

# STATE OF NEW YORK

5033

2025-2026 Regular Sessions

## IN ASSEMBLY

February 11, 2025

Introduced by M. of A. JACOBSON -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to authorizing the city of Newburgh to add unpaid housing code violation penalties, costs and fines to such city's annual tax levy in accordance with applicable law

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

1 Section 1. The real property tax law is amended by adding a new  
2 section 903 to read as follows:

3 § 903. Collection of unpaid housing code violation penalties; levy. 1.  
4 Authorization. In addition to and not in limitation of any power otherwise granted by law, the city of Newburgh is hereby authorized to  
5 collect any unpaid housing, building and fire code violation penalties,  
6 costs and fines through placement by the city's director of finance,  
7 treasurer, or other public official charged with the duties of overseeing  
8 tax collections on the city's annual tax levy in accordance with the  
9 provisions of this section.

10  
11 2. Eligibility. In order to be eligible for placement on the municipality's annual tax levy such unpaid code violation penalties, costs and  
12 finances shall have been adjudicated and imposed through a judgment in a  
13 court of competent jurisdiction on an owner of real property within the  
14 city and recorded by the county clerk, as certified by the city's corporation  
15 counsel to the director of finance, treasurer or other public  
16 official charged with the duties of overseeing tax collections and have  
17 remained unpaid for one year after the final adjudication and exhaustion  
18 of all appeals relating to the imposition of the fines for a code  
19 violation preceding the placement on the city's tax levy.

20  
21 3. Minimum amount owed. To qualify for placement on the tax levy the  
22 amount owed for unpaid code violations must be at least five percent of  
23 the amount of the tax assessed value of the property.

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

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1 4. Levy. Such code violation penalty, cost or fine as set forth in a  
2 copy of the judgment certified by the city's corporation counsel to the  
3 director of finance, treasurer or other public official charged with the  
4 duties of overseeing tax collections shall be set down in the annual tax  
5 levy under the heading uncollected fines and penalties and in accordance  
6 with this section shall be levied, enforced and collected in the same  
7 manner, by the same proceedings, at the same time, under the same penal-  
8 ties and having the same lien upon the property assessed as the general  
9 city tax and as a part thereof.

10 5. Notice. The city shall notify all owners of record of the placement  
11 of the code violations on the city tax levy as uncollected fines and  
12 penalties within thirty days of placement, pursuant to section three  
13 hundred eight of the civil practice law and rules. The notice shall  
14 include the date or dates of such violations, the description of the  
15 violations, the amount owed, a statement detailing the foreclosure proc-  
16 ess that will occur if the violations remain unpaid and the contact  
17 information for the city office in charge of receiving payments.

18 6. Tax year. Any unpaid code violations shall be placed on the tax  
19 roll the city is currently in and shall not be placed on a list, roll or  
20 levy of delinquent taxes.

21 7. Owner occupied. Notwithstanding any other applicable provisions of  
22 law, nothing in this section shall be applied to a residential dwelling  
23 that is owner-occupied or is the primary residence of a homeowner.

24 8. Tenants. Prior to the placement of any property with unpaid code  
25 violations on the tax levy, the city shall develop a program to assist  
26 tenants residing in a dwelling at risk for tax foreclosure due to unpaid  
27 code violations. Such program shall include housing counseling assist-  
28 ance or other support in relocating the tenants to suitable housing  
29 prior to the tax foreclosure.

30 9. Payment plan. Nothing in this section shall preclude an owner or  
31 landlord from entering into a payment plan with the city for past  
32 amounts due for code violations in accordance with section eleven  
33 hundred eighty-four of this chapter.

34 10. Curing code violations. (a) If all of the violations for which the  
35 penalties, fees and costs have been assessed are cured, removed or  
36 corrected prior to the expiration of the period for redemption pursuant  
37 to section eleven hundred ten of this chapter, and penalties, costs and  
38 fines are paid in full, the property shall be removed from the levy and  
39 auction and the balance of the amount owed shall be placed as a lien on  
40 the property pursuant to applicable laws for debt collection and an  
41 action for foreclosure of the property shall not be maintained for the  
42 amount owed.

43 (b) The determination of whether or not the code violations have been  
44 cured shall be made by the city enforcing officer in charge of ensuring  
45 compliance with applicable housing, building, and fire codes such as a  
46 code enforcement officer. An appeal of this determination may be made  
47 to the city's zoning board of appeals or other local administrative body  
48 as provided for in local law. The final determination made by the admin-  
49 istrative body shall be reviewable pursuant to article seventy-eight of  
50 the civil practice law and rules.

51 11. Payment prior to auction. (a) If the balance owed for code  
52 violations placed on the tax levy is paid prior to the expiration of the  
53 period for redemption pursuant to section eleven hundred ten of this  
54 chapter and there is no balance due for unpaid real property taxes, the  
55 property may not be auctioned, and the property shall be removed from  
56 the tax levy.

1 (b) The owner shall have the right to pay the full balance prior to  
2 the expiration of the period for redemption pursuant to section eleven  
3 hundred ten of this chapter in order to redeem the property.

4 12. Surplus. Any surplus funds remaining after the sale of a property  
5 at a tax foreclosure for unpaid code violations shall be returned to the  
6 former owner of the property in a manner provided under local law. This  
7 provision shall not apply to a sale of a property at a tax foreclosure  
8 due to unpaid taxes. If a property has both unpaid taxes and unpaid code  
9 violations on the same tax levy and is auctioned at a tax foreclosure  
10 the amount of the surplus funds returned to the former owner shall be  
11 proportionate to the amount of unpaid code violations owed in the total  
12 amount of debt owed to the municipality. For the purpose of this  
13 section, "surplus funds" shall mean the balance of money received after  
14 auction of a property at a tax foreclosure sale minus the amount owed  
15 for code violations and the costs and attorneys fees incurred in the  
16 collection of the fees by the municipalities.

17 13. Balance due. If after an auction a balance is due for code  
18 violations, the city may proceed with any action against the former  
19 owner pursuant to applicable laws.

20 14. Exclusions. The provisions of this section shall not apply to the  
21 city if the city sells its tax liens in a tax lien sale.

22 § 2. This act shall take effect immediately.