§ 980-a. Tax credits for contributions to certain funds. 1. (a) A municipal corporation that has established a fund pursuant to subdivision forty-four of section sixteen hundred four of the education law, subdivision twelve-b of section seventeen hundred nine of the education law, subdivision fifty-four of section twenty-five hundred ninety-h of the education law, or section six-t or six-u of the general municipal law, may adopt a local law, or in the case of a school district, a resolution, authorizing a tax credit to be provided pursuant to this section for contributions to such fund. For purposes of this section, a municipal corporation that has established such a fund and authorized such a credit shall be referred to as a "participating" municipal corporation.

(b) On and after a date specified in the local law or resolution adopted by a participating municipal corporation pursuant to paragraph (a) of this subdivision, the owner or owners of real property shall be allowed a credit against the real property taxes of a participating municipal corporation that have been imposed upon such property. The amount of such credit shall equal ninety-five percent, or such lesser allowable percentage credit as may have been established pursuant to paragraph (c) of this subdivision, of the amount contributed by one or more of the owners of such property during the "associated credit year" as defined in this section, to any or all of the funds established by such municipal corporation, subject to the limit established pursuant to paragraph (c) of this subdivision, if any.

(c) The participating municipal corporation may establish a limit upon the amount or percentage of such credit to be allowed in any given fiscal year, in which case the amount of such credit shall not exceed any limit so established. Any such limit shall be adopted by local law, or in the case of a school district, by resolution, which local law or resolution may either be the same as or separate from the local law or resolution that initially authorized the credit. Once such a limit has been adopted, it may be amended or repealed thereafter by local law, or in the case of a school district, by resolution, provided that any such amendment or repeal shall only apply to taxes of the participating municipal corporation for fiscal years commencing after the adoption of such local law or resolution. A copy of any local law or resolution establishing, amending or repealing such a limit shall be provided to

the collecting officer who collects the taxes of the participating municipal corporation.

2. For purposes of this section, the "associated credit year" shall be the twelve-month period during which the owner of the property has made a contribution described in subdivision one of this section that ends on the last day prescribed by law on which the taxes of the participating municipal corporation may be paid without interest or penalties, subject to the following:

(a) Where such taxes are payable in installments, such twelve-month period shall end on the last day prescribed by law on which the first installment of such taxes may be paid without interest or penalties.

(b) Where a participating municipal corporation is a city school district that is subject to article fifty-two of the education law, such twelve-month period shall end on the last day prescribed by law on which city taxes may be paid without interest or penalties, or if applicable, on the last day prescribed by law on which the first installment of such taxes may be paid without interest or penalties.

(c) Each such twelve-month period shall be determined without regard to the possibility that the period prescribed by law for paying such taxes without interest or penalties may be extended due to a delay in the first publication of the collecting officer's notice as provided by sections thirteen hundred twenty-two or thirteen hundred twenty-four of this chapter or a comparable law, or due to an executive order issued in connection with a state disaster emergency as provided by subdivision two of section nine hundred twenty-five-a of this chapter.

3. The credit authorized by this section shall be administered as follows:

(a) The administrator of the fund or its designated agent shall, upon receiving a contribution to the fund specified in subdivision one of this section during a credit year, furnish the property owner with an acknowledgement in duplicate. Such acknowledgement shall be provided on a form prescribed by the commissioner and shall specify the amount of the contribution, the name and address of the donor, the date the contribution was received, the authorized signature of the administrator or agent, and such other information as the commissioner shall require.

(b) After receiving such an acknowledgement, the property owner may present it to the appropriate collecting officer on or before the last day prescribed by law on which taxes may be paid without interest or penalty, together with a credit claim on a form prescribed by the commissioner. Such credit claim form shall contain the name of the property owner or owners, the date and amount of the contributions made to the account during the associated credit year, the address of the property to which the credit claim relates, and such other information as the commissioner shall require. Notwithstanding any provision of law to the contrary, the collecting officer shall thereupon be authorized and directed to grant the property owner a tax credit equal to ninety-five percent, or such lesser allowable percentage credit as may have been established pursuant to paragraph (c) of subdivision one of this section, of the amount of the contributions made during the associated credit year as specified on the acknowledgement, and to reduce the tax liability on the parcel accordingly, provided that such credit may not exceed any percentage credit or other limit established by the participating municipal corporation pursuant to paragraph (c) of subdivision one of this section, if such a limit has been established, and may not exceed the property taxes due or paid that are attributable to the participating municipal corporation. Where taxes are payable in installments, if the credit exceeds the amount of the first installment, the excess shall be applied to future installments until exhausted. The participating municipal corporation may adopt a local law, or in the case of a school district, a resolution, providing that where a property owner submits a credit claim form to the collecting officer prior to the collecting officer's receipt of the tax warrant, or such other date as may be specified in such local law or resolution, the associated property tax bill shall reflect a reduction in the tax liability equal to the credit authorized by this section; provided however that if the collecting officer is not employed by the participating municipal corporation, such local law or resolution shall not take effect unless and until the governing body of the municipal corporation that employs the collecting officer has adopted a resolution agreeing thereto. The department of financial services, in consultation with the department, shall promulgate regulations related to the adjustment of mortgage escrow accounts to reflect the credits provided pursuant to this

section.

(c) If the property owner fails to present the acknowledgment and credit claim form to the collecting officer on or before the last day prescribed by law on which taxes may be paid without interest or penalty, he or she may present the same to the chief fiscal officer or chief financial officer of the participating municipal corporation, or to a member of his or her staff. Such officer shall thereupon be authorized and directed to grant the property owner a refund of property taxes in the amount of the credit, which amount shall be equal to ninety-five percent, or such lesser allowable percentage credit as may have been established pursuant to paragraph (c) of subdivision one of this section, of the total contributions made during the associated credit year, provided that such refund shall not exceed the property taxes that have been paid on the property or any percentage credit or other limit established pursuant to paragraph (c) of subdivision one of this section, if any, and may not exceed the property taxes due or paid that are attributable to the participating municipal corporation. Provided further, that no interest shall be payable on such refund if paid within forty-five days of the receipt of the acknowledgment and credit claim form. The owner of the property may file such refund claim with the authorized officer at any time during the three year period beginning immediately after the last day such taxes were payable without interest or penalty.

4. The amount of the itemized deduction that may be claimed by a taxpayer under section six hundred fifteen of the tax law with respect to the taxes paid on such property may not exceed the amount of the taxes of a participating municipal corporation that have been imposed upon such property minus the amount of the credit provided pursuant to this section.