



COMMITTEE ON  
Real Property Taxation

2019 ANNUAL REPORT

NEW YORK STATE ASSEMBLY



CARL E. HEASTIE, *Speaker*

SANDRA R. GALEF, *Chairperson*



THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

CHAIR  
Real Property Taxation

COMMITTEES  
Corporations, Authorities and Commissions  
Election Law  
Governmental Operations  
Health

SANDRA R. GALEF  
Assemblywoman 95<sup>th</sup> District

December 15, 2019

The Honorable Carl Heastie  
Speaker of the Assembly  
Room 932 – Legislative Office Building  
Albany, New York 12248

Dear Speaker Heastie:

I am pleased to submit the 2019 Annual Report of the Assembly Standing Committee on Real Property Taxation. This year was busy for the Committee, which dealt with a wide range of challenging issues and diverse legislation.

In 2019, the Committee met eight times and reported fifty-nine bills. We reviewed and reported proposed legislation in a variety of areas including general administration and exemption administration. In addition to our legislative responsibilities, the Committee worked closely with the Department of Taxation and Finance to promote informed and responsible legislation. The Committee will conduct a hearing to discuss the changes made to the STAR Program in the 2019-2020 New York State Budget.

In 2020, the Committee will continue to focus on legislation that will provide real property tax relief, improve assessment practices, enhance efficiency and reduce costs in real property tax administration, and examine the effects of real property tax exemptions.

I have greatly enjoyed working with the Real Property Taxation Committee members. Their knowledge and enthusiasm were instrumental in making this a pleasant and productive year. I look forward to another productive year in 2020.

Sincerely,

Sandra R. Galef, Chairperson  
Real Property Taxation Committee

# **2019 STANDING COMMITTEE ON**

## **REAL PROPERTY TAXATION**

**SANDRA R. GALEF, CHAIRPERSON**

### **MEMBERS of the COMMITTEE**

#### **MAJORITY**

Brian Barnwell  
Inez E. Dickens  
Simcha Eichenstein  
John T. McDonald III  
Victor M. Pichardo  
Daniel Rosenthal  
Nader J. Sayegh

#### **MINORITY**

Brian D. Miller- Ranking Member  
Chris Tague

### **COMMITTEE STAFF**

Michael R. Hernandez, Assistant Secretary for Program and Policy  
Henry Tranes, Associate Counsel  
Lauren Denison, Legislative Analyst  
Rebecca Southard-Kreiger, Executive Director/Committee Clerk  
Abigail Mellon, Program and Counsel Secretary  
Theophilus Alexander, Committee Assistant

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## **I. GENERAL ADMINISTRATIVE**

### **A. STATEWIDE LEGISLATION**

#### **Ensuring adjustments to PILOTs based on a challenge of assessment will not affect school districts in the middle of their fiscal year**

##### **A.218 (Paulin); Chapter 421 of the Laws of 2019**

This bill adds a new Section 561 to the Real Property Tax Law to provide that when the assessment of a property subject to PILOTs is challenged through the grievance process, any resulting reduction in PILOTs to a school district shall not take effect until the following taxable status year.

#### **Expanding the length of time to pay delinquent taxes in installments to 36 months**

##### **A.4420 (Zebrowski); Chapter 265 of the Laws of 2019**

This bill increases the maximum term of installment agreements for full payment of delinquent taxes from twenty-four months to thirty-six months. This legislation is optional for counties to adopt, and therefore non-intrusive to local governments.

#### **Providing guidance to local assessors when using the comparable sales, income capitalization or cost method**

##### **A.4752-B (Zebrowski); Passed Assembly**

This bill would add a new Section 305-a of the Real Property Tax Law to establish guidelines for using the comparable sales, income capitalization or cost method in assessing the value of property.

