

STATE OF NEW YORK

7002

2025-2026 Regular Sessions

IN ASSEMBLY

March 18, 2025

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

AN ACT to amend the real property tax law, in relation to prohibiting or limiting certain tax exemptions for real property in instances where a pattern or practice of discrimination against occupants has been found

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 498 to read as follows:

3 § 498. Discrimination in housing. 1. For the purposes of this section
4 the following terms shall have the following meanings:

5 (a) "Lawful source of income" shall have the same meaning as defined
6 by section two hundred ninety-two of the executive law.

7 (b) "Final determination" shall mean a decision that has not been
8 appealed or a decision that has been upheld on appeal by the division of
9 human rights, the attorney general, or a court of competent jurisdic-
10 tion.

11 2. Subject to a finding of a pattern or practice of discrimination
12 under subdivision three of this section, an exemption from taxation for
13 real property otherwise authorized under this article approved by any
14 state or local agency for a housing company, insurance company, redevelop-
15 ment company, or redevelopment corporation shall be subject to the
16 provisions of subdivision four of this section, where the division of
17 human rights, the attorney general, or a court of competent jurisdiction
18 has found that such entity, directly or indirectly, refused, withheld
19 from, or denied to any person any of a dwelling or business accommo-
20 dations in such property, or the privileges and services incident to
21 occupancy thereof, on account of race, color, creed, or lawful source of
22 income of such person.

23 3. The provisions of subdivision two of this section shall apply only
24 when a pattern or practice of discrimination has been established based

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

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1 on multiple final determinations. A pattern or practice shall be deemed
2 established where:

3 (a) for landlords or entities owning or managing fewer than fifty
4 residential units statewide, at least two final determinations of unlaw-
5 ful discrimination based on lawful source of income have been made with-
6 in a five-year period;

7 (b) for landlords or entities owning or managing between fifty and
8 five hundred, inclusive, residential units statewide, at least three
9 final determinations of unlawful discrimination have been made within a
10 five-year period; or

11 (c) for landlords or entities owning or managing more than five
12 hundred residential units statewide, at least five final determinations
13 of unlawful discrimination have been made within a five-year period.

14 4. A landlord or entity that has violated subdivision two of this
15 section, and found to have established a pattern or practice of discrim-
16 ination under subdivision three of this section, shall be subject to the
17 following penalties:

18 (a) For a first violation beyond the threshold under subdivision three
19 of this section, the landlord shall be required to submit a corrective
20 action plan, which shall be approved by the division of human rights.
21 Such plan shall include measures such as staff training, revised poli-
22 cies, and independent monitoring. Failure to submit such approved plan
23 within sixty days shall result in a twenty-five percent reduction in tax
24 exemption benefits until compliance is demonstrated.

25 (b) For a second violation beyond threshold under subdivision three of
26 this section, any tax exemption otherwise authorized under this chapter
27 for the subject property shall be reduced by fifty percent for a period
28 of two years, and the landlord shall be subject to mandatory compliance
29 audits by the division of human rights.

30 (c) For a third violation beyond threshold under subdivision three of
31 this section, any tax exemption otherwise authorized under this chapter
32 for the subject property shall be fully revoked, and the landlord shall
33 be ineligible for any new tax exemptions for a period of five years
34 unless such landlord demonstrates substantial corrective actions, as
35 determined by the division of human rights.

36 5. (a) If a landlord loses their tax exemption under paragraph (c) of
37 subdivision four of this section, such landlord may apply for rein-
38 statement after a period of three years if such landlord can demon-
39 strate:

40 (i) no further findings of discrimination since the exemption revoca-
41 tion;

42 (ii) implementation of corrective measures, including training
43 programs, anti-discrimination policies, and independent compliance moni-
44 toring; and

45 (iii) certification from the division of human rights that such land-
46 lord is in good standing under this section.

47 (b) The application for reinstatement shall be reviewed and decided
48 within one hundred twenty days by the appropriate state agency.

49 § 2. This act shall take effect immediately.