

STATE OF NEW YORK

1805

2025-2026 Regular Sessions

IN SENATE

January 14, 2025

Introduced by Sens. FERNANDEZ, JACKSON, MAYER, RAMOS, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1

AN ACT to amend the real property tax law, in relation to tax abatements for dwelling units occupied by certain persons residing in rent-controlled or rent regulated properties; and providing state aid to cities affected by such tax abatements

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

1 Section 1. The section heading of section 467-b of the real property
2 tax law, as amended by chapter 188 of the laws of 2005, is amended to
3 read as follows:

4 Tax abatement for rent-controlled and rent regulated property occupied
5 by senior citizens or persons with disabilities or persons paying a
6 maximum rent or legal regulated rent which exceeds one-half of the
7 combined income of all members of their household.

8 § 2. Paragraph b of subdivision 1 of section 467-b of the real proper-
9 ty tax law, as amended by chapter 188 of the laws of 2005, is amended to
10 read as follows:

11 b. "Head of the household" means a person (i) who is sixty-two years
12 of age or older, [~~or~~] (ii) who qualifies as a person with a disability
13 pursuant to subdivision five of this section, or (iii) who pays a maxi-
14 mum rent or legal regulated rent which exceeds one-half of the combined
15 income of all members of their household, and is entitled to the
16 possession or to the use or occupancy of a dwelling unit;

17 § 3. Subdivision 2 of section 467-b of the real property tax law, as
18 amended by chapter 747 of the laws of 1985, paragraph (c) as added by
19 chapter 553 of the laws of 2015 and paragraph (d) as added by chapter
20 343 of the laws of 2016, is amended to read as follows:

21 2. The governing body of any municipal corporation is hereby author-
22 ized and empowered to adopt, after public hearing, in accordance with

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

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1 the provisions of this section, a local law, ordinance or resolution
2 providing for the abatement of taxes of said municipal corporation
3 imposed on real property containing a dwelling unit as defined herein by
4 one of the following amounts: (a) where the head of the household does
5 not receive a monthly allowance for shelter pursuant to the social
6 services law, an amount not in excess of that portion of any increase in
7 maximum rent or legal regulated rent which causes such maximum rent or
8 legal regulated rent to exceed one-third of the combined income of all
9 members of the household; or

10 (b) where the head of the household qualifies as a person paying a
11 maximum rent or legal regulated rent which exceeds one-half of the
12 combined income of all members of the household and does not receive a
13 monthly allowance for shelter pursuant to the social services law, an
14 amount not in excess of that portion of any increase in maximum rent or
15 legal regulated rent which causes such maximum rent or legal regulated
16 rent to exceed one-half of the combined income of all members of the
17 household; or

18 (c) where the head of the household receives a monthly allowance for
19 shelter pursuant to the social services law, an amount not in excess of
20 that portion of any increase in maximum rent or legal regulated rent
21 which is not covered by the maximum allowance for shelter which such
22 person is entitled to receive pursuant to the social services law.

23 [~~e~~] Provided, however, that in a city of a population of one million
24 or more, where the head of household has been granted a rent increase
25 exemption order that is in effect as of January first, two thousand
26 fifteen or takes effect on or before July first, two thousand fifteen,
27 the amount determined by paragraph (a) of this subdivision shall be an
28 amount not in excess of the difference between the maximum rent or legal
29 regulated rent and the amount specified in such order, as adjusted by
30 any other provision of this section.

31 (d)(1) Provided, however, that in a city with a population of one
32 million or more, a head of the household who has received a rent
33 increase exemption order that has expired and who, upon renewal applica-
34 tion for the period commencing immediately after such expiration, is
35 determined to be ineligible for a rent increase exemption order because
36 the combined income of all members of the household exceeds the maximum
37 amount allowed by this section or the maximum rent or legal regulated
38 rent does not exceed one-third of the combined income of all members of
39 the household, may submit a new application during the following calen-
40 dar year, and if such head of the household receives a rent increase
41 exemption order that commences during such calendar year, the tax abate-
42 ment amount for such order shall be calculated as if such prior rent
43 increase exemption order had not expired. However, no tax abatement
44 benefits may be provided for the period of ineligibility.