#### **Amending the Residential-Commercial Urban Exemption Program to better align the program to fit its original intent**

##### **A.8091 (Magnarelli); Passed Assembly**

This bill amends section 485-a of the Real Property Tax Law, which defines the Residential-Commercial Urban Exemption Program, which is to provide a property tax incentive for the rehabilitation of underutilized buildings. This bill amends the eligibility requirements for the program, preventing abuse of the program by unqualified applicants.

#### **Shortening the tax redemption period for abandoned buildings**

##### **A.4403 (McDonald); Passed Assembly**

The purpose of this bill is to allow municipalities to expedite the foreclosure process when certain residential property is deemed vacant and abandoned. This bill would amend Section 1110 of the Real Property Tax Law to provide that a tax district may reduce the redemption period for vacant and abandoned residential property to one year from two years, provided that the property has been placed on a vacant and abandoned roll, registry or list prior to the date on which taxes become delinquent in the local municipality, pursuant to §1111-a.

## **B. LEGISLATION OF LOCAL SIGNIFICANCE**

### **Extending the NYC Cooperative and Condominium Partial Tax Abatement Program**

#### **A.8383 (Quart); Chapter 90 of the Laws of 2019**

This bill extends a partial real property tax abatement for two years to condominium and cooperative owners who own no more than three dwellings in any one building, where one unit must be the primary residence of the owner in order to satisfy eligibility for the partial tax abatement.

### **Capping tax shift between classes of taxable property in municipalities**

#### **A.5765 (Zebrowski); Chapter 119 of the Laws of 2019- Clarkstown, Rockland County**

This bill amends section 1903 to extend for one year provisions applicable to the town of Clarkstown that prohibit the current base proportion of any class from exceeding the adjusted base proportion or adjusted proportion of the immediately preceding year by more than one percent, provided that such assessing unit has passed a local law, ordinance or resolution containing such a requirement. In addition, the bill specifies that if an exceedance of the one percent would result, the legislative body of the assessing unit would be required to alter the current base proportion of either class so that the sum of the current base proportion equals one.

#### **A.7310-A (Jaffee); Chapter 121 of the Laws of 2019-Orangetown, Rockland County**

This bill would prohibit in an approved assessing unit in the town of Orangetown, the 2019-2020 current base proportion of any class from exceeding the adjusted base proportion or adjusted proportion of the immediately preceding year by more than one percent, provided that such assessing unit has passed a local law, ordinance or resolution containing such a requirement. In addition, the bill specifies that if an exceedance of the one percent would result, the legislative body of the assessing unit would be required to alter the current base proportion of either class so that the sum of the current base proportion equals one.

#### **A.8138 (Weprin); Chapter 415 of the Laws of 2019- New York City**

State law provides that the current base proportion of any single property class in NYC may not exceed the adjusted base proportion for that class from the prior year by more than five percent. This legislation adjusts this rule, from FY 2019-2020 to FY 2020-2021 only, setting the maximum class share growth for all property classes in NYC at zero percent.

#### **A.2851 (Lavine); Chapter 12 of the Laws of 2019- Nassau County & Town of Islip**

This legislation limits the amount of property tax shift between property classes for local governments caused by large fluctuations in property values within and including Nassau County and homestead/non-homestead apportioned local governments within Suffolk County (Town of Islip).

## **II. REAL PROPERTY TAX RELIEF PROGRAMS:**

### **A. STATEWIDE LEGISLATION**

#### **Giving localities a two-year phase-in option when completing property tax reassessments**

##### **A.1329 (Galef); Passed Assembly**

The purpose of this bill is to authorize assessing units to provide a two-year phase-in of assessment increases for certain residential properties following a revaluation. This bill would add a new section §485-u to the Real Property Tax Law to allow the governing body of an assessing unit to adopt a residential revaluation exemption for eligible homeowners. After such adoption by the assessing unit, the exemption would also apply in the same manner and to the same extent to each village, county, special district or school district that levies taxes on the assessment roll prepared by such assessing unit.

