§ 459-c. Persons with disabilities and limited incomes. 1. * (a) Real property owned by one or more persons with disabilities, or real property owned by a married person or a married couple, or by siblings, at least one of whom has a disability, or a person with a disability who has their primary residence in a special needs trust, or a property owner who has a tenant with a disability whose lease provides them with a life interest in the property as long as the tenant remains in residence, or real property owned by one or more persons, some of whom qualify under this section and the others of whom qualify under section four hundred sixty-seven of this title, and whose income, as hereafter defined, is limited by reason of such disability, shall be exempt from payments in lieu of taxes (PILOT) to the battery city park authority or from taxation by any municipal corporation in which located to the extent of fifty per centum of the assessed valuation thereof as hereinafter provided. After a public hearing, the governing board of a county, city, town or village may adopt a local law and a school district, other than a school district subject to article fifty-two of the education law, may adopt a resolution to grant the exemption authorized pursuant to this section.

* NB Effective until July 1, 2027

* (a) Real property owned by one or more persons with disabilities, or real property owned by a married person or a married couple, or by siblings, at least one of whom has a disability, or a person with a disability who has their primary residence in a special needs trust, or a property owner who has a tenant with a disability whose lease provides them with a life interest in the property as long as the tenant remains in residence, or real property owned by one or more persons, some of whom qualify under this section and the others of whom qualify under section four hundred sixty-seven of this title, and whose income, as hereafter defined, is limited by reason of such disability, shall be exempt from payments in lieu of taxes (PILOT) to the battery city park authority or from taxation by any municipal corporation in which located to the extent of fifty per centum of the assessed valuation thereof as hereinafter provided. After a public hearing, the governing board of a county, city, town or village may adopt a local law and a school district, other than a school district subject to article fifty-two of the education law, may adopt a resolution to grant the exemption

authorized pursuant to this section, provided that such local law or resolution shall be enacted or amended separately from any other local law, ordinance, or resolution authorized pursuant to a section of this article other than (i) this section or (ii) section four hundred sixty-seven of this title.

* NB Effective July 1, 2027

(b) Any local law or resolution adopted pursuant to paragraph (a) of this subdivision may be amended, or a local law or resolution may be adopted, to provide an exemption so as to increase the maximum income eligibility level of such municipal corporation as provided in subdivision five of this section (represented in the hereinbelow schedule as M), to the extent provided in the following schedule:

ANNUAL INCOME	PERCENTAGE ASSESSED VALUATION EXEMPT FROM TAXATION OR PILOT
More than (M) but less than (M+ $1,000)	45 per centum
(M+ $1,000 or more) but less than (M+ $2,000)	40 per centum
(M+ $2,000 or more) but less than (M+ $3,000)	35 per centum
(M+ $3,000 or more) but less than (M+ $3,900)	30 per centum
(M+ $3,900 or more) but less than (M+ $4,800)	25 per centum
(M+ $4,800 or more) but less than (M+ $5,700)	20 per centum
(M+ $5,700 or more) but less than (M+ $6,600)	15 per centum
(M+ $6,600 or more) but less than (M+ $7,500)	10 per centum
(M + $7,500 or more) but less than (M+ $8,400)	5 per centum

2. For purposes of this section: (a) the term "sibling" shall include persons whose relationship as siblings has been established through either half blood, whole blood or adoption.

(b) a person with a disability is one who has a physical or mental impairment, not due to current use of alcohol or illegal drug use, which substantially limits such person's ability to engage in one or more major life activities, such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working, and who (i) is certified to receive social security disability insurance (SSDI) or supplemental security income (SSI) benefits under the federal Social Security Act, or (ii) is certified to receive Railroad Retirement Disability benefits under the federal railroad Retirement Act, or (iii) has received a certificate from the state commission for the blind stating that such person is legally blind, or (iv) is certified to receive a United States Postal Service disability pension, or (v) is certified to receive a United States department of veterans affairs disability pension pursuant to 38 U.S.C. §1521, or (vi) has received an order from the chair of the workers' compensation board pursuant to article two of the workers' compensation law determining an award for compensation for (A) permanent total disability, as described in subdivision one of section fifteen of the workers' compensation law, or (B) permanent partial disability, as described in subdivision three of such section fifteen of the workers' compensation law, provided that the governing board of a municipality, after a public hearing, may adopt a local law or resolution establishing an adjustment percentage to be applied to the exemption percentage schedule established in paragraph (b) of subdivision one of this section, for exemptions based upon permanent partial disabilities. Such adjustment percentage shall not be less than fifty percent, and not more than one hundred percent.

