

**SUMMARY OF
1998
REAL PROPERTY TAX LEGISLATION**



STATE BOARD OF REAL PROPERTY SERVICES

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SUMMARY OF 1998 REAL PROPERTY TAX LEGISLATION

NEW YORK STATE BOARD OF REAL PROPERTY SERVICES

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September 1998

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ACKNOWLEDGMENTS

Credit for much of the content of this publication must be given to Stephen J. Harrison, James J. O’Keeffe, Philip J. Hawver, and other members of the staff of the Office of Counsel of the Office of Real Property Services, and to Mark Twentyman of the ORPS Agricultural Unit.

Special thanks are due to Paul Miller and Karen Delduce for their efforts in continually monitoring the status of legislation of interest throughout the legislative session, and to Lynn Miller for her ongoing contributions to the process.

SUMMARY OF 1998 REAL PROPERTY TAX LEGISLATION

This publication provides a summary of legislation enacted in 1998 relating to real property tax administration. The descriptions it contains are intended only as a source of general information about the major features of these new laws. For a more detailed and authoritative account of what these new laws do, the best resource is, of course, the laws themselves. This publication will also be made available on the Office of Real Property Services (ORPS) website, which may be accessed at <http://www.orps.state.ny.us/legal/legssum.htm>.

The following new laws may be of particular interest:

- Administrative and Judicial Review of Assessments (p. 1)
- Revaluation-Related Provisions (p. 1)
- Residential Infrastructure Exemption (p. 4)
- Senior Citizens Exemption Income Limits (p. 5)
- STAR Exemption: Acceleration; Income; Confidentiality (p. 6)
- Disasters and Interest-Free Tax Payment Period (p. 8)

For the most part, the laws described herein are now in effect. In those few cases where a law had not become effective by the time this Summary was published, a statement to that effect has been included in the description of the law.

All statutory citations in this publication are to the Real Property Tax Law (RPTL), unless otherwise noted.

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September, 1998

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I. ASSESSMENT ADMINISTRATION

A. Administrative and Judicial Review of Assessments

Chapter 318 amends certain provisions of the Real Property Tax Law [RPTL] to revise the procedures governing review of assessments as follows:

The uniform percentage of value that appears on tax bills pursuant to the newly enacted “Property Taxpayer’s Bill of Rights” (L.1997, c.389) may now be used as proof of ratio in small claims assessment review and certiorari proceedings [§§720(3)(b)(3) and 732(2)];

The assessor may now correct a final assessment roll to implement an assessment “freeze” resulting from a small claims or certiorari proceeding, even if notice of the order or judgment is received after the preparation of the final assessment roll [§§ 727(1) and 739(1)]. Any refund of taxes resulting from the correction would be provided in the manner set forth in section 726.

B. Revaluations

Chapter 319 provides that the terms “revaluation”, “reassessment” and “update”, when used in the RPTL, all mean a systematic review of locally assessed property to assure that those assessments are at the same uniform percentage of current value (RPTL, §102). Prior to this amendment section 102 of the RPTL provided no specific definition for the term “reassessment”, although it did provide separate definitions of “revaluation” and “update”, each of which in turn referred to the State Aid provisions (Article 15-B) of the RPTL.

Chapter 319 also amends RPTL, §511, in relation to the disclosure notices that must be issued upon the implementation of a revaluation or update. Assessing units now have the option to prepare the notice in a format which will illustrate to property owners the estimated percentage increase or decrease in their tax liability, within a range of five percentage points, instead of attempting to show the estimated tax dollar impact. In addition, in assessing units which are implementing annual reassessments at the same uniform percentage of value, disclosure notices need only be sent once every three years, rather than annually.

C. Full Value Measurement

Chapter 368 simplifies various aspects of the State equalization program. The major highlights of these changes are as follows:

RPTL, §§ 845 and 1345, have been amended to authorize the State Board to certify school districts and counties to apportion taxes against assessed value in those instances where more than one city or town in the school district or county has conducted a recent revaluation at the same level of assessment and valuation date. Prior to these amendments, these statutes required a majority of the municipalities in the school district

or county to have completed a revaluation or update in order to qualify for the State Board certification.

