§ 581. Assessment of residential cooperative, condominium and rental property. 1. (a) Notwithstanding any other provision of law, real property owned or leased by a cooperative corporation or on a condominium basis shall be assessed for purposes of this chapter at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned or leased by a cooperative corporation or on a condominium basis.

(b) The provisions of paragraph (a) of this subdivision shall not apply to such real property classified within:

(i) on and after January first, nineteen hundred eighty-six, class one of section one thousand eight hundred two of this chapter; or

(ii) on and after January first, nineteen hundred eighty-four, the homestead class of an approved assessing unit which has adopted the provisions of section one thousand nine hundred three of this chapter, or the homestead class of the portion outside an approved assessing unit of an eligible split school district which has adopted the provisions of section nineteen hundred three-a of this chapter; provided, however, that, in an approved assessing unit which adopted the provisions of section one thousand nine hundred three of this chapter prior to the effective date of this subdivision, paragraph (a) of this subdivision shall apply to all such real property (i) which is classified within the homestead class pursuant to paragraph one of subdivision (e) of section one thousand nine hundred one of this chapter and (ii) which, regardless of classification, was on the assessment roll prior to the effective date of this subdivision unless the governing body of such approved assessing unit provides by local law adopted after a public hearing, prior to the taxable status date of such assessing unit next occurring after December thirty-first, nineteen hundred eighty-three, that such paragraph (a) shall not apply to such real property to which this clause applies.

(c) The provisions of paragraph (a) of this subdivision shall not apply to a converted condominium unit in a municipal corporation, other than a special assessing unit, which has adopted, prior to the taxable status date of the assessment roll upon which its taxes will be levied, a local law or, for a school district, a resolution providing that the provisions of paragraph (a) of this subdivision shall not apply to converted condominium units within that municipal corporation. A

converted condominium unit for purposes of this paragraph shall mean a dwelling unit held in condominium form of ownership that has previously been on an assessment roll as a dwelling unit in other than condominium form of ownership, and has not been previously subject to the provisions of paragraph (a) of this subdivision.

(d) The provisions of paragraph (a) of this subdivision shall not apply to real property owned or leased by a cooperative corporation or on a condominium basis in the Town of Greenburgh, in Westchester County, which has adopted, prior to the taxable status date of the assessment roll upon which its taxes will be levied, a local law providing that the provisions of paragraph (a) of this subdivision shall not apply to such real property within such town; provided, however, the provisions of this paragraph shall not apply to real property owned or leased by a cooperative corporation or on a condominium basis that had been previously subject to the provisions of paragraph (a) of this subdivision prior to January first, two thousand twenty-three; provided further, however, the provisions of this paragraph shall not apply to real property owned or leased by a cooperative corporation or on a condominium basis that is participating in an affordable housing tax credit program or has a regulatory agreement with a federal, state, or local agency related to affordable housing requirements.

2. Real property owned or leased by a cooperative corporation or on a condominium basis which is located in an approved assessing unit, or which is not located in an approved assessing unit but which is located in an eligible split school district which has adopted the provisions of section nineteen hundred three-a of this chapter, and is not subject to the provisions of paragraph (a) of subdivision one of this section, shall be assessed pursuant to the provisions of this subdivision.

(a) The assessor of an assessing unit in which such real property is located shall compute an assessment which would be placed on such parcel were the parcel not owned or leased by a cooperative corporation or on a condominium basis, which value shall be known as the restricted assessed valuation.

(b) The assessor of such assessing unit in which such real property is located shall compute an assessment which would be placed on such parcel without regard to the restrictions found in paragraph (a) of this

subdivision or section three hundred thirty-nine-y of the real property law, which value shall be known as the assessed valuation.

(c) The assessor of such assessing unit shall enter the assessed valuation on the assessment roll of such assessing unit and the restricted assessed valuation in a separate column of the assessment roll of such assessing unit.

(d) A municipal corporation which levies taxes pursuant to article nineteen of this chapter shall levy such taxes against the assessed valuation of such parcels for taxes imposed by or on behalf of such municipal corporation.

(e) A municipal corporation which does not levy taxes pursuant to article nineteen of this chapter shall levy such taxes against the restricted assessed valuation of such parcels for taxes levied by or on behalf of such municipal corporation.

3. Notwithstanding any other provision of law, real property occupied for residential purposes on a rental basis (as distinct from a cooperative or condominium basis) shall be assessed without regard to the value the property might have if converted to a cooperative or condominium basis or if sold or owned for the purpose of such a conversion.

4. For the purposes of this section, the term "cooperative corporation" shall include any corporation organized under any special or general law of this state, including, but not limited to, the business corporation law, the cooperative corporations law, the not-for-profit corporation law, and the private housing finance law, or the predecessor statutes thereof, primarily for providing housing accommodations to its stockholders or members and which is, or is to be, operated for the benefit of the persons or families who are entitled to occupancy by reason of ownership of stock or membership in the corporation.