

# STATE OF NEW YORK

967--A

Cal. No. 85

2023-2024 Regular Sessions

## IN SENATE

January 9, 2023

Introduced by Sen. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommended to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property tax law, in relation to delinquent tax interest rates

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

1 Section 1. Subdivision 1 of section 924-a of the real property tax  
2 law, as amended by chapter 26 of the laws of 2003, is amended to read as  
3 follows:  
4 1. The amount of interest to be added on all taxes received after the  
5 interest free period and all delinquent taxes shall be one-twelfth the  
6 rate of interest as determined pursuant to subdivision two or two-a of  
7 this section rounded to the nearest one-hundredth of a percentage point,  
8 except as otherwise provided by a general or special law, or a local law  
9 adopted by a city pursuant to the municipal home rule law or any special  
10 law. Such interest shall be added for each month or fraction thereof  
11 until such taxes are paid; provided however, that notwithstanding any  
12 provision of general, special, or local law or resolution to the contra-  
13 ry, beginning in all local fiscal years commencing in calendar year two  
14 thousand twenty-five and thereafter, in no case shall the interest rate  
15 of delinquent tax payments due on residential real property exceed the  
16 prime interest rate, as determined by the commissioner, provided that in  
17 no instance shall the interest rate subceed two per centum per annum or  
18 exceed sixteen per centum per annum; and provided further that this  
19 limitation shall apply to units held in condominium form; and provided  
20 further that such limitation shall apply to all buildings held in coop-  
21 erative form regardless of owner occupancy status; and provided further

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

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1 that this limitation shall not apply to real property that is vacant and  
2 abandoned, as defined in subdivision two of section thirteen hundred  
3 nine of the real property actions and proceedings law, which was listed  
4 on the statewide vacant and abandoned property electronic registry, as  
5 defined in section thirteen hundred ten of the real property actions and  
6 proceedings law, and remains on such registry. This subdivision shall  
7 supersede any local tax act, code, law, rule, regulation, ordinance or  
8 resolution setting an interest rate above sixteen per centum per annum  
9 of delinquent tax payments due on residential real property. The  
10 initial determination of the effective prime interest rate shall be  
11 based on the two thousand twenty-five rate. Subsequent determinations  
12 shall be made every five years thereafter.

13 § 2. This act shall take effect immediately.