45 (2) No head of the household may receive more than three rent increase
46 exemption orders calculated as if a prior rent increase exemption order
47 had not expired, as described in subparagraph one of this paragraph.

48 § 4. Paragraph a of subdivision 3 of section 467-b of the real proper-
49 ty tax law, as amended by section 1 of part U of chapter 55 of the laws
50 of 2014, is amended to read as follows:

51 a. for a dwelling unit where the head of the household is a person
52 sixty-two years of age or older or where the head of the household pays
53 a maximum rent or legal regulated rent which exceeds one-half of the
54 combined income of all members of the household, no tax abatement shall
55 be granted if the combined income of all members of the household for
56 the income tax year immediately preceding the date of making application

1 exceeds four thousand dollars, or such other sum not more than twenty-
2 five thousand dollars beginning July first, two thousand five, twenty-
3 six thousand dollars beginning July first, two thousand six, twenty-sev-
4 en thousand dollars beginning July first, two thousand seven,
5 twenty-eight thousand dollars beginning July first, two thousand eight,
6 twenty-nine thousand dollars beginning July first, two thousand nine,
7 and fifty thousand dollars beginning July first, two thousand fourteen,
8 as may be provided by the local law, ordinance or resolution adopted
9 pursuant to this section, provided that when the head of the household
10 retires before the commencement of such income tax year and the date of
11 filing the application, the income for such year may be adjusted by
12 excluding salary or earnings and projecting [~~his or her~~] the retirement
13 income of such head of household over the entire period of such year.

14 § 5. Paragraph a of subdivision 3 of section 467-b of the real proper-
15 ty tax law, as separately amended by chapter 188 and chapter 205 of the
16 laws of 2005, is amended to read as follows:

17 a. for a dwelling unit where the head of the household is a person
18 sixty-two years of age or older or where the head of the household pays
19 a maximum rent or legal regulated rent which exceeds one-half of the
20 combined income of all members of the household, no tax abatement shall
21 be granted if the combined income of all members of the household for
22 the income tax year immediately preceding the date of making application
23 exceeds four thousand dollars, or such other sum not more than twenty-
24 five thousand dollars beginning July first, two thousand five, twenty-
25 six thousand dollars beginning July first, two thousand six, twenty-sev-
26 en thousand dollars beginning July first, two thousand seven,
27 twenty-eight thousand dollars beginning July first, two thousand eight,
28 and twenty-nine thousand dollars beginning July first, two thousand
29 nine, as may be provided by the local law, ordinance or resolution
30 adopted pursuant to this section, provided that when the head of the
31 household retires before the commencement of such income tax year and
32 the date of filing the application, the income for such year may be
33 adjusted by excluding salary or earnings and projecting [~~his or her~~] the
34 retirement income of such head of household over the entire period of
35 such year.

36 § 6. Paragraph d of subdivision 1 of section 467-c of the real proper-
37 ty tax law, as separately amended by chapters 188 and 205 of the laws of
38 2005, and subparagraph 1 as amended by section 2 of part U of chapter 55
39 of the laws of 2014, is amended to read as follows:

40 d. "Eligible head of the household" means (1) a person or [~~his or her~~]
41 their spouse who is sixty-two years of age or older, or a person who
42 pays a maximum rent which exceeds one-half of the combined income of all
43 members of the household, and is entitled to the possession or to the
44 use and occupancy of a dwelling unit, provided, however, with respect to
45 a dwelling which was subject to a mortgage insured or initially insured
46 by the federal government pursuant to section two hundred thirteen of
47 the National Housing Act, as amended "eligible head of the household"
48 shall be limited to that person or [~~his or her~~] their spouse who was
49 entitled to possession or the use and occupancy of such dwelling unit at
50 the time of termination of such mortgage, and whose income when combined
51 with the income of all other members of the household, does not exceed
52 six thousand five hundred dollars for the taxable period, or such other
53 sum not less than sixty-five hundred dollars nor more than twenty-five
54 thousand dollars beginning July first, two thousand five, twenty-six
55 thousand dollars beginning July first, two thousand six, twenty-seven
56 thousand dollars beginning July first, two thousand seven, twenty-eight

1 thousand dollars beginning July first, two thousand eight, twenty-nine
2 thousand dollars beginning July first, two thousand nine, and fifty
3 thousand dollars beginning July first, two thousand fourteen, as may be
4 provided by local law; or (2) a person with a disability as defined in
5 this subdivision.

