*** § 421-d. Exemption of multiple dwellings financed by the New York state housing finance agency from local taxation.** 1. The local legislative body of any city, town or village having a population of less than one million is hereby authorized and empowered to adopt and amend a local law to provide that any new or rehabilitated housing development, as defined in section forty-two of the private housing finance law, subject to a mortgage, the loan for which was made or financed by notes, bonds or other obligations of the New York state housing finance agency, the interest on which is exempt from taxation pursuant to the Internal Revenue Code of 1954, as amended, after the adoption of such local law shall be exempt from taxation as provided by such local law.

2. (a) Such local law may provide that such eligible property shall be exempt from all taxes imposed by a municipal corporation, including those imposed by or on behalf of a school district, other than special assessments and special ad valorem levies, during construction or rehabilitation, but for no longer than three years.

(b) Such local law may also provide that the eligible property shall be exempt upon the conclusion of the exemption period authorized by paragraph (a) of this subdivision, for as long as construction or rehabilitation continues and, thereafter, for so long as such mortgage is outstanding and the housing development, as defined in section forty-two of the private housing finance law, is used for residential unit purposes; provided, that the exemption authorized by this subdivision shall be for a period not to exceed fifteen years in the aggregate after the conclusion of the exemption authorized by paragraph (a) of this subdivision, and shall not exceed the following limitations: three years of full exemption, followed by three years of exemption from eighty percent of the assessed value of such property, followed by three years of exemption from sixty percent of the assessed value of such property, followed by three years of exemption from forty percent of the assessed value of such property, followed by three years of exemption from twenty percent of the assessed value of such property; and provided that taxes shall be paid during any such period after the taxable status date immediately following the completion of construction or rehabilitation at least in the amount of the taxes paid on such land and

improvements thereon during the fiscal year preceding the commencement of such construction or rehabilitation and that the exemption from taxes shall not be availed of concurrently under any other law.

* NB Repealed July 23, 2027