An award letter from the Social Security Administration or the Railroad Retirement Board, or a certificate from the state commission for the blind, or an award letter from the United States Postal Service, or an award letter from the United States department of veterans affairs, or an order of determination of an award for compensation for permanent total disability or for permanent partial disability issued by the workers' compensation board shall be submitted as proof of disability.

3. Any exemption provided by this section shall be computed after all

other partial exemptions allowed by law, excluding the school tax relief (STAR) exemption authorized by section four hundred twenty-five of this title, have been subtracted from the total amount assessed; provided, however, that no parcel may receive an exemption for the same PILOT or municipal tax purpose pursuant to both this section and section four hundred sixty-seven of this title.

4. Exemption from taxation for school purposes shall not be granted in the case of real property where a child resides if such child attends a public school of elementary or secondary education; unless the governing board of the school district in which the property is located, after public hearing, adopts a resolution providing for such exemption; provided that any such resolution shall condition such exemption upon satisfactory proof that the child was not brought into the residence in whole or in substantial part for the purpose of attending a particular school within the district. The procedure for such hearing and resolution must be conducted separately from the procedure for any hearing and local law, ordinance or resolution conducted pursuant to paragraph (a) of subdivision one of this section.

5. No exemption shall be granted:

(a) * (i) if the income of the owner or the combined income of the owners of the property for the applicable income tax year exceeds the sum of three thousand dollars, or such other sum not less than three thousand dollars nor more than fifty thousand dollars, as may be provided by the local law or resolution adopted pursuant to this section.

* NB Effective until July 1, 2027

* (i) if the income of the owner or the combined income of the owners of the property for the applicable income tax year exceeds the sum of three thousand dollars, or such other sum not less than three thousand dollars nor more than seventy-five thousand dollars beginning July first, two thousand twenty-seven, as may be provided by the local law or resolution adopted pursuant to this section.

* NB Effective July 1, 2027

(ii) Where the taxable status date is on or before April fourteenth, the applicable income tax year shall be the second most recent calendar

year. Where the taxable status date is on or after April fifteenth, the applicable income tax year shall be the most recent calendar year. Provided, however, that for taxpayers whose income tax returns are filed on the basis of a fiscal year rather than a calendar year, the applicable income tax year shall be the most recent fiscal year for which an income tax return has been filed.

(iii) Where title is vested in a married person, the combined income of such person and such person's spouse may not exceed such sum, except where one spouse or ex-spouse is absent from the property due to divorce, legal separation or abandonment, then only the income of the spouse or ex-spouse residing on the property shall be considered and may not exceed such sum.

(iv) The term "income" as used herein shall mean the "adjusted gross income" for federal income tax purposes as reported on the applicant's federal or state income tax return for the applicable income tax year, subject to any subsequent amendments or revisions, plus any social security benefits not included in such federal adjusted gross income; provided that if no such return was filed for the applicable income tax year, the applicant's income shall be determined based on the amounts that would have so been reported if such a return had been filed; and provided further, that when determining income for purposes of this section, the following conditions shall be applicable:

(1) the governing body of a municipal corporation, after a public hearing, may adopt a local law, ordinance or resolution providing that any social security benefits that were not included in the applicant's federal adjusted gross income shall not be considered income;

(2) distributions received from an individual retirement account or individual retirement annuity that were included in the applicant's federal adjusted gross income shall not be considered income unless the governing body of a municipal corporation, after a public hearing, adopts a local law, ordinance or resolution providing otherwise;

(3) the applicant's income shall be offset by all medical and prescription drug expenses actually paid that were not reimbursed or paid for by insurance, if the governing body of a municipal corporation, after a public hearing, adopts a local law, ordinance or resolution providing therefor;

(4) any tax-exempt interest or dividends that were excluded from the

applicant's federal adjusted gross income shall be considered income; and

(5) any losses that were applied to reduce the applicant's federal adjusted gross income shall be subject to the following limitations:

(A) the net amount of loss reported on federal Schedule C, D, E, or F shall not exceed three thousand dollars per schedule,

