STATE OF NEW YORK

5776

2025-2026 Regular Sessions

IN ASSEMBLY

February 20, 2025

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

AN ACT to amend the real property tax law, in relation to establishing an exemption for reservists

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 458-d to read as follows:

§ 458-d. Reservist exemption. 1. The following terms whenever used or referred to in this section shall have the following meanings unless a different meaning clearly appears in the context:

(a) "Reservist" means any member, whether or not such member was ordered to active duty, of the federal reserve force of the United States military.

(b) "Period of war" means the Spanish-American war; the Mexican border period; World War I; World War II; the hostilities, known as the Korean war, which commenced June twenty-seventh, nineteen hundred fifty and terminated on January thirty-first, nineteen hundred fifty-five; the hostilities, known as the Vietnam war, which commenced February twenty-eighth, nineteen hundred sixty-one and terminated on May seventh, nineteen hundred seventy-five; and the hostilities, known as the Persian Gulf conflict, which commenced August second, nineteen hundred ninety.

(c) "Service connected" means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval or air service.

(d) "Qualified owner" means a reservist, the spouse of a reservist or the unremarried surviving spouse of a reservist. Where property is owned by more than one qualified owner, the exemption to which each is entitled may be combined. Where a reservist is also the unremarried surviv-

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

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ing spouse of a reservist or veteran, such person may also receive any exemption to which the deceased spouse was entitled.

(e) "Qualifying residential real property" means property owned by a qualified owner which is used exclusively for residential purposes; provided however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation and the remaining portion only shall be entitled to the exemption provided by this section. Such property must be the primary residence of the reservist or unremarried surviving spouse of the reservist, unless the reservist or unremarried surviving spouse is absent from the property due to medical reasons or institutionalization. In the event the reservist dies and there is no unremarried surviving spouse, "qualifying residential real property" shall mean the primary residence owned by a qualified owner prior to death, provided that the title to the property becomes vested in the dependent parent or dependent child or children under twenty-one years of age of a reservist by virtue of devise by or descent from the deceased qualified owner, provided that the property is the primary residence of one or all of the devisees.

(f) "Latest state equalization rate" means the latest final state equalization rate or special equalization rate established by the commissioner pursuant to article twelve of this chapter. The commissioner shall establish a special equalization rate if it finds that there has been a material change in the level of assessment since the establishment of the latest state equalization rate, but in no event shall such special equalization rate exceed one hundred. In the event that the state equalization rate exceeds one hundred, then the state equalization rate shall be one hundred for the purposes of this section. Where a special equalization rate is established for purposes of this section, the assessor is directed and authorized to recompute the reservist exemption on the assessment roll by applying such special equalization rate instead of the latest state equalization rate applied in the previous year and to make the appropriate corrections on the assessment roll, notwithstanding the fact that such assessor may receive the special equalization rate after the completion, verification and filing of such final assessment roll. In the event that the assessor does not have custody of the roll when such recomputation is accomplished, the assessor shall certify such recomputation to the local officers having custody and control of such roll, and such local officers are hereby directed and authorized to enter the recomputed reservist exemption certified by the assessor on such roll.

(g) "Latest class ratio" means the latest final class ratio established by the commissioner pursuant to title one of article twelve of this chapter for use in a special assessing unit as defined in section eighteen hundred one of this chapter.

2. (a) Qualifying residential real property shall be exempt from taxation to the extent of fifteen percent of the assessed value of such property; provided, however, that such exemption shall not exceed twelve thousand dollars or the product of twelve thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less.

(b) In addition to the exemption provided by paragraph (a) of this subdivision, where the reservist served in a combat theatre or combat zone of operations, as documented by the award of a United States campaign ribbon or service medal, or the armed forces expeditionary

medal, or global war on terrorism expeditionary medal, qualifying residential real property also shall be exempt from taxation to the extent of ten percent of the assessed value of such property; provided, however, that such exemption shall not exceed eight thousand dollars or the product of eight thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the class ratio, whichever is less.