RPTL, §1214 is amended to provide that the State equalization rate established for a county assessing unit other than a special assessing unit (i.e., Tompkins County) will be the rate for each city and town in such county. As a result of this amendment, the State Board will no longer establish separate equalization rates annually for Tompkins County cities and towns which do not prepare their own assessment rolls.

RPTL, §1218 has been amended to provide that proceedings to challenge State equalization rates must be brought in the Appellate Division of the State Supreme Court, and that the standard of review in such proceedings is whether there is substantial evidence to support the State Board's determination.

RPTL, §1224, has been amended to provide that where a municipality has implemented a recent revaluation, the State Board may establish a special equalization rate for use in computing assessment limitations reflecting the prevailing level of assessment.

These amendments first apply to assessment rolls with taxable status dates of January 1, 1999 or later, with the exception of the amendment to §1218, which became effective on July 14, 1998.

D. Special Assessing Units

Chapter 229 reduces the allowable increase for each class tax share in New York City for the fiscal year ending in 1999 (RPTL, §1803-a). More specifically, it provides that the "current base proportion" of any class may not exceed the "adjusted base proportion" of the class in the prior fiscal year by more than 2.5 percent, as opposed to the 5 percent increase that would otherwise be allowed (see, §1803-a(1)(c)). The excess beyond the 2.5 percent limit is to be distributed to the other classes, provided that this distribution may not cause any other class to exceed its own 2.5 percent limit.

E. State Lands

Chapter 419 makes conservation easements held by the State within the Tug Hill Region taxable for all real property tax purposes (RPTL, §533). The Tug Hill Region consists of enumerated towns in the Counties of Jefferson, Lewis, Oneida and Oswego (L.1972, c.972; L.1992, c.561). This law takes effect January 1, 1999. The Governor issued an Approval Message relating to this Chapter, a copy of which appears in section V of this publication.

F. Technical Amendments

Chapter 469 eliminates a longstanding requirement that a copy of the locally approved application and order for the correction of certain clerical errors and unlawful entries on tax rolls be filed with the State Comptroller (RPTL, §556-b(5)).

Chapter 488 makes a series of amendments, primarily technical in nature, to clarify several laws relating to real property tax administration. From the standpoint of assessment administration, the most noteworthy change is that the procedures for determining "adjusted base proportions" for Approved Assessing Units (RPTL, Article 19) have been revised to ensure that certain physical and quantity changes occurring are not counted twice. The provisions of Chapter 488 relating to Exemption Administration are discussed below.

II. EXEMPTION ADMINISTRATION

A. Agriculture

1. Organic Soils

Chapter 370 changes the methodology used by the State Board of Real Property Services for establishing the agricultural assessment values for organic soils (also known as "muck soils") [Agriculture and Markets Law (AML), §304-a]. In establishing agricultural assessment values for organic soils, the State Board is required to use certain data published by the United States Department of Agriculture [AML, §304-a(4)(d)]. Prior to this amendment, for organic soils, the required data included the number of acres harvested and the value of production, limited to vegetable crops [former AML, §304-a(4)(d)(viii)]. For mineral soils, the number of acres harvested and value of production data included all reported crops and was not limited to vegetable crops [former AML, §304-a(4)(d)(ix)]. Chapter 370 simplifies this methodology by providing that the agricultural assessment value for organic soil group A shall be two times the base agricultural assessment value calculated for mineral soil group 1A.

2. Temporary Greenhouses

Chapter 535 adds a new §483-c to the Real Property Tax Law to provide a real property tax exemption for temporary greenhouses. A "temporary greenhouse" is defined for this purpose as "specialized agricultural equipment having a framework covered with demountable polyethylene or polypropylene materials or materials of a polyethylene or polypropylene nature which is specifically designed, constructed and used for agricultural production." This new law provides that the application for the exemption will be made on a form to be prescribed by the State Board of Real Property Services. This exemption is effective as to assessment rolls prepared on the basis of taxable status dates occurring on or after August 4, 1998.