#### **Permitting special districts to provide an exemption for improvements to property for accessibility purposes**

##### **A.5137 (Galef); Chapter 649 of the Laws of 2019**

The purpose of this legislation is to permit special districts to adopt local laws providing for an exemption for improvements to residential real property for facilitating accessibility of such property to a physically disabled owner. This bill gives this exemption option to counties, cities, towns, villages and school districts.

### **B. LEGISLATION OF LOCAL SIGNIFICANCE**

#### **Extending the NYC J-51 Tax Abatements and increasing the average assessed value threshold**

##### **A.2092-B (Braunstein); Chapter 72 of the Laws of 2019**

The purpose of this bill is to extend the J-51 program and increase the average assessed value threshold applicable to condos and co-ops. This bill extends the authorization of the J-51 program to 2020, states that all alterations or improvements must be completed prior to June 30, 2020, and sets the assessed value limitation for this program at \$40,000 dollars. This threshold was set at \$35,000 prior to this legislation.

#### **Extending the Enhanced Green Roof Property Tax Abatement in New York City and adding a second tier to the program**

##### **A.4740-B (Rozic); Chapter 79 of the Laws of 2019**

The purpose of this bill is to increase the benefits of an existing NYC Green Roof abatement. This bill extends the green roofs tax abatement program in NYC for four years. It also increases the benefits for projects located within five specifically designated NYC community districts in sewage tributary areas and portions of NYC lacking green space.

### C. NOT-FOR-PROFIT RETROACTIVE EXEMPTIONS

Assessors in several jurisdictions were authorized to accept real property tax exemption applications after the applicable taxable status date for certain properties (33 in all) owned by religious organizations, municipalities, educational institutions, and other nonprofit entities. In most cases, the property was purchased or acquired after the taxable status date. In some instances, the property owners were unaware of the need to file annual exemption applications. The following pieces of legislation grant the assessor the authority to review these applications and determine if the entity qualifies for the nonprofit real property tax exemption under State Law. If the assessor determines the nonprofit entity is eligible, the governing body or tax department may, in its sole discretion, provide for the refund of those taxes paid and cancel fines, penalties, or interest remaining unpaid. The following is a list, by chapter number, of the organization name and taxing jurisdiction affected by this legislation.

<b>Chapter No.</b>	<b>Bill No.</b>	<b>Organization Name</b>	<b>Assessment Jurisdiction (S)</b>
216	A7346	Konbit Neg Lakay Inc.	Town of Ramapo
259	A1112	Hatzoloh EMS Inc. of Monsey	Town of Ramapo
267	A4810-B	Patchogue Fire District	Town of Brookhaven
268	A4912	Unitarian Universalist Congregation of the Great South Bay Sayville	Town of Islip
270	A5769-A	East Northport Fire District	Town of Huntington
282	A7433	Village of Upper Nyack	Town of Clarkstown
286	A8112	Church of God and Saints of Christ	City of Albany
296	A1877	Hi-Tor Animal Care Center, Inc.	Town of Haverstraw
302	A7824-A	BB/S Facilities Management Corporation	Nassau County
307	A7857	Girl Scouts Heart of the Hudson	Town of Montgomery
311	A7950-A	Christian Worship Center Church of God	Town of Islip
312	A6923-C	First Reformed Church of Jamaica	Nassau County
346	A6368	Shelter Rock Islamic Center, Inc.	Nassau County
348	A4747-A	Village of Westbury	Nassau County
351	A7326	Mount Moriah Baptist Church	City of Albany
357	A8289	Saint Paraskevi Greek Orthodox Shrine Church	Town of Huntington
370	A7398-A	The Jackey Foundation	Town of Brookhaven
403	A6468	South Huntington Union Free School District	Town of Huntington
425	A7325	Church of Jesus Christ	City of Albany
459	A6246-A	West Babylon Church of God of Prophecy Inc.	Town of Babylon
473	A6367	Lubavitch of Roslyn	Nassau County
506	A7560-B	Monastery of the Glorious Ascension Inc.	Town of Smithtown
508	A7917-B	The New Horizon Counseling Center, Inc.	Nassau County
518	A6659-A	Ahmadiyya Movement In Islam, Inc.	Town of Babylon
524	A7354-A	Maryhaven Center of Hope, Inc.	Town of Brookhaven