(c) In addition to the exemptions provided by paragraphs (a) and (b) of this subdivision, where the reservist received a compensation rating from the United States veteran's administration or from the United States department of defense because of a service connected disability, qualifying residential real property shall be exempt from taxation to the extent of the product of the assessed value of such property multiplied by fifty percent of the reservist's disability rating; provided, however, that such exemption shall not exceed forty thousand dollars or the product of forty thousand dollars multiplied by the latest state equalization rate for the assessing unit, or in the case of a special assessing unit, the latest class ratio, whichever is less. For purposes of this paragraph, where a person who served in the active military, naval or air service during a period of war died in service of a service connected disability, such person shall be deemed to have been assigned a compensation rating of one hundred percent.

(d) (i) The exemption from taxation provided by this subdivision shall be applicable to county, city, town and village taxation, but shall not be applicable to taxes levied for school purposes.

(ii) Each county, city, town or village may adopt a local law to reduce the maximum exemption allowable in paragraphs (a), (b) and (c) of this subdivision to nine thousand dollars, six thousand dollars and thirty thousand dollars, respectively, or six thousand dollars, four thousand dollars and twenty thousand dollars, respectively. Each county, city, town, or village is also authorized to adopt a local law to increase the maximum exemption allowable in paragraphs (a), (b) and (c) of this subdivision to fifteen thousand dollars, ten thousand dollars and fifty thousand dollars, respectively; eighteen thousand dollars, twelve thousand dollars and sixty thousand dollars, respectively; twenty-one thousand dollars, fourteen thousand dollars, and seventy thousand dollars, respectively; twenty-four thousand dollars, sixteen thousand dollars, and eighty thousand dollars, respectively; twenty-seven thousand dollars, eighteen thousand dollars, and ninety thousand dollars, respectively; thirty thousand dollars, twenty thousand dollars, and one hundred thousand dollars, respectively; thirty-three thousand dollars, twenty-two thousand dollars, and one hundred ten thousand dollars, respectively; thirty-six thousand dollars, twenty-four thousand dollars, and one hundred twenty thousand dollars, respectively. In addition, a county, city, town or village which is a "high-appreciation municipality" as defined in this subparagraph is authorized to adopt a local law to increase the maximum exemption allowable in paragraphs (a), (b) and (c) of this subdivision to thirty-nine thousand dollars, twenty-six thousand dollars, and one hundred thirty thousand dollars, respectively; forty-two thousand dollars, twenty-eight thousand dollars, and one hundred forty thousand dollars, respectively; forty-five thousand dollars, thirty thousand dollars and one hundred fifty thousand dollars, respectively; forty-eight thousand dollars, thirty-two thousand dollars and one hundred sixty thousand dollars, respectively; fifty-one thousand dollars, thirty-four thousand dollars and one hundred seventy thousand dollars, respectively; fifty-four thousand dollars, thirty-six thousand

dollars and one hundred eighty thousand dollars, respectively. For purposes of this subparagraph, a "high-appreciation municipality" means: (A) a special assessing unit that is a city, (B) a county for which the commissioner has established a sales price differential factor for purposes of the STAR exemption authorized by section four hundred twenty-five of this title in three consecutive years, and (C) a city, town or village which is wholly or partly located within such a county.

3. Application for exemption must be made by the owner, or all of the owners, of the property on a form prescribed by the commissioner. The owner or owners shall file the completed form in the assessor's office on or before the appropriate taxable status date. The exemption shall continue in full force and effect for all appropriate subsequent tax years and the owner or owners of the property shall not be required to refile each year. Applicants shall be required to refile on or before the appropriate taxable status date if the percentage of disability percentage increases or decreases or may refile if other changes have occurred which affect qualification for an increased or decreased amount of exemption. Any applicant convicted of making any willful false statement in the application for such exemption shall be subject to the penalties prescribed in the penal law.

4. Notwithstanding the provisions of this section or any other provision of law, in a city having a population of one million or more, applications for the exemption authorized pursuant to this section shall be considered timely filed if they are filed on or before the fifteenth day of March of the appropriate year.