6 § 7. Subparagraph 1 of paragraph d of subdivision 1 of section 467-c
7 of the real property tax law, as separately amended by chapters 188 and
8 205 of the laws of 2005, is amended to read as follows:

9 (1) a person or [~~his or her~~] their spouse who is sixty-two years of
10 age or older, or a person who pays a maximum rent which exceeds one-half
11 of the combined income of all members of the household, and is entitled
12 to the possession or to the use and occupancy of a dwelling unit,
13 provided, however, with respect to a dwelling which was subject to a
14 mortgage insured or initially insured by the federal government pursuant
15 to section two hundred thirteen of the National Housing Act, as amended
16 "eligible head of the household" shall be limited to that person or [~~his~~
17 ~~or her~~] their spouse who was entitled to possession or the use and occu-
18 pancy of such dwelling unit at the time of termination of such mortgage,
19 and whose income when combined with the income of all other members of
20 the household, does not exceed six thousand five hundred dollars for the
21 taxable period, or such other sum not less than sixty-five hundred
22 dollars nor more than twenty-five thousand dollars beginning July first,
23 two thousand five, twenty-six thousand dollars beginning July first, two
24 thousand six, twenty-seven thousand dollars beginning July first, two
25 thousand seven, twenty-eight thousand dollars beginning July first, two
26 thousand eight, and twenty-nine thousand dollars beginning July first,
27 two thousand nine, as may be provided by local law; or

28 § 8. Subparagraph 1 of paragraph a of subdivision 3 of section 467-c
29 of the real property tax law, as amended by chapter 747 of the laws of
30 1985, is amended to read as follows:

31 (1) where the eligible head of the household who is either sixty-two
32 years of age or older or is disabled does not receive a monthly allow-
33 ance for shelter pursuant to the social services law, the amount by
34 which increases in the maximum rent subsequent to such person's eligi-
35 bility date have resulted in the maximum rent exceeding one-third of the
36 combined income of all members of the household for the taxable period,
37 or where the eligible head of the household is a person who pays a maxi-
38 imum rent which exceeds one-half of the combined income of all members of
39 the household does not receive a monthly allowance for shelter pursuant
40 to the social services law, the amount by which increases in the maximum
41 rent subsequent to such person's date have resulted in the maximum rent
42 exceeding one-half of the combined income of all members of the house-
43 hold for the taxable period, except that in no event shall a rent
44 increase exemption order/tax abatement certificate become effective
45 prior to January first, nineteen hundred seventy-six; or

46 § 9. The state comptroller shall annually pay to each city providing
47 real property tax abatements pursuant to sections 467-b and 467-c of the
48 real property tax law an amount equal to 10 per centum of the real prop-
49 erty tax revenue lost during the city fiscal year due to the implementa-
50 tion of the provisions of this act. Each city eligible for state
51 payments pursuant to this section shall provide the state comptroller
52 with such information as they shall deem necessary.

53 § 10. This act shall take effect July 1, 2026; provided however, that:

54 a. the amendments to paragraph a of subdivision 3 of section 467-b of
55 the real property tax law, made by section four of this act shall be
56 subject to the expiration of such paragraph pursuant to section 4 of

1 part U of chapter 55 of the laws of 2014, as amended, and shall be
2 deemed to expire therewith, when upon such date section five of this act
3 shall take effect; and
4 b. the amendments to subparagraph (1) of paragraph d of subdivision 1
5 of section 467-c of the real property tax law, made by section six of
6 this act shall not affect the expiration of such subparagraph pursuant
7 to section 4 of part U of chapter 55 of the laws of 2014, as amended,
8 and shall expire and be deemed repealed therewith, when upon such date
9 section seven of this act shall take effect.