554	A2314	Seventh Day Church of God of the Apostolic Faith	Nassau County
562	A7323	Morning Star Missionary Baptist Church	City of Albany
563	A7327	Northeastern Association of the Blind at Albany	City of Albany
593	A6840-B	Village of Island Park	Nassau County
598	A7570	Congregation Ohav Shalom	City of Albany
599	A6669	K'hal Yereim of Woodridge	Town of Ramapo
603	A8145	Bais Trany of Monsey, Inc.	Town of Ramapo
610	A8265-A	Yeshiva Shaar Ephraim of Monsey, Inc.	Town of Ramapo

### **III. PUBLIC HEARINGS**

On January 14<sup>th</sup>, 2020, the Real Property Tax Committee will hold a hearing to discuss changes made to the STAR Program in the 2019-2020 New York State Budget. This hearing will be conducted to examine these changes, including: capping annual growth in the STAR Exemption benefit at zero percent, lowering basic STAR Income Limit to \$250,000 from \$500,000 (Exemption Program only), amending the STAR Income Verification Program to include age and residency verification for the Enhanced STAR Program, allowing disclosure of STAR-related information to assessors, clarifying the STAR check property tax bill notices, and improving the STAR administrative process to be more responsive to taxpayer needs.

#### **IV. OUTLOOK FOR 2020**

Real property tax assessments and exemptions determine the distribution of tax liability imposed on residential, commercial, and industrial real property by local governments and school districts. The Committee is responsible for legislation that sets policies for equity and fairness in the determination of real property tax assessments, and for reducing the overall tax burden.

In 2020, the Committee will continue its obligation to review and consider legislation that will improve the real property taxation and assessment process. Our focus will be on real property tax relief, improving assessment practices and efficiency, and real property tax exemptions.

**Real Property Tax Relief** - With some of the highest real property taxes in the country, real property taxation has been gaining increasing attention and public scrutiny as many people find the cost of living in the State of New York to be increasingly burdensome. In 2020, the Real Property Taxation Committee plans to continue its efforts to address the effectiveness and sustainability of current tax relief efforts including the STAR exemption program, as well as the use of various exemptions in providing real property tax relief. It will also strive to find alternatives to programs that are identified as being inadequate or unsuccessful.

**Assessment Practices** - As the foundation of the real property tax system is the assessment process, it is imperative that accurate and up-to-date information is the basis for assessments. The Committee will continue to advance proposals that will encourage taxing jurisdictions to use up-to-date, full value assessment practices. It will also continue to promote transparent assessment practices, thus ensuring that taxpayers have access to assessment information so they may be active participants in the assessment process. Additionally, the Committee will continue to explore ways to integrate new technologies into real property assessment administration to streamline processes, decrease costs to the state and local governments and provide greater access to assessment data for taxpayers.

**Exemptions** - There are over one hundred real property tax exemptions applicable to private real property. While these exemptions provide savings for certain property owners, they, in turn, shift the burden to other parties. As more properties become partially or wholly exempt from taxation in a community, the tax base becomes eroded and those property owners that do not receive exemptions experience tax increases. Because of this, the Real Property Taxation Committee has made it a priority to scrutinize new exemption proposals and will continue to examine the fairness of preexisting exemptions to avoid unduly compromising the tax base.

