STATE OF NEW YORK

1718

2025-2026 Regular Sessions

IN SENATE

January 13, 2025

Introduced by Sens. HINCHEY, ROLISON -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to the assessment of residential real property transferred from a charitable nonprofit housing organization to low-income persons

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

Section 1. The real property tax law is amended by adding a new section 581-c to read as follows:

§ 581-c. Assessment of residential real property transferred from a charitable nonprofit housing organization to a low-income person. 1. As used in this section:

(a) "Charitable nonprofit housing organization" means a charitable nonprofit organization whose primary purpose is the construction or renovation of residential housing for conveyance to a low-income person.

(b) "Eligible nonprofit housing property" or "property" means property transferred by a charitable nonprofit housing organization to a low-income person and occupied by such low-income person as their primary residence.

(c) "Low-income person" means an individual or family whose household income does not exceed eighty percent of the area median income (AMI), adjusted for family size and as annually defined by the United States department of housing and urban development, who is eligible to participate in the charitable nonprofit housing organization's program based on criteria established by the charitable nonprofit housing organization and who occupies such property as their primary residence.

(d) "Initial taxable value" and "initial assessed value" means the subsidized purchase price of any eligible nonprofit housing property and the full fair market value for such nonprofit housing property on the assessment rolls which shall not exceed the subsidized purchase price.

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

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(e) "Subsidized purchase price" means an amount equal to the sum of (i) the first mortgage amount filed with the county clerk, plus (ii) the actual cash down payment paid by the purchaser. The closing statement or sworn affidavit filed with the county clerk or local assessor's office by the seller's attorney shall be conclusive evidence of the value of subparagraphs (i) and (ii) of this paragraph.

(f) "Subsequent taxable value" and "subsequent assessed value" means, in years subsequent to the calendar year of the transfer, the initial assessed value of any eligible nonprofit housing property; provided, however, that for as long as any low-income person owns and occupies the property, the only basis for increasing the initial assessed value shall be capital improvements made to the property, if any.

(g) "Transfer" means a conveyance of an interest in real property whether by deed or a leasehold grant for not less than forty-nine years.

2. For any eligible nonprofit housing property acquired by a low-income person on or after January first, two thousand twenty-six, the full market value of such property shall not be greater than the initial taxable value, as defined in subdivision one of this section. In the year immediately succeeding the year in which the acquisition of any eligible nonprofit housing property by a low-income person occurs and each year thereafter, the full market value of the property shall not be greater than the subsequent taxable value and subsequent assessed value, as defined in subdivision one of this section. Any reassessment of any eligible nonprofit housing property shall in no event exceed the greater of (i) the initial taxable value and initial assessed value or (ii) the subsequent taxable value and subsequent assessed value, as defined in subdivision one of this section.

§ 2. This act shall take effect immediately.