3. Agricultural Property Tax Credit

Chapter 315 extends eligibility for the Agricultural Property Tax Credit [Tax Law, §§210(22) and 606(n)] to eligible farmers who are acquiring property by land contract and who have paid taxes on that property pursuant to that contract. In effect, such farmers would be treated for purposes of this credit in the same manner as if they were the legal owners of the property in question. The Agricultural Property Tax Credit, which is administered by the State Department of Taxation and Finance, was added by Chapter 309 of the Laws of 1996. The Governor issued an

Approval Message relating to this Chapter, a copy of which appears in section V of this publication.

4. Agricultural Buildings Exemption Extender

Chapter 462 extends by 10 years the “sunset” date for the exemption authorized by section 483 of the RPTL. That statute provides a ten-year exemption to the extent of any increase in value attributable to the construction or reconstruction of structures or buildings essential to the operation of certain agricultural or horticultural lands, provided such improvements were constructed after January 1, 1969 and prior to January 1, 1999. By virtue of Chapter 462, the exemption is now available to improvements completed before January 1, 2009. Extensions of the sunset date for this exemption have been enacted twice before (L.1978, c.743; L.1988, c. 310).

5. Form 5217 Disclosure

Chapter 411 revises the notice required to be afforded to a prospective purchaser of lands within an agricultural district. Written notice must now be provided to the prospective buyer at the time any purchase and sale contract is “presented”. Previously, such notice simply had to be provided “prior to the sale, purchase or exchange” of the property. In addition, Chapter 411 requires that the disclosure notice be signed by both the buyer and seller before the sale.

B. Banking Development Districts

Chapter 526 allows savings banks, savings and loan associations, federal savings banks and federal savings and loan associations to participate in the Banking Development Districts Program that was enacted last year (L.1997, c.204). As a result, these institutions, commonly known as “thrifts,” will be eligible for the incentives available under this program, including the local option real property tax exemption (RPTL, §485-f) where it is offered. Chapter 526 will take effect on January 1, 1999, and will remain in effect only until January 1, 2005. Upon expiration, thrifts already participating in the program will retain the rights they acquired thereunder.

C. Residential Infrastructure

Chapter 361 authorizes counties, cities (except New York City), towns and villages to adopt local laws, and school districts to adopt resolutions, exempting the value of infrastructure improvements in residential developments (new RPTL, §485-g). The specific infrastructure improvements covered by the exemption are streets, storm and sanitary sewers, drainage facilities and any other facilities required by the municipality to be installed in the residential subdivision, as noted on the filed plat plan for the subdivision.

Where the exemption is authorized, residential building lots within subdivision plats will be exempt from a proportional share of the value attributable to the infrastructure improvements until certificates of occupancy are issued or for three years from the granting of the exemption,

whichever first occurs. Applications for the exemption (on a form prescribed by the State Board) will need to be filed within one year of the completion of the improvements; however, qualifying improvements already completed as of the effective date of the local law or resolution may also receive exemption if application is made within one year of such local authorization.

D. Persons With Disabilities And Limited Incomes

Chapter 18 added a transitional provision for the exemption for persons with disabilities and limited incomes (RPTL, §459-c; added L.1997, c.315). Chapter 18 authorized any assessing unit which had opted into the exemption, and which had a taxable status date earlier than March 1, 1998 for its 1998 assessment roll, to opt by local law or resolution to accept applications for the exemption until March 16, 1998. The assessing unit was further authorized to modify its 1998 assessment calendar to accommodate the processing of such applications.

