



Legislation Text

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Int. No. 377

By Council Members Borelli and Vernikov

A Local Law to amend the administrative code of the city of New York, in relation to establishing a real property tax exemption for Cold War veterans

Be it enacted by the Council as follows:

Section 1. Part 1 of subchapter 2 of chapter 2 of title 11 of the administrative code of the city of New York is amended by adding a new section 11-245.76 to read as follows:

§11-245.76 Exemption for Cold War veterans. a. Definitions. As used in this section, the following terms have the following meanings:

Active duty. The term "active duty" means full-time duty in the United States armed forces, other than active duty for training.

Armed forces. The term "armed forces" means the United States army, navy, marine corps, air force, and coast guard.

Cold War veteran. The term "Cold War veteran" means a person, male or female, who served on active duty in the United States armed forces, during the time period from September 2, 1945 to December 26, 1991, and was discharged or released therefrom under honorable conditions.

Latest class ratio. The term "latest class ratio" means the latest final class ratio established by the state board pursuant to title one of article 12 of the real property tax law for use in a special assessing unit as defined in section 1801 of the real property tax law.

Qualified owner. The term "qualified owner" means a Cold War veteran, the spouse of a Cold War

veteran, or the unremarried surviving spouse of a deceased Cold War veteran. Where property is owned by more than one qualified owner, the exemption to which each is entitled may be combined. Where a veteran is also the unremarried surviving spouse of a veteran, such person may also receive any exemption to which the deceased spouse was entitled.

Qualified residential real property. The term "qualified residential real property" means property owned by a qualified owner which is used exclusively for residential purposes; provided, however, that in the event that any portion of such property is not used exclusively for residential purposes, but is used for other purposes, such portion shall be subject to taxation and only the remaining portion used exclusively for residential purposes shall be subject to the exemption provided by this section. Such property shall be the primary residence of the Cold War veteran or the unremarried surviving spouse of a Cold War veteran, unless the Cold War veteran or unremarried surviving spouse is absent from the property due to medical reasons or institutionalization.

Service connected. The term "service connected" means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty on active military, naval or air service.

b. Amount of Exemption; Limitations. 1. Qualifying residential real property shall be exempt from taxation to the extent of 15 percent of the assessed value of such property; provided however, that such exemption shall not exceed \$39,000 or the product of \$39,000 multiplied by the latest class ratio, whichever is less.

2. In addition to the exemption provided by paragraph 1 of this subdivision, where the Cold War veteran received a compensation rating from the United States department of veterans affairs or from the United States department of defense because of a service connected disability, qualifying residential real property shall be exempt from taxation to the extent of the product of the assessed value of such property, multiplied by 50

percent of the Cold War veteran disability rating; provided, however, that such exemption shall not exceed \$130,000, or the product of \$130,000 multiplied by the latest class ratio, whichever is less.

3. If a Cold War veteran receives the exemption under section 11-245.45 or 11-245.5, the Cold War veteran shall not be eligible to receive the exemption under this section.

4. The exemption from taxation provided by this subdivision shall be applicable to the city of New York *ad valorem* taxes, but shall not be applicable to taxes levied for school purposes.

5. The exemption provided by paragraph 1 of this subdivision shall be granted for a period of 10 years. The commencement of such 10 year period shall be governed pursuant to this paragraph. Where a qualified owner owns qualifying residential real property on the effective date of the local law that added this section, such 10 year period shall be measured from the assessment roll prepared pursuant to the first taxable status date occurring on or after such effective date. Where a qualified owner does not own qualifying residential real property on the effective date of the local law that added this section, such 10 year period shall be measured from the assessment roll prepared pursuant to the first taxable status date occurring at least 60 days after the date of purchase of qualifying residential real property; provided, however, that should the Cold War veteran apply for and be granted an exemption on the assessment roll prepared pursuant to a taxable status date occurring within 60 days after the date of purchase of residential real property, such 10 year period shall be measured from the first assessment roll in which the exemption occurs. If, before the expiration of such 10 year period, such exempt property is sold and replaced with other residential real property, such exemption may be granted pursuant to this subdivision for the unexpired portion of the 10 year exemption period.

c. Application. Application for exemption shall be made by the owner, or all of the owners, of the property on a form prescribed by the state board. Such form shall be furnished by the department of finance and shall be filed at the department of finance on or before the fifteenth of March. The exemption shall continue in full force and effect for all appropriate subsequent tax years and the owner or owners of the

property shall not be required to refile each year. Applicants shall be required to refile on or before the taxable status date if the percentage of disability percentage increases or decreases or may refile if other changes have occurred which affect qualification for an increased or decreased amount of exemption. Any applicant convicted of willfully making any false statement in the application for such exemption shall be subject to the penalties prescribed in the penal law.

d. Real property held in trust. Notwithstanding any other provision of law to the contrary, the provisions of this section shall apply to any real property held in trust solely for the benefit of a person or persons who would otherwise be eligible for a real property tax exemption, pursuant to this section, were such person or persons the owner or owners of such real property.

e. Cooperative corporations. 1. For the purposes of this section, title to the portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides and which is represented by his or her share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation, including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.

2. Provided that all other eligibility criteria of this section are met, that proportion of the assessment of such real property owned by a cooperative apartment corporation determined by the relationship of such real property vested in such tenant-stockholder to such real property owned by such cooperative apartment corporation in which such tenant-stockholder resides shall be subject to exemption from taxation pursuant to this section and any exemption so granted shall be credited by the department of finance against the assessed valuation of such real property; the reduction in real property taxes realized thereby shall be credited by the cooperative apartment corporation against the amount of such taxes otherwise payable by or chargeable to such tenant-stockholder.

3. Notwithstanding paragraph two of this subdivision, a tenant-stockholder who resides in a dwelling that is subject to the provisions of article 2, 4, 5 or 11 of the private housing finance law shall not be eligible for an exemption pursuant to this section.

§ 2. This local law takes effect immediately.

Session 12

AV
LS 585
5/2/2022

Session 11

RKC
LS #2665, 3615, 3923, 4150, 5800
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