STATE OF NEW YORK

5548

2025-2026 Regular Sessions

IN SENATE

February 24, 2025

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Aging

AN ACT to amend the real property tax law and the administrative code of the city of New York, in relation to redetermination based on income for a tax abatement for rent-controlled and rent regulated property occupied by senior citizens or persons with disabilities

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

Section 1. Paragraph g of subdivision 3 of section 467-b of the real property tax law, as amended by chapter 553 of the laws of 2015, is amended to read as follows:

g. notwithstanding any other provision of law to the contrary, where a head of the household holds a current, valid tax abatement certificate and, after the effective date of this paragraph, there is a permanent decrease in the combined income of all members of the household [~~in an amount which exceeds twenty percent of such income as represented in such head of the household's last approved application for a tax abatement certificate or for renewal thereof~~], such head of the household may apply for a redetermination of the amount set forth therein. Upon application, such amount shall be redetermined so as to re-establish the ratio of adjusted rent to income which existed at the time of approval of such head of the household's last application for a tax abatement certificate or for renewal thereof; provided, however, that in no event shall the amount of the adjusted rent be redetermined to be (i) in the case of a head of the household who does not receive a monthly allowance for shelter pursuant to the social services law, less than one-third of the combined income of all members of the household unless such head of the household has been granted a rent increase exemption order that is in effect as of January first, two thousand fifteen or takes effect on or before July first, two thousand fifteen; or (ii) in the case of a head of the household who receives a monthly allowance for shelter

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

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pursuant to the social services law, less than the maximum allowance for shelter which such head of the household is entitled to receive pursuant to such law. For purposes of this paragraph, a decrease in the combined income of all members of the household shall not include any decrease in such income resulting from the manner in which income is calculated pursuant to any amendment to paragraph c of subdivision one of this section made on or after April first, nineteen hundred eighty-seven. For purposes of this paragraph, "adjusted rent" shall mean maximum rent or legal regulated rent less the amount set forth in a tax abatement certificate.

§ 2. Subparagraph 2 of paragraph a of subdivision 4 of section 467-b of the real property tax law is renumbered subparagraph 3 and a new subparagraph 2 is added to read as follows:

(2) Notwithstanding any other provision of law to the contrary, a head of household to whom a rent increase exemption order/tax abatement certificate has previously been issued under this section who has submitted a renewal application pursuant to subparagraph one of this paragraph where there is a decrease in the combined income of all members of the household, shall be issued such order/certificate in an amount not in excess of that portion of any increase in maximum rent or legal regulated rent which causes such maximum rent or legal regulated rent to exceed one-third of the combined income of all members of the household.

§ 3. Subdivision (d) of section 26-605 of the administrative code of the city of New York, as amended by chapter 553 of the laws of 2015, is amended to read as follows:

(d) Notwithstanding any other provision of law to the contrary, where an eligible head of the household holds a current, valid rent increase exemption order/tax abatement certificate and, after the effective date of this subdivision, there is a permanent decrease in income [~~in an amount which exceeds twenty percent of such income as represented in such eligible head of household's last approved application for a rent increase exemption order/tax abatement certificate or for renewal thereof~~], such eligible head of the household may apply for a redetermination of the amount set forth therein. Upon application, such amount shall be redetermined so as to reestablish the ratio of adjusted rent to income which existed at the time of approval of such eligible head of the household's last application for a rent increase exemption order/tax abatement certificate or for renewal thereof; provided, however, that in no event shall the amount of the adjusted rent be redetermined to be (i) in the case of an eligible head of the household who does not receive a monthly allowance for shelter pursuant to the social services law, less than one-third of income unless such head of the household qualifies as a person with a disability pursuant to section 26-617 of this chapter and has been granted a rent increase exemption order/tax abatement certificate that is in effect as of January first, two thousand fifteen or takes effect on or before July first, two thousand fifteen; or (ii) in the case of an eligible head of the household who receives a monthly allowance for shelter pursuant to the social services law, less than the maximum allowance for shelter which such eligible head of the household is entitled to receive pursuant to law. For purposes of this subdivision, a decrease in income shall not include any decrease in income resulting from the manner in which income is calculated pursuant to any amendment to paragraph f of subdivision one of section four hundred sixty-seven-c of the real property tax law or an amendment to subdivision f of section 26-601 of this code made on or after April first,

nineteen hundred eighty-seven. For purposes of this subdivision, "adjusted rent" shall mean maximum rent less the amount set forth in a rent increase exemption order/tax abatement certificate.

§ 4. Section 26-605 of the administrative code of the city of New York is amended by adding a new subdivision (d-1) to read as follows:

(d-1) Notwithstanding any other provision of law to the contrary, a head of household to whom a rent increase exemption order/tax abatement certificate has previously been issued under this chapter, chapter three or chapter four of this title who has submitted a renewal application pursuant to this section where there is a decrease in the combined income of all members of the household, shall be issued such order/certificate in an amount not in excess of that portion of any increase in maximum rent or legal regulated rent which causes such maximum rent or legal regulated rent to exceed one-third of the combined income of all members of the household.

§ 5. This act shall take effect immediately.