§ 520. Assessment and taxation of exempt property upon transfer of title. 1. Whenever any person, association or corporation not otherwise entitled to an exemption from taxation acquires title to real property which is exempt, in whole or in part, from taxation, such property shall be immediately subject to taxation and shall be taxed pro rata for the unexpired portion of any fiscal year during which said transfer of title occurred, and shall be liable in full for taxes in any fiscal year commencing subsequent to the date of transfer, as provided in this section.

2. If within the fiscal year during which a transfer of title occurs or within the next succeeding fiscal year, an assessor is made aware of the fact that title to real property receiving a total or partial exemption from taxation has been transferred to a person, corporation or association not otherwise entitled to an exemption from taxation, he or she shall forthwith assess such property at its value as of the date of transfer, shall, where appropriate for purposes of article eighteen or nineteen of this chapter, reclassify the property, and shall notify the new owner of the assessment and of the right of that owner to a review of the assessment and reclassification, if appropriate, as provided by title three of article five of this chapter.

3. For purposes of any fiscal year or years during which title to such property is transferred, such property shall be deemed to have been omitted and the assessed value thereof shall be entered on the assessment roll to be used for the next tax levy by or for each municipal corporation in which such property is located in the same manner as provided by title three of article five of this chapter with respect to a parcel omitted from the assessment roll of the previous year. A pro rata tax shall be extended against the property for the unexpired portion of each fiscal year. Such real property shall be taxed at the tax rate or tax rates for the fiscal year during which the transfer occurred. The amount of tax or taxes levied pursuant to this subdivision shall be deducted from the aggregate amount of taxes to be levied for the fiscal year immediately succeeding the fiscal year during which the transfer occurred.

4. For purposes of any fiscal year commencing on or after the date on which title to such property is transferred, if the assessor receives notice of such transfer prior to the levy of taxes for said fiscal year, the assessed value of such property shall be entered on the assessment roll to be used for the levy of taxes for said fiscal year in the same manner as provided by title three of article five of this chapter with respect to a parcel of property omitted from the assessment roll. If the assessor fails to receive notice of such transfer until after the levy of taxes for said fiscal year or for any reason fails to add such property to the assessment roll as provided by this subdivision, the property shall be deemed to have been omitted and shall be assessed as provided in subdivision three of this section and shall be liable in full for the taxes levied for said fiscal year.

5. The provisions of this section shall not apply when the transferred property is receiving only the school tax relief (STAR) exemption authorized by section four hundred twenty-five of this chapter, and no other exemption. If the property is receiving the STAR exemption and one or more other exemptions, the provisions of this section shall apply only to the extent that the property is receiving such other exemption or exemptions.