**APPENDIX A**  
 2019 SUMMARY OF ACTION ON ALL BILLS REFERRED TO THE  
 REAL PROPERTY TAXATION COMMITTEE

**Real Property Taxation**

Total Number of Committee Meetings Held: 8

<b>Bills Reported Favorable to</b>	<b>Assembly Bills</b>	<b>Senate Bills</b>	<b>Total Bills</b>
Codes	5	0	5
Judiciary	0	0	0
Ways and Means	54	0	54
Rules	0	0	0
Floor	0	0	0
<b>TOTAL</b>	59	0	59

<b>Committee Action</b>	<b>Assembly Bills</b>	<b>Senate Bills</b>	<b>Total Bills</b>
Held for Consideration	0	0	0
Defeated	0	0	0
Enacting Clause Stricken	1	0	1
<b>Remaining in Committee</b>	190	20	210

<b>BILLS REFERENCE CHANGED TO: Ways and Means</b>	<b>Assembly Bills</b>	<b>Senate Bills</b>	<b>Total Bills</b>
	2	0	2

**APPENDIX B**  
**2019 ENACTED REAL PROPERTY TAXATION LEGISLATION**

<b>Chapter No.</b>	<b>Bill No.</b>	<b>Sponsor</b>	<b>Description</b>
12	A2851	Lavine	Allows certain special assessing units other than cities to adjust their current base proportions; gives special and approved assessing units the authority to tailor their "cap" to local conditions each year, thereby removing the annual uncertainty; relates to adjusted base proportions for assessment rolls; relates to the base proportion in approved assessing units in Nassau county.
72	A2092-B	Braunstein	Increases the average assessed value threshold; relates to the eligibility of J-51 tax abatements to reflect cost of living adjustments.
79	A4740-B	Rozic	Relates to the green roof tax abatement; authorizes a tax abatement for any tax year commencing on or after July 1, 2019, and ending on or before June 30, 2024, which shall be fifteen dollars per square foot of a green roof; provides that the amount of such tax abatement shall not exceed \$200,000.
90	A8383	Quart	Relates to extending certain provisions relating to a partial tax abatement for residential real property held in the cooperative or condominium form of ownership in a city having a population of one million or more.
119	A5765	Zebrowski	Extends limitations on the shift between classes of taxable property in the town of Clarkstown, county of Rockland.
121	A7310-A	Jaffee	Limits the shift between classes of taxable property in the town of Orangetown, county of Rockland.
216	A7346	Jaffee	Makes technical changes to the property description for Konbit Neg Lakay Inc. when referencing their tax exemption application for real property taxes.
259	A1112	Jaffee	Authorizes Hatzoloh EMS Inc. of Monsey to file an application for a real property tax exemption.
265	A4420	Zebrowski	Expands the length of time to pay delinquent taxes in installments to thirty-six months.
267	A4810-B	Garbarino	Permits the Patchogue Fire District to file an application for a real property tax exemption.
268	A4912	Garbarino	Relates to permitting the Unitarian Universalist Congregation of the Great South Bay Sayville to file an application for a real property tax exemption.
270	A5769-A	Raia	Authorizes the East Northport Fire District to apply for retroactive real property tax exempt status.

