§ 6-h. Reverse mortgage loans authorized. Notwithstanding any inconsistent provision of law, in addition to any other power exercised by it, every authorized lender, as defined by section two hundred eighty or two hundred eighty-a of the real property law, shall have the power to offer reverse mortgage loans (1) which conform to the provisions of section two hundred eighty or two hundred eighty-a of the real property law and the rules and regulations promulgated by the superintendent of financial services; or (2) which conform to the requirements of the federal housing administration's home equity conversion mortgage insurance demonstration program for as long as such program exists as provided for in section 1715Z-20 of title 12 of the United States Code. "Reverse mortgage" shall mean the mortgage, deed of trust or other security instrument relating to a particular reverse mortgage loan transaction.

The proceeds of a reverse mortgage shall not be considered as income for the purposes of section four hundred sixty-seven of the real property tax law; provided, however, that monies used to repay a reverse mortgage may not be deducted from income, and provided additionally that any interest or dividends realized from the investment of reverse mortgage proceeds shall be considered income.