Chapter 447 establishes a special property tax credit for certain eligible New York City residents in relation to the 459-c exemption. New York City opted into the exemption after the taxable status date for the 1998 assessment roll, so the exemption will not apply for purposes of fiscal year 1999. To allow eligible persons the benefit of the exemption in fiscal year 1999, Chapter 447 gives each qualifying person a credit against his or her tax bill for fiscal year 2000, which is to be equal to the amount he or she would have saved in fiscal year 1999 if the exemption had been effect. The credit, however, may not be greater than the tax liability for fiscal year 2000.

Chapter 447 also clarifies that the exemption for persons with disabilities and limited incomes shall be applied to eligible property before the STAR exemption authorized by RPTL, §425.

E. Senior Citizens

Chapter 298 amends the partial real property tax exemption for property owned by senior citizens with limited incomes (RPTL, §467) to increase the maximum income ceiling for the basic (i.e., 50% of assessed value) exemption to \$19,500. The ceiling for the basic exemption has been increased numerous times since the creation of the exemption in 1966.

This increase in the maximum ceiling for the basic exemption would also affect the sliding scale option in §467(1)(b) in that the figure referred to in that subdivision as "M" could increase to \$19,500. This means that a municipality adopting the proposed ceiling could, for example, grant a minimal (5%) exemption [§467(1)(b)(3)] to seniors whose incomes are as high as \$27,899.99. Where the maximum income ceiling is locally adopted, the income ceiling increase will apply to assessment rolls based upon taxable status dates (RPTL, §302) following such adoption.

F. STAR

1. Acceleration; Income; Confidentiality

Chapter 56 accelerated the phasing-in of the “Enhanced” STAR exemption, permitting eligible senior citizens to reap the full benefit of the exemption beginning in the 1998-1999 school year, rather than after a four year phase-in (§425(2)(b)). Thus, the base amount of the Enhanced STAR exemption for 1998-1999 and thereafter is now \$50,000. The “Basic” exemption for non-seniors and upper-income seniors will continue to be phased-in as originally scheduled (i.e., \$10,000 for the 1999-2000 school year, \$20,000 for 2000-01, and \$30,000 for 2001-02 and thereafter).

Chapter 56 also changed the definition of “income” for STAR purposes to mean Federal Adjusted Gross Income (“AGI”), minus any taxable Individual Retirement Account (“IRA”) distributions (§425(4)(b)(ii)). (Under prior law, “income” was defined for STAR purposes with reference to the RPTL, §467, senior citizen exemption.) This change is effective with applications for exemptions for the 1999-2000 school year.

In conjunction with this change, Chapter 56 also explicitly assures the confidentiality of any information submitted by seniors to verify their income for purposes of the Enhanced STAR exemption (§425(4)(b)(iii)). The STAR law now states that such information “shall be deemed confidential, and the assessor, any municipal officer or municipal employees are prohibited from disclosing any such information, except for disclosure necessary in the performance of their official duties.” Any unauthorized disclosure of such information shall be deemed a violation of section 805-a of the General Municipal Law, and may result in a fine, suspension or dismissal from office.

2. Clarifying Amendments

Chapter 570 clarifies that persons who qualify for the Senior Citizens Exemption (RPTL, §467) are eligible for the enhanced STAR exemption for senior citizens (§425(4)), even if they are not 65 years of age by the applicable taxable status date (§425(6)(c)). Since the STAR law already provided that a person who is eligible for the 467 exemption shall be “deemed to be eligible” for the enhanced STAR exemption as well (§425(6)(c)), and since the 467 exemption may be granted, at local option, to persons who reach the age of 65 between taxable status date and the end of the year (§467(5)), Chapter 570 is essentially a restatement of pre-existing law.

It should be understood that Chapter 570 did not address the STAR eligibility requirements for persons who do not qualify for the senior citizens exemption. Thus, the law remains that in order for such persons to be eligible for the enhanced STAR exemption, they must be 65 years of age by the applicable taxable status date, unless the property is owned by husband and wife, in which case only one of them must be 65 by that date.

Chapter 447 clarifies that the STAR exemption is to be applied to eligible property after the exemption for persons with disabilities and limited incomes authorized by RPTL, §459-c.

