

# STATE OF NEW YORK

69

2025-2026 Regular Sessions

## IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. KAVANAGH, HARCKHAM -- 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 certain interest rates imposed on late payment of taxes and delinquencies and redemption of certain property subject to more than one tax lien

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 or by a local law adopted by a county. Such interest shall be added  
11 for each month or fraction thereof until such taxes are paid.

12 § 2. Section 936 of the real property tax law, as amended by chapter  
13 237 of the laws of 1995, subdivision 1 as amended by chapter 355 of the  
14 laws of 1997, is amended to read as follows:

15 § 936. Return of unpaid delinquent taxes. 1. Upon the expiration of  
16 [~~his~~] the collecting officer's warrant, each collecting officer shall  
17 make and deliver to the county treasurer an account, subscribed and  
18 affirmed by [~~him~~] such collecting officer as true under the penalties of  
19 perjury, of all taxes listed on the tax roll which remain unpaid, except  
20 that such collecting officer shall not include in such account the  
21 amount of the installments of taxes returned unpaid pursuant to [~~section~~  
22 ~~nine hundred twenty-eight b or~~] subdivision one of section nine hundred

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

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1 seventy-six of this chapter. The county treasurer shall, if satisfied  
2 that such account is correct, credit [~~him~~] such collecting officer with  
3 the amount of such unpaid delinquent taxes. Such return shall be  
4 endorsed upon or attached to the tax roll.

5 2. In making the return of unpaid taxes, the collecting officer shall  
6 add five per centum to the amount of each tax as levied. In the event  
7 that the collecting officer fails to do so, the county treasurer shall  
8 make such addition. In a county in which there is a local law in effect  
9 pursuant to [~~section nine hundred twenty-eight b or~~] section nine  
10 hundred seventy-two of this chapter providing for the collection of  
11 taxes in installments, the five per centum provided by this subdivision  
12 shall not be added to the taxes which a real property owner has elected  
13 to pay in installments pursuant to [~~section nine hundred twenty-eight b~~  
14 ~~or~~] section nine hundred seventy-five of this chapter. Such five per  
15 centum shall be added by the county treasurer to the amount of such  
16 taxes as shall have remained unpaid after the date upon which the last  
17 installment was due as provided in such local law. Such five per centum  
18 shall not be added where the taxable real property upon which such  
19 unpaid tax was levied is an owner occupied residential property as  
20 defined by section eleven hundred eleven of this chapter. The amount of  
21 such added per centum shall thereafter be deemed part of the amount of  
22 the unpaid tax.

23 § 3. Subdivision 1 and paragraph (a) of subdivision 2 of section 1112  
24 of the real property tax law, as amended by chapter 532 of the laws of  
25 1994, are amended to read as follows:

26 1. (a) When a tax district holds more than one tax lien against a  
27 parcel, the liens need not be redeemed simultaneously. However, the  
28 liens must be redeemed in reverse chronological order, so that the lien  
29 with the most recent lien date is redeemed first, and the lien with the  
30 earliest lien date is redeemed last. Notwithstanding the redemption of  
31 one or more of the liens against a parcel as provided herein, the  
32 enforcement process shall proceed according to the provisions of this  
33 article as long as the earliest lien remains unredeemed.

34 (b) Notwithstanding the provisions of paragraph (a) of this subdivi-  
35 sion, when a tax district holds more than one tax lien against a parcel  
36 and such parcel is an owner occupied residential property as defined by  
37 section eleven hundred eleven of this title, the liens need not be  
38 redeemed simultaneously. However, the liens shall be redeemed in chron-  
39 ological order, so that the lien with the earliest lien date is redeemed  
40 first, and the lien with the most recent lien date is redeemed last.  
41 Notwithstanding the redemption of one or more of the liens against a  
42 parcel as provided herein, the enforcement process shall proceed accord-  
43 ing to the provisions of this article as long as any lien remains unre-  
44 deemed for a period of three years or more from the date of delinquency  
45 of such lien.

46 (a) (i) When one or more liens against a parcel are redeemed as  
47 provided herein, but the earliest lien remains unredeemed, the receipt  
48 issued to the person redeeming shall include a statement in substantial-  
49 ly the following form: "This parcel remains subject to one or more  
50 delinquent tax liens. The payment you have made will not postpone the  
51 enforcement of the outstanding lien or liens. Continued failure to pay  
52 the entire amount owed will result in the loss of the property."

53 (ii) Notwithstanding the provisions of subparagraph (i) of this para-  
54 graph, when one or more liens against a parcel are redeemed as provided  
55 herein and such parcel is an owner occupied residential property as  
56 defined by section eleven hundred eleven of this title, but any lien

1 remains unredeemed for a period of three years or more from the date of  
2 delinquency of such lien, the receipt issued to the person redeeming  
3 shall include a statement in substantially the following form: "This  
4 parcel remains subject to one or more delinquent tax liens. The payment  
5 you have made will not postpone the enforcement of the outstanding lien  
6 or liens. Continued failure to pay the entire amount owed will result  
7 in the loss of the property."

8 § 4. Subdivision 2 of section 924-a of the real property tax law, as  
9 amended by chapter 355 of the laws of 2003 and as further amended by  
10 subdivision (b) of section 1 of part W of chapter 56 of the laws of  
11 2010, is amended to read as follows:

12 2. The rate of interest applicable to the third calendar quarter of  
13 each year, as set by the commissioner of taxation and finance pursuant  
14 to subparagraph (A) of paragraph two of subsection (j) of section six  
15 hundred ninety-seven of the tax law, shall be the rate of interest  
16 applicable to unpaid real property taxes for purposes of this section.  
17 Such commissioner shall set such rate on or before the fifteenth day of  
18 July in each year. Such rate shall be effective for all warrants issued  
19 for a collection period commencing on or after the first day of Septem-  
20 ber next succeeding the date the rate of interest is set. Provided,  
21 however, the rate of interest prescribed by this subdivision shall in no  
22 event be less than twelve per centum per annum unless the taxable real  
23 property upon which such tax was levied is an owner occupied residential  
24 property as defined in section eleven hundred eleven of this chapter.

25 The commissioner shall inform each affected municipality of any change  
26 in the rate established pursuant to this subdivision.

27 § 5. This act shall take effect on the ninetieth day after it shall  
28 have become a law.