STATE OF NEW YORK

1877

2025-2026 Regular Sessions

IN ASSEMBLY

January 14, 2025

Introduced by M. of A. DILAN -- read once and referred to the Committee on Aging

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:

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

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

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

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

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

2. The governing body of any municipal corporation is hereby authorized and empowered to adopt, after public hearing, in accordance with the provisions of this section, a local law, ordinance or resolution

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

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providing for the abatement of taxes of said municipal corporation imposed on real property containing a dwelling unit as defined herein by one of the following amounts: (a) where the head of the household does not receive a monthly allowance for shelter pursuant to the social services law, an amount not in excess of that portion of any increase in maximum rent or legal regulated rent which causes such maximum rent or legal regulated rent to exceed one-third of the combined income of all members of the household; or

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

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

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

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

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

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

a. for a dwelling unit where the head of the household is a person sixty-two years of age or older **or where the head of the household pays a maximum rent or legal regulated rent which exceeds one-half of the combined income of all members of the household**, no tax abatement shall be granted if the combined income of all members of the household for the income tax year immediately preceding the date of making application exceeds four thousand dollars, or such other sum not 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, twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen, as may be provided by the local law, ordinance or resolution adopted pursuant to this section, provided that when the head of the household retires before the commencement of such income tax year and the date of filing the application, the income for such year may be adjusted by excluding salary or earnings and projecting [~~his or her~~] **the** retirement income **of such head of household** over the entire period of such year.

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

a. for a dwelling unit where the head of the household is a person sixty-two years of age or older **or where the head of the household pays a maximum rent or legal regulated rent which exceeds one-half of the combined income of all members of the household**, no tax abatement shall be granted if the combined income of all members of the household for the income tax year immediately preceding the date of making application exceeds four thousand dollars, or such other sum not 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 the local law, ordinance or resolution adopted pursuant to this section, provided that when the head of the household retires before the commencement of such income tax year and the date of filing the application, the income for such year may be adjusted by excluding salary or earnings and projecting [~~his or her~~] **the** retirement income **of such head of household** over the entire period of such year.

§ 6. 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, and subparagraph 1 as amended by section 2 of part U of chapter 55 of the laws of 2014, is amended to read as follows:

d. "Eligible head of the household" means (1) a person or [~~his or her~~] **their** 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~~] **their** 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, twenty-nine

thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen, as may be provided by local law; or (2) a person with a disability as defined in this 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~~] **their** 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~~] **their** 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 they shall deem necessary.

§ 10. This act shall take effect July 1, 2026; 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 this act shall not affect the expiration of such subparagraph pursuant to section 4 of part U of chapter 55 of the laws of 2014, as amended, and shall expire and be deemed repealed therewith, when upon such date section seven of this act shall take effect.