3. Transitional Provisions

Chapter 6 extended the STAR application period to March 2, 1998 in assessing units where the taxable status date for the 1998 assessment roll was earlier than March 1, 1998. To

avoid potential conflicts with local assessment procedures, those assessing units were given special authority to adjust their procedures and calendar as necessary to accommodate the full processing of STAR applications. These assessing units were also given the authority to shorten the filing period so that it would end earlier than March 2, 1998, but not earlier than February 5, 1998.

Chapter 18 provides that in jurisdictions where 1999-2000 school taxes are levied upon the final assessment roll completed in 1998 (e.g., in towns in Westchester County and other jurisdictions where “year-old rolls” are used to levy school taxes), applications for the Basic or Enhanced STAR exemption against 1999-2000 school taxes may be submitted until March 1, 1999. Such applications are to be reviewed in the same manner as applications for exemption on the 1999 assessment roll, except that upon the approval of such an application, the 1998 assessment roll shall be revised accordingly. Note that a similar extension applied to STAR applications for the 1998-99 school year in such jurisdictions (L.1997, c.389, Part B, §19), but that extension only affected applications for the Enhanced STAR exemption.

G. Veterans

Chapter 433 provides that a qualifying veteran with a service-connected disability who is receiving the alternative veterans exemption (RPTL, §458-a) need not reapply for that exemption unless his or her disability rating changes. Prior to this legislation, such veterans were required to file a renewal form (RP-458-a-Dis) every year to document their entitlement to the additional exemption. Chapter 433 requires that, after the initial filing, the alternative veterans exemption continues in full force and effect without the necessity for annual filings unless the service-connected disability rating increases or decreases, in which case, the veteran must re-file for the exemption.

H. Technical Amendments

Chapter 488 includes a series of technical amendments to certain recently enacted real property tax exemptions, which are as follows:

Historic Property Exemption: The statutory language of RPTL, §444-a (1) [added by L.1997, c.183] has been clarified in two respects. First, fiscally dependent school districts governed by Article 52 of the Education Law (New York City, Buffalo, Yonkers, Rochester and Syracuse) cannot themselves authorize the exemption; only their city councils may do so. Second, a confusing reference to a local limitation on the exemption has been eliminated.

Veterans Exemption: Redundant language added last year (L.1997, c.178) to RPTL, §458(1)(2) has been eliminated.

Exemption for Persons with Disabilities and Limited Incomes: The statutory language of RPTL, §459-c(a)(5) [added by L.1997, c.315] has been amended to delete the references to

“ordinance,” thereby clarifying that municipalities may adopt the exemption by local law, except school districts which may do so by resolution.

Business Investment Exemption: The language of RPTL, §485-b [as amended by L.1997, c.332] has been revised to clarify that the business investment exemption does not apply to "special ad valorem levies" [defined in RPTL, §102(14)] imposed for fire district, fire protection district or fire alarm district purposes (Town Law, §§181, 184 and 183).

III. TAX COLLECTION AND ENFORCEMENT

A. Disasters and Interest-Free Tax Payment Period

Chapter 15 provides that during a declared state disaster emergency as defined by Executive Law, §20, the Governor may, by executive order issued upon the request of the chief executive officer of a municipal or district corporation in the affected area, extend the locally-applicable deadlines for the payment of taxes, fines and other moneys to the municipal or district corporation, or for the filing of applications, reports and other documents with the municipal or district corporation by persons residing or located therein. The extension, if so ordered, will last until the Governor, after consultation with the Director of State Operations, rescinds the Executive Order declaring the state disaster emergency, except that, after consulting with local officials, the Governor may further extend the deadlines for a period not exceeding thirty days from the date that the Governor rescinds the Executive Order. No interest or penalties may accrue during the extension period. No such extension may apply to reporting requirements which exist primarily to protect the health, safety or general welfare of the public from an imminent threat or danger.