(B) the net amount of any other separate category of loss shall not exceed three thousand dollars, and

(C) the aggregate amount of all losses shall not exceed fifteen thousand dollars;

(v) Notwithstanding subparagraph (iv) of this paragraph, in a city having a population of one million persons or more:

(1) except as provided in clause two of this subparagraph, the term "income" as used in this section shall mean the "adjusted gross income" for federal income tax purposes as reported on the applicant's federal or state income tax return for the most recent income tax year or years for which data is sufficiently available to determine the applicant's eligibility for exemptions pursuant to this section, subject to any subsequent amendments or revisions, minus any distributions, to the extent included in federal adjusted gross income, received from an individual retirement account and an individual retirement annuity; provided that if no such return was filed for such income tax year, the applicant's income shall be determined based on the amounts that would have so been reported if such a return had been filed; and

(2) if an owner who has received an exemption pursuant to this section for a property on an assessment roll for a tax year ending on or before June thirtieth, two thousand twenty-four, would receive a greater exemption for any tax year ending on or after June thirtieth, two thousand twenty-five, the term "income" shall include social security and retirement benefits, interest, dividends, total gain from the sale or exchange of a capital asset which may be offset by a loss from the sale or exchange of a capital asset in the same income tax year, net rental income, salary or earnings, and net income from self-employment, but shall not include a return of capital, gifts, inheritances or monies earned through employment in the federal foster grandparent program and any such income shall be offset by all medical and prescription drug expenses actually paid which were not reimbursed or paid for by

insurance, if the governing board of a municipality, after a public hearing, adopts a local law or resolution providing therefor. In computing net rental income and net income from self-employment for the purposes of this item, no depreciation deduction shall be allowed for the exhaustion, wear and tear of real or personal property held for the production of income.

(b) unless the property is used exclusively for residential purposes, provided, however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation or PILOT and the remaining portion only shall be entitled to the exemption provided by this section;

(c) unless the real property is the legal residence of and is occupied in whole or in part by the disabled person; except where the disabled person is absent from the residence while receiving health-related care as an inpatient of a residential health care facility, as defined in section twenty-eight hundred one of the public health law, provided that any income accruing to that person shall be considered income for purposes of this section only to the extent that it exceeds the amount paid by such person or spouse or sibling of such person for care in the facility.

6. (a) If so provided in the local law or resolution adopted pursuant to this section, title to that portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides, and which is represented by the tenant-stockholder's share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation, including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.

(b) That proportion of the assessment of such real property owned by a cooperative apartment corporation determined by the relationship of such real property vested in such tenant-stockholder to such entire parcel and the buildings thereon owned by such cooperative apartment corporation in which such tenant-stockholder resides shall be subject to exemption from taxation or PILOT pursuant to this section and any exemption so granted shall be credited by the appropriate taxing

authority against the assessed valuation of such real property; the reduction in real property taxes or PILOT realized thereby shall be credited by the cooperative apartment corporation against the amount of such taxes or PILOT otherwise payable by or chargeable to such tenant-stockholder.

7. Application for such exemption must be made annually by the owner, or all of the owners of the property, on forms prescribed by the commissioner, and shall be filed in such assessor's office on or before the appropriate taxable status date; provided, however, proof of a permanent disability need be submitted only in the year exemption pursuant to this section is first sought or the disability is first determined to be permanent.

7-a. Notwithstanding the provisions of this section or any other provision of law, in a city having a population of one million or more, applications for the exemption authorized pursuant to this section shall be considered timely filed if they are filed on or before the fifteenth day of March of the appropriate year and in such city all references in this section to taxable status date shall be deemed to refer to the fifteenth day of March of the appropriate year.

8. At least sixty days prior to the appropriate taxable status date, the assessor shall mail to each person who was granted exemption pursuant to this section on the latest completed assessment roll an application form and a notice that such application must be filed on or before the taxable status date and be approved in order for the exemption to continue to be granted. Failure to mail such application form or the failure of such person to receive the same shall not prevent the levy, collection and enforcement of the payment of the taxes or PILOT on property owned by such person.

9. Notwithstanding any other provision of law to the contrary, the provisions of this section shall apply to real property held in trust solely for the benefit of a person or persons who would otherwise be eligible for a real property tax or PILOT exemption, pursuant to subdivision one of this section, were such person or persons the owner

or owners of such real property.