exchange of a capital asset which may
48 be offset by a loss from the sale or exchange of a capital asset in the
49 same income tax year, net rental income, salary or earnings, and net
50 income from self-employment, but shall not include a return of capital,
51 gifts, inheritances, payments made to individuals because of their
52 status as victims of Nazi persecution, as defined in P.L. 103-286 or
53 monies earned through employment in the federal foster grandparent
54 program and any such income shall be offset by all medical and
55 prescription drug expenses actually paid which were not reimbursed or
56 paid for by insurance, if the governing board of a municipality, after a

1 public hearing, adopts a local law, ordinance or resolution providing
2 therefor. In addition, an exchange of an annuity for an annuity
3 contract, which resulted in non-taxable gain, as determined in section
4 one thousand thirty-five of the internal revenue code, shall be excluded
5 from such income. Provided that such exclusion shall be based on satis-
6 factory proof that such an exchange was solely an exchange of an annuity
7 for an annuity contract that resulted in a non-taxable transfer deter-
8 mined by such section of the internal revenue code. Furthermore, such
9 income shall not include the proceeds of a reverse mortgage, as author-
10 ized by section six-h of the banking law, and sections two hundred
11 eighty and two hundred eighty-a of the real property law; provided,
12 however, that monies used to repay a reverse mortgage may not be
13 deducted from income, and provided additionally that any interest or
14 dividends realized from the investment of reverse mortgage proceeds
15 shall be considered income. The provisions of this paragraph notwith-
16 standing, such income shall not include veterans disability compen-
17 sation, as defined in Title 38 of the United States Code provided the
18 governing board of such municipality, after public hearing, adopts a
19 local law, ordinance or resolution providing therefor. In computing net
20 rental income and net income from self-employment no depreciation
21 deduction shall be allowed for the exhaustion, wear and tear of real or
22 personal property held for the production of income;

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

26 (a) if the income of the owner or the combined income of the owners of
27 the property for the income tax year immediately preceding the date of
28 making application for exemption exceeds the sum of three thousand
29 dollars, or such other sum not less than three thousand dollars nor more
30 than twenty-six thousand dollars beginning July first, two thousand six,
31 twenty-seven thousand dollars beginning July first, two thousand seven,
32 twenty-eight thousand dollars beginning July first, two thousand eight,
33 twenty-nine thousand dollars beginning July first, two thousand nine,
34 and fifty thousand dollars beginning July first, two thousand twenty-
35 two, and in a city with a population of one million or more fifty thou-
36 sand dollars beginning July first, two thousand seventeen, as may be
37 provided by the local law or resolution adopted pursuant to this
38 section. The maximum income threshold provided for herein shall be
39 increased by order of the commissioner on January first of each year to
40 reflect any increase in the regional consumer price index for the N.Y.,
41 N.Y.-Northeastern, N.J. area, based upon the index for all urban consum-
42 ers (CPI-U) during the preceding twelve month period. Income tax year
43 shall mean the twelve month period for which the owner or owners filed a
44 federal personal income tax return, or if no such return is filed, the
45 calendar year. Where title is vested in either the husband or the wife,
46 their combined income may not exceed such sum, except where the husband
47 or wife, or ex-husband or ex-wife is absent from the property due to
48 divorce, legal separation or abandonment, then only the income of the
49 spouse or ex-spouse residing on the property shall be considered and may
50 not exceed such sum. Such income shall include social security and
51 retirement benefits, interest, dividends, total gain from the sale or
52 exchange of a capital asset which may be offset by a loss from the sale
53 or exchange of a capital asset in the same income tax year, net rental
54 income, salary or earnings, and net income from self-employment, but
55 shall not include a return of capital, gifts, inheritances or monies
56 earned through employment in the federal foster grandparent program and

1 any such income shall be offset by all medical and prescription drug
2 expenses actually paid which were not reimbursed or paid for by insur-
3 ance, if the governing board of a municipality, after a public hearing,
4 adopts a local law or resolution providing therefor. In computing net
5 rental income and net income from self-employment no depreciation
6 deduction shall be allowed for the exhaustion, wear and tear of real or
7 personal property held for the production of income;

8 § 5. This act shall take effect immediately; provided that:

9 (a) the amendments to paragraph a of subdivision 3 of section 467-b of
10 the real property tax law made by section one of this act shall not
11 affect the expiration of such paragraph pursuant to section 4 of part U
12 of chapter 55 of the laws of 2014, as amended, and shall be deemed to
13 expire therewith;

14 (b) the amendments to paragraph b of subdivision 3 of section 467-b of
15 the real property tax law made by section one of this act shall not
16 affect the expiration of such paragraph pursuant to section 4 of chapter
17 129 of the laws of 2014, as amended, and shall be deemed to expire ther-
18 ewith;

19 (c) the amendments to subparagraph 1 of paragraph d of subdivision 1
20 of section 467-c of the real property tax law, made by section two of
21 this act shall not affect the expiration of such subparagraph pursuant
22 to section 4 of part U of chapter 55 of the laws of 2014, as amended,
23 and shall be deemed expired therewith; and

24 (d) the amendments to paragraph m of subdivision 1 of section 467-c of
25 the real property tax law, made by section two of this act shall not
26 affect the expiration of such paragraph pursuant to section 4 of chapter
27 129 of the laws of 2014, as amended, and shall be deemed expired there-
28 with.