Chapter 15 further provides that the municipal or district corporation may be compensated for any financial loss resulting from the extension of local deadlines by requiring the State to compensate it for lost interest or investment income reasonably attributable to the extension, subject to a specified maximum payment.

In addition to facilitating the extension of local deadlines, Chapter 15 provides for a similar extension of State deadlines during state disaster emergencies as well. Chapter 15 took effect on January 7, 1998. The Governor issued an Approval Message relating to this Chapter, a copy of which appears in section V of this publication.

B. Village Tax Enforcement Opt-Out Extender

Chapter 466 extends by three years the effectiveness of local laws which various villages adopted to continue enforcing delinquent taxes pursuant to former Title 3 of Article 14 of the Real Property Tax Law, despite the fact that this Title was repealed as of January 1, 1995 (see, L.1993, c.602, §§4 and 8). Prior to this legislation, such local laws applied only to the enforcement of village taxes that became liens in the years 1995, 1996 and 1997 (L.1993, c.602, §6(c), as added by L.1994, c.532, §9). Under Chapter 466, that those local laws would also apply to taxes becoming

liens in the years 1998, 1999 and 2000. Chapter 466 is retroactive to July 26, 1994, which is when the original village opt-out authorization (i.e., L.1994, c.532, §9) was effective.

C. Free Association Libraries

Chapter 418 provides that when a school district is required to levy and collect taxes for a “free association library,” the amount of taxes attributable to such purposes shall be stated on a separate line of the school tax bill (RPTL, §1322(1)). In so doing, this law eliminates a distinction between these libraries and the far more common public libraries and library districts, which were given separate lines on school tax bills several years ago (L.1990, c.7).

IV. MISCELLANEOUS

A. Assessment Review in Specific Jurisdictions

1. Nassau County Assessment Review

Chapter 593 authorizes Nassau County to establish an “Assessment Review Commission” to hear and determine assessment complaints, in lieu of the current Board of Assessment Review (new RPTL, §523-b). The nine members of the bipartisan Commission will serve staggered five-year terms. The current members of the Board of Assessment Review will be among the initial Commissioners.

The Commission will be charged with the duty of reviewing and determining all assessment complaints. Hearings will be held throughout the year, either by the full Commission, by a single Commissioner, or by a Hearing Officer appointed by the Commission. When a complaint is determined by March 10, the determination is to be entered on the final roll filed April 1. Other complaints could be heard thereafter and prior years’ assessments could also be addressed.

Chapter 593 takes effect January 1, 1999; the Commission may begin correcting and reviewing assessments on June 30, 1999.

2. City of Albany Board of Assessment Review

Chapter 72 authorizes an otherwise tardy increase in the membership of the City of Albany’s Board of Assessment Review from three to five members, and the appointment of 10 additional members to administrative hearing panels. The purpose of this legislation was to assist the City of Albany in handling an anticipated increase in the number of grievances expected with respect to the City’s 1998 assessment roll, which was the result of the City’s recent reassessment program.

B. Exemptions of Limited Applicability

1. Exemptions Primarily Affecting New York City

Chapter 125 extends by four years and modifies the program which provides a ten year graduated phase-in of taxes on the increased assessed value of property attributed to the construction of substantial rehabilitation of a one or two family home (RPTL, §421-b).

Chapter 432 extends for four years the partial real property tax exemption for new multiple dwellings in New York City (§421-a). As amended, construction of such projects must be completed before December 31, 2003.

Chapter 245 extends by four years the local option exemption for increases in assessed valuation of certain rehabilitated property in New York City (§488-a).

Chapter 246 extends legislative authorization for the so-called "J-51" Program by four years from December 31, 1999 to December 31, 2003, as well as the deadline for the City Council to adopt and amend necessary local laws implementing the program to June 1, 2003 (§489).