282	A7433	Zebrowski	Permits the Village of Upper Nyack to file an application for a real property tax exemption.
286	A8112	McDonald	Authorizes Church of God and Saints of Christ to file an application for certain real property tax exemptions in the City of Albany.
296	A1877	Zebrowski	Authorizes the assessor of the town of Haverstraw, county of Rockland, to accept from Hi Tor Animal Care Center, Inc. an application for exemption from real property taxes.
302	A7824-A	Ra	Authorizes BB/S Facilities Management Corporation to receive retroactive real property tax exempt status.
307	A7857	Miller B.	Authorizes Girl Scouts Heart of the Hudson, Inc. to file an application for a certain real property tax exemption.
311	A7950-A	Ramos	Authorizes Christian Worship Center Church of God to file an application for a retroactive real property tax exemption.
312	A6923-C	Darling	Authorizes the county of Nassau to accept an application for retroactive real property tax exemption from the First Reformed Church of Jamaica for a certain parcel in Hempstead.
346	A6368	D'Urso	Relates to permitting a retroactive property tax exemption to Shelter Rock Islamic Center, Inc. for portions of the 2018-2019 school taxes and 2019 general taxes and 2018 general taxes.
348	A4747-A	Montesano	Grants the village of Westbury retroactive real property tax exempt status for property located at 255 Schenck Avenue, village of Westbury, town of North Hempstead, county of Nassau.
351	A7326	McDonald	Permits Mount Moriah Baptist Church to file an application for a real property tax exemption.
357	A8289	Raia	Authorizes the Saint Paraskevi Greek Orthodox Shrine Church to file an application for a real property tax exemption.
370	A7398-A	Thiele	Authorizes the assessor of the town of Brookhaven, county of Suffolk, to accept from The Jackey Foundation, an application for exemption from real property taxes.
403	A6468	Stern	Authorizes the assessor of the town of Huntington, county of Suffolk, to accept from the South Huntington Union Free School District an application for exemption from real property taxes.
415	A8138	Weprin	Imposes a cap on class share increases in a special assessing unit which is a city.
421	A218	Paulin	Relates to changes in assessment for businesses that make payments in lieu of taxes; establishes that any reduction in school taxes shall not take effect until the following taxable status year.
425	A7325	McDonald	Permits the Church of Jesus Christ to file an application for a real property tax exemption.

459	A6246-A	LiPetri	Authorizes the West Babylon Church of God of Prophecy Inc., to file an application for exemption from real property taxes for certain assessment rolls
473	A6367	D'Urso	Relates to permitting a retroactive property tax exemption to Lubavitch of Roslyn.
506	A7560-B	Fitzpatrick	Authorizes the assessors of the town of Smithtown, to accept from the Monastery of the Glorious Ascension Inc., an application for exemption from real property taxes.
508	A7917-B	Solages	Authorizes The New Horizon Counseling Center, Inc. to receive retroactive real property tax exempt status.
518	A6659-A	Jean-Pierre	Relates to the Town of Babylon being able to grant tax-exempt status to Ahmadiyya Movement In Islam Inc.
524	A7354-A	DeStefano	Authorizes the Town of Brookhaven to grant Maryhaven Center of Hope, Inc. of East Patchogue a property tax exemption.
554	A2314	Solages	Authorizes Seventh Day Church of God of the Apostolic Faith to receive retroactive real property tax exempt status.
562	A7323	McDonald	Permits the Morning Star Missionary Baptist Church to file an application for a real property tax exemption.
563	A7327	McDonald	Permits the Northeastern Association of the Blind at Albany, Inc. to file an application for a real property tax exemption.

**APPENDIX C**  
**2019 REAL PROPERTY TAX LEGISLATION - PASSED ASSEMBLY ONLY**

<b>Bill No.</b>	<b>Sponsor</b>	<b>Description</b>
A4752-B	Zebrowski	Requires assessors using the comparable sales method for assessments to consider certain comparable properties in formulating the assessment.
A8091	Magnarelli	Relates to the residential-commercial urban exemption program; requires the owner to submit an annual certification to the assessor attesting that the property complies with the requirements of this section.
A1329	Galef	Creates a statewide residential revaluation exemption; defines "eligible residential property"; and provides applicability, eligibility and the exemption calculation.
A5061A	Darling	Permits Iglesia La Luz Del Mundo, Inc. to file an application for certain real property tax exemptions for the 2017-2018 school taxes and 2018 general tax rolls.
A7011-B	Darling	Authorizes Iglesia Long Island Para Cristo Inc. to file an application with the assessor of the county of Nassau for a retroactive property tax exemption.
A7302	LiPetri	Authorizes Good Samaritan Hospital Medical Center to file an application with the assessor of the county of Nassau for exemption from real property taxes for the 2016-2017 assessment roll.
A7919	LiPetri	Authorizes the Good Samaritan Hospital Medical Center, town of Islip, county of Suffolk, to file an application for a real property tax exemption.