

STATE OF NEW YORK

3245--A

2025-2026 Regular Sessions

IN SENATE

January 24, 2025

Introduced by Sens. COONEY, MARTINS, MAY, O'MARA, RHOADS, WEBB, WEIK -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law and the education law, in relation to payments in lieu of taxes

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

1 Section 1. Subparagraph (i) of paragraph (b) of subdivision 3 of
2 section 3-c of the general municipal law, as amended by section 2 of
3 subpart C of part C of chapter 20 of the laws of 2015, is amended to
4 read as follows:
5 (i) The commissioner of taxation and finance shall calculate a quanti-
6 ty change factor for each local government for the coming fiscal year
7 based upon the physical or quantity change, as defined by section twelve
8 hundred twenty of the real property tax law, reported to the commission-
9 er of taxation and finance by the assessor or assessors pursuant to
10 section five hundred seventy-five of the real property tax law. The
11 quantity change factor shall show the percentage by which the full value
12 of the taxable real property in the local government has changed due to
13 physical or quantity change between the second final assessment roll or
14 rolls preceding the final assessment roll or rolls upon which taxes are
15 to be levied, and the final assessment roll or rolls immediately preced-
16 ing the final assessment roll or rolls upon which taxes are to be
17 levied. The commissioner of taxation and finance shall, as appropriate,
18 promulgate rules and regulations regarding the calculation of the quan-
19 tity change factor which may adjust the calculation based on the devel-
20 opment on tax exempt land, including the change in assessed value for
21 each property on the exempt side of the tax rolls under a payment in

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

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1 lieu of tax agreement; provided, however, that where a local government
2 has elected pursuant to paragraph (e) of this subdivision, the commis-
3 sioner shall include the equivalent taxable value determined pursuant to
4 such paragraph in lieu of including the full assessed value of such
5 property.

6 § 2. Subdivision 3 of section 3-c of the general municipal law is
7 amended by adding a new paragraph (e) to read as follows:

8 (e)(i) Notwithstanding any other provision of this section, a local
9 government may elect to include, for purposes of calculating the quanti-
10 ty change factor, the equivalent taxable value of real property subject
11 to a payment in lieu of taxes agreement.

12 (ii) The equivalent taxable value shall be determined by dividing the
13 portion of the payment in lieu of taxes attributable to real property
14 taxation by the applicable tax rate or rates for the levy year, as
15 determined by the commissioner of taxation and finance.

16 (iii) In no event shall the full assessed value of property subject to
17 a payment in lieu of taxes agreement be included in the quantity change
18 factor.

19 (iv) A local government may exercise the option provided in this para-
20 graph only upon adoption of a local law or resolution, following a
21 public hearing, expressly electing such treatment. Such election shall
22 remain in effect unless subsequently repealed by local law or resol-
23 ution.

24 (v) The commissioner of taxation and finance shall promulgate regu-
25 lations necessary to implement this paragraph, including methodologies
26 for allocating payments in lieu of taxes among affected taxing jurisdic-
27 tions and ensuring uniform application.

28 § 3. Paragraph b of subdivision 2-a of section 2023-a of the education
29 law, as amended by section 3 of subpart C of part C of chapter 20 of the
30 laws of 2015, is amended to read as follows:

31 b. The commissioner of taxation and finance shall calculate a quantity
32 change factor for the coming school year for each school district based
33 upon the physical or quantity change, as defined by section twelve
34 hundred twenty of the real property tax law, reported to the commis-
35 sioner of taxation and finance by the assessor or assessors pursuant to
36 section five hundred seventy-five of the real property tax law. The
37 quantity change factor shall show the percentage by which the full value
38 of the taxable real property in the school district has changed due to
39 physical or quantity change between the second final assessment roll or
40 rolls preceding the final assessment roll or rolls upon which taxes are
41 to be levied, and the final assessment roll or rolls immediately preced-
42 ing the final assessment roll or rolls upon which taxes are to be
43 levied. The commissioner of taxation and finance shall, as appropriate,
44 promulgate rules and regulations regarding the calculation of the quan-
45 tity change factor which may adjust the calculation based on the devel-
46 opment on tax exempt land, including the change in assessed value for
47 each property on the exempt side of the tax rolls under a payment in
48 lieu of tax agreement; provided, however, that where a school district
49 has made an election pursuant to paragraph d of this subdivision, the
50 commissioner shall include the equivalent taxable value determined
51 pursuant to such election in lieu of including the full assessed value
52 of such property.

53 § 4. Subdivision 2-a of section 2023-a of the education law is amended
54 by adding a new paragraph d to read as follows:

55 d. (i) A school district may elect to include the equivalent taxable
56 value of property subject to a payment in lieu of taxes agreement in the

1 calculation of its quantity change factor, consistent with paragraph (e)
2 of subdivision three of section three-c of the general municipal law.

3 (ii) Such election shall be made by resolution of the board of educa-
4 tion following a public meeting and shall remain in effect unless
5 rescinded by subsequent resolution.

6 (iii) In no event shall the full assessed value of property subject to
7 a payment in lieu of taxes agreement be included.

8 (iv) Nothing in this act shall be construed to alter, repeal, or modi-
9 fy the allowable levy growth factor, override requirements, or the
10 inclusion and subtraction of payments in lieu of taxes as otherwise
11 required by law.

12 § 5. This act shall take effect immediately and shall apply to taxable
13 years commencing on or after the first of January next succeeding the
14 date upon which it shall have become a law. Effective immediately, the
15 addition, amendment and/or repeal of any rule or regulation necessary
16 for the implementation of this act on its effective date are authorized
17 to be made and completed on or before such effective date.