Chapter 449 makes two changes to the New York City Industrial and Commercial Incentive Program (§489-dddd) with respect to technologically advanced or "smart" buildings (see L.1995, c.661). The first change allows certain projects for which timely application for a certificate was made, but construction of the foundation was not completed within the statutory time frame, to be eligible for the exemption if certain conditions are satisfied. The second change modifies certain floor size to ceiling height ratio requirements.

Chapter 468 makes technical corrections to the Lower Manhattan Revitalization Program (§§499-c and 499-cc) with respect to certain lease provisions.

2. Syracuse Residential Improvements

Chapter 571 extends the real property tax exemption authorized by Chapter 889 of the Laws of 1986, a special law which authorizes the City of Syracuse to grant a partial exemption for residential improvements. By virtue of Chapter 571, the authorization for new exemptions under this program has been extended to December 31, 2001. Note that RPTL, §421-f provides general authority for all municipal corporations except New York City to grant a similar type of exemption.

3. Town of Cortlandt Senior Citizen Dwelling Space

Chapter 533 authorizes the Town of Cortlandt in Westchester County to adopt an exemption for the increase in value to residential property for the construction or reconstruction of dwelling space for persons who are at least 65 years of age or who are disabled and receiving social security disability payments. The exemption would be limited to the lesser of [a] the increase in the assessed value attributable to the new dwelling space, [b] 20 percent of the total assessed value of the property, or [c] 20 percent of the median sale price of residential property in the county. In addition, [d] the town's zoning must permit such construction, [e] the construction must be within the geographic area where such construction is permitted, and [f] the property must be the owner's

principal residence. If the eligible resident changes his or her legal residence, the exemption ends.

4. Belated Exemptions for Specific Properties

There were 15 chapters generally authorizing the appropriate assessors to accept exemption applications for specific properties owned by 14 nonprofit corporations and one municipal corporation, though the owners generally took title after the applicable taxable status date. The prospective applicants, and the counties in which their properties are located, are as follows:

Ch. 42	Judea Baptist Church	Nassau
Ch. 60	Vedic Heritage, Inc.	Nassau
Ch. 92	United Pentecostal Church	Richmond
Ch. 463	Bais Yoel	Nassau
Ch. 479	Freedom Chapel Assembly of God, Babylon	Suffolk
Ch. 482	Yeshiva & Mesivta Toras Chaim	Nassau
Ch. 484	First Presbyterian Church of Baldwin	Nassau
Ch. 486	Village of Great Neck	Nassau
Ch. 487	Young Israel of Great Neck	Nassau
Ch. 492	Ohr Haemeth	Nassau
Ch. 493	Chabad of Pt. Washington	Nassau
Ch. 566	786 Muhammadi Masjid, Inc.	Nassau
Ch. 581	Plain Lawn Cemetery	Nassau
Ch. 582	Islamic Center of South Shore, Inc.	Nassau
Ch. 583	Congregation Eitz Chaim of Cedarhurst, Inc.	Nassau

C. Tax Collection and Enforcement in Specific Jurisdictions

1. Erie County Tax Act

Chapter 434 corrects an omission in legislation enacted last year (L.1997, c.439), which raised the annual interest rate on unpaid taxes in Erie County from 12 percent to 18 percent. Due to an apparent oversight, the section of the Erie County Tax Act which prescribes the interest rate after a tax sale has taken place was not changed to an 18 percent annual rate. This new law conforms that section to the remainder of the amended Erie County Tax Act.

2. Glen Cove Tax Enforcement

Chapter 110 authorizes the city of Glen Cove in Nassau County to belatedly opt out of the “Uniform Delinquent Tax Enforcement Act” that took effect on January 1, 1995 (RPTL, Article 11, as amended by L.1993, c.602), by adopting a local law so providing no later than September 1, 1998, and filing a copy thereof with the State Board no later than October 1, 1998. The adoption of such local law by the City of Glen Cove will permit it to continue following its pre-existing special tax enforcement procedures (i.e., a county or city charter, an administrative code or a

special law) rather than the procedures set out in RPTL, Article 11, despite the fact that it did not opt out by July 1, 1994, as originally required (L.1993, c.602, §6).

