§ 52. Tax exemptions of an authority. 1. An authority shall be exempt from the payment of (a) any taxes or fees to the state or any subdivision thereof and (b) any fees to any officer or employee of the state or of any subdivision thereof, except where it is provided by or pursuant to law that such officer or employee is personally entitled to such fees as compensation for services rendered or performed by him in his official capacity.

2. Bonds, mortgages, notes and other obligations of an authority are declared to be issued for a public purpose and to be public instrumentalities and together with interest thereon, shall be exempt from tax.

2-a. The state of New York hereby consents to the inclusion, under the United States internal revenue code of nineteen hundred fifty-four or any subsequent internal revenue law of the United States of the interest payable on bonds, mortgages, notes or other obligations of an authority which are hereafter issued and secured (1) by a mortgage which is insured under section two hundred twenty-one (d) (3) of the national housing act (or any successor section under said act or any subsequent housing act) by an authority as mortgagor in connection with the financing of a project assisted under section eight of the United States housing act of nineteen hundred thirty-seven, or (2) by a pledge of housing assistance payments made or to be made under a contract or contracts between an authority and the United States or any agency or instrumentality thereof, in the gross income of the person who receives or is entitled to receive such interest to the same extent and in the same manner that the interest on bills, notes, bonds or other obligations of the United States issued subsequent to the effective date of section four of the public debt act of nineteen hundred forty-one is includible in the gross income of the holder or holders thereof under said internal revenue code or any subsequent internal revenue law of the United States and, notwithstanding any provisions to the contrary contained in this chapter or in any general, special or local law, an authority is authorized and empowered to issue such bonds, mortgages, notes or other obligations and shall include therein such reference to or summary of this subdivision as it shall deem proper. The consent

hereby given by the state of New York shall not be construed to consent to the application of any other provision of any other law, federal or state, to an authority or to the elimination or modification in any way of any other exemption, privilege, or immunity thereof.

3. Except as to state projects, the property of an authority shall be exempt from all local and municipal taxes. A federal or municipal project consisting of land and one or more multiple dwellings leased by an authority for a term of not less than ten years shall be exempt from such taxes during the period of such lease. A municipality may (a) fix a sum which shall be paid to it annually by the authority in respect of each project; or (b) agree that the authority shall not pay or be liable to pay any sum whatsoever in respect of a project or projects for any year or years; or (c) agree with an authority or government upon the sum to be paid by the authority for any year or years in respect of a project or projects, or accept or agree to accept a fixed sum or other consideration in lieu of such payment; provided, however, that the sum fixed, or agreed to be paid by the authority, for any year shall in no case exceed the sum last levied as an annual tax upon the property included in such project prior to the time of its acquisition by the authority; and provided, further, that the sum fixed, or agreed to be paid by the authority, for any year with respect to a federal project shall in no case exceed the sum last levied as an annual tax upon the property included in such project prior to the time of its acquisition by the authority or such greater amount as the federal government may permit.

3-a. With respect to a federal project located within a school district, an authority may make payments to such district, and the authority and the district may enter into agreements with respect to such payments. Such payments shall not exceed the amounts permitted for such purposes by the federal government. The power granted by this subdivision shall be in addition to any other power granted in this section or any other provision of law.

4. (a) So much of the value of the property included in a state project as represents an increase over the assessed valuation of the

real property, both land and improvements, on the date of the contract for a state loan, or, in the absence of a contract for a state loan, then on the date of the contract for a state subsidy, shall be exempt from any and all state, county, city, village, town, school and special district taxes, except that the assessed valuation may be increased or decreased to reflect a change in the level of assessment as certified pursuant to title two of article twelve of the real property tax law. In no event may any assessing unit assess the property included in a project at an amount in excess of the actual cost of the project.

(b) In any assessing unit in which there has been a change in level of assessment as provided in title two of article twelve of the real property tax law, the commissioner of taxation and finance shall certify the change in level of assessment factor in the manner provided in title two of article twelve of the real property tax law. The term "assessing unit" as used in this subdivision means a city, town, village or county having a county department of assessment with the power to assess real property.

5. The tax exemptions specified in subdivisions three and four of this section shall not operate for a period of more than fifty years, commencing in each instance from the date on which the benefits of such exemption first become available and effective, except that in the case of a federal project the tax exemption may operate for a period not to exceed sixty years, and except that in the case of a project, or part thereof, leased from a housing company or in the case of a federal or municipal project consisting of land and one or more multiple dwellings leased by an authority for not less than ten years the tax exemption may operate for a period not exceeding the term of such lease.

6. Upon the completion of the sixty-year period provided in subdivision five of this section applicable to federal projects, each authority that was eligible for the tax exemption specified in subdivisions three and four of this section shall be exempt from all local and municipal taxes imposed by state and local governments for sixty years after the expiration of the initial exemption period. Upon the completion of the fifty-year period provided in subdivision five of this section applicable to state and municipal projects, each authority

that received the tax exemption specified in subdivision three or four of this section may, on the expiration of the tax exemption period, be granted an additional tax exemption period of up to fifty years. A municipality may (a) fix a sum which shall be paid to it annually by the authority in respect of each project; or (b) agree that the authority shall not pay or be liable to pay any sum whatsoever in respect of a project or projects for any year or years; or (c) agree with an authority or government upon the sum to be paid by the authority for any year or years in respect of a project or projects, or accept or agree to accept a fixed sum or other consideration in lieu of such payment; provided, however, that the sum fixed, or agreed to be paid by the authority, for any year shall in no case exceed the sum last levied as an annual tax upon the property included in such project prior to the time of its acquisition by the authority or, in the case of a federal project, such greater amount as the federal government may permit.

With respect to a federal project located within a school district, an authority may make payments to such district, and the authority and the district may enter into agreements with respect to such payments. Such payments shall not exceed the amounts permitted for such purposes by the federal government. The power granted by this subdivision shall be in addition to any other power granted in this section or any other provision of law.