5. Notwithstanding the foregoing provisions of this section, no later than ninety days before the taxable status date next occurring on or after the thirty-first day of December nineteen hundred eighty-four, the governing board of any county, city, town or village may adopt a local law to provide that no exemption shall be granted pursuant to this section for the purposes of taxes levied for such county, city, town or village. For the purposes of a county which is not an assessing unit, the taxable status date next occurring on or after December thirty-first, nineteen hundred eighty-four shall mean the first such taxable status date of any city or town within such county upon the assessment roll of which the county levies taxes. A local law adopted pursuant to this subdivision may be repealed by the governing board of the applicable county, city, town or village. Such repeal must occur at least ninety days prior to the taxable status date of such county, city, town or village.

6. Notwithstanding any other provision of law to the contrary, the provisions of this section shall apply to any real property held in trust solely for the benefit of a person or persons who would otherwise be eligible for a real property tax exemption, pursuant to this section, were such person or persons the owner or owners of such real property.

7. (a) For the purposes of this section, title to that portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides and which is represented by such tenant-stockholder's share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation, including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.

(b) Provided that all other eligibility criteria of this section are met, that proportion of the assessment of such real property owned by a cooperative apartment corporation determined by the relationship of such real property vested in such tenant-stockholder to such real property

owned by such cooperative apartment corporation in which such tenant-stockholder resides shall be subject to exemption from taxation pursuant to this section and any exemption so granted shall be credited by the appropriate taxing authority against the assessed valuation of such real property; the reduction in real property taxes realized thereby shall be credited by the cooperative apartment corporation against the amount of such taxes otherwise payable by or chargeable to such tenant-stockholder.

(c) Notwithstanding paragraph (b) of this subdivision, a tenant-stockholder who resides in a dwelling that is subject to the provisions of either article two, four, five or eleven of the private housing finance law shall not be eligible for an exemption pursuant to this section.

(d) Notwithstanding paragraph (b) of this subdivision, real property owned by a cooperative corporation may be exempt from taxation pursuant to this section by a municipality in which such property is located only if the governing body of such municipality, after public hearing, adopts a local law, ordinance or resolution providing therefor.

8. (a) As used in this subdivision, "Gold Star Parent" shall mean the parent of a child who died in the line of duty while serving in the United States armed forces during a period of war, who is not eligible for an exemption pursuant to subdivision seven of section four hundred fifty-eight-a of this title.

(b) A county, city, town, or village may adopt a local law to include a Gold Star Parent within the definition of "qualified owner", as provided in paragraph (d) of subdivision one of this section, and to include property owned by a Gold Star Parent within the definition of "qualifying residential real property" as provided in paragraph (e) of subdivision one of this section, provided that such property shall be the primary residence of the Gold Star Parent.

(c) The additional exemption provided for in paragraph (c) of subdivision two of this section shall not apply to real property owned by a Gold Star Parent.

9. Notwithstanding the provisions of paragraph (c) of subdivision two of this section and subdivision three of this section, the governing body of any municipality may, after public hearing, adopt a local law, ordinance or resolution providing that where a reservist, the spouse of the reservist or unremarried surviving spouse already receiving an exemption pursuant to this section sells the property receiving the exemption and purchases property within the same city, town or village, the assessor shall transfer and prorate, for the remainder of the fiscal year, the exemption received. The prorated exemption shall be based upon the date the reservist, the spouse of the reservist or unremarried surviving spouse obtains title to the new property and shall be calculated by multiplying the tax rate or rates for each municipal corporation which levied taxes, or for which taxes were levied, on the appropriate tax roll used for the fiscal year or years during which the transfer occurred times the previously granted exempt amount times the fraction of each fiscal year or years remaining subsequent to the transfer of title. Nothing in this section shall be construed to remove the requirement that any such reservist, the spouse of the reservist or unremarried surviving spouse transferring an exemption pursuant to this subdivision shall reapply for the exemption authorized pursuant to this section on or before the following taxable status date, in the event such reservist, the spouse of the reservist or unremarried surviving spouse wishes to receive the exemption in future fiscal years.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to assessment rolls prepared on the basis of taxable status dates occurring on or after such date.