3. Syracuse Mortgage Foreclosure Proceeds

Chapter 431 requires that when real property in a city with a population of between 150,000 and 175,000 (i.e., Syracuse) is sold pursuant to a judgment in a mortgage foreclosure proceeding, any liens or encumbrances held by a city agency which have priority over the foreclosed mortgage must be paid out of the proceeds of the foreclosure sale (Real Property Actions and Proceedings Law, §1354(2)). Under prior law this requirement applied only to a city with a population of 300,000 or more (i.e., New York City or Buffalo). Originally, this requirement applied only in New York City; it was extended to Buffalo just last year (L.1997, c.232).

4. Keuka Park Water District Installments

Chapter 452 authorizes the Town of Jerusalem in Yates County to establish an installment payment system for the assessment of the yearly capital charge associated with the establishment and expansion of the Keuka Park Water District (Town Law, §202-a(6) and new §202-a(6-a)).

D. Other

1. Schoharie County State Aid Applications

Chapter 407 gives 11 towns in Schoharie County (Blenheim, Broome, Carlisle, Cobleskill, Esperance, Fulton, Middleburgh, Schoharie, Seward, Sharon and Wright) another opportunity to apply for their fourth and final Attainment Aid payment (RPTL, §1572; 9 NYCRR Part 192) relative to their 1993 assessment rolls and for Maintenance Aid payments relative to their 1994 and 1995 rolls. The original application for the fourth Attainment Aid payment was not filed by the due date of July 1, 1994; Chapter 407 allows the application to be filed until October 1, 1998.

2. Village of Port Byron Ratifying Act

Chapter 326 legalizes the acts and proceedings of the board of trustees of the Village of Port Byron, Cayuga County, with regard to the late filing of its 1997 Local Law No. 2 to terminate its assessing unit status. Under this legislation, the Village of Port Byron's levying of its 1998-99 tax on the Village portion of the Town of Mentz roll is ratified notwithstanding that the Village filed 1997 Local Law No. 2 with the Secretary of State after January 1, 1998, its former taxable status date. Similar validating acts have been passed previously (L.1990, c.552 [Village of Lancaster]; L.1992, c.381 [Village of Bath]; L.1995, c.638 [Village of Vernon]).

3. Neversink Gorge

Senate Bill Number 7759, if approved by the Governor, would make certain State lands taxable for all purposes. (Although the bill has passed both houses, as of this writing it has not

been delivered to the Governor). The lands to which this bill would apply are within the Neversink Gorge area of the Towns of Forestburgh, Thompson and Mamakating in Sullivan County. It would also permit the Commissioner of the Department of Environmental Conservation to enter into an agreement with a private individual for the exchange of real property in the area.

4. Sterling Forest

In the Summary of 1997 Legislation (p.6), it was reported that a bill had passed both houses to facilitate the Sterling Forest acquisition by requiring the State to pay taxes for all purposes on State lands in the Towns of Monroe and Warwick in Orange County acquired by the Palisades Interstate Park Commission for public use (1997 Senate Bill No.5450). However, at the time that publication went to press, there had not yet been an official indication as to whether the bill had been signed by the Governor. It was subsequently announced that this bill was signed, becoming Chapter 660 of the Laws of 1997. An Approval Message was also issued in conjunction with the bill, a copy of which appears in Section V of this publication.

V. GOVERNOR'S APPROVAL AND DISAPPROVAL MEMORANDA

A. Approval Memoranda

1. Disasters and Interest-Free Tax Payment Period (c.15; Message #2)
2. Tug Hill Conservation Easements (c.419; Message #21)
3. Agricultural Property Tax Credit and Land Contracts (c.315, Message #32)
4. Sterling Forest (L.1997, c.660; 1997 Message #87)

B. Disapproval Memorandum

1. Homeowners' Associations (S.7767, Veto #1401)

V. LEGISLATIVE STATUS CHART

See Legislative Status Chart published online.

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