

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1996**

No. 1

Introduced by the Speaker (Council Member Vallone) and Council Members Harrison, Pinkett, Robles, Eristoff, McCaffrey, DiBrienza, Leffler, Dear, Malave-Dilan, Duane, Freed, Henry, Koslowitz, Lasher, Linares, Michels, Pagan, Powell IV, Rosado, Ruiz, Sabini, Watkins, Weiner, Cruz, Abel, Albanese, Clarke, Eisland, Eldridge, Fields, Fisher, Foster, Marshall, O'Donovan, Povman, Robinson, White, Berman, DeMarco, Rivera, Spigner, Warden, Williams, Wooten, Ognibene, Stabile, Fusco and the Public Advocate (Mr. Green) (in conjunction with the Mayor).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to increasing to \$20,000 the maximum income level qualifying for exemption from rent increases granted to certain senior citizens, in relation to reducing the length of time for which certain senior owners of real property shall be required to have held title to such property for eligibility for partial exemptions from real property taxation, and in relation to expanding the grant of partial exemptions from real property taxation to certain senior citizens residing in cooperative apartments.

Be it enacted by the Council as follows:

Section 1. Subparagraph (ii) of paragraph (2) of subdivision m of section 26-405 of the administrative code of the city of New York, as amended by local law number 96 for the year 1992, is amended to read as follows:

(ii) The aggregate disposable income (as defined by regulation of the department for the aging) of all members of the household residing in the housing accommodation does not exceed [sixteen] *twenty* thousand [five hundred] dollars per year, after deduction of federal, state and city income and social security taxes. For purposes of this subdivision, "aggregate disposable income" shall not include increases in benefits accorded pursuant to the social security act which take effect after the date of eligibility of a head of the household receiving benefits under this subdivision whether received by the head of the household or any other member of the household; and

§2. Paragraph (5) of subdivision m of section 26-405 of such code, as amended by local law number 96 for the year 1992, is amended to read as follows:

(5) A rent exemption order shall be issued to each tenant who applies to the New York [City] *city* department for the aging in accordance with its regulations and who is found to be eligible under this subdivision. Such order shall take effect on the first day of the first month after receipt of such application, except that where the aggregate

disposable income of all members of the household residing in the housing accommodation is greater than five thousand dollars per year but does not exceed [sixteen] *twenty* thousand [five hundred] dollars per year pursuant to subparagraph (ii) of paragraph two of subdivision m of this section on orders issued on applications received before July first, nineteen hundred seventy-five, the effective date of such order shall be the later of (1) June [thirty] *thirtieth*, nineteen hundred seventy-four or (2) the last day of the month in which a person becomes an eligible head of household in the housing accommodation in which such person resides at the time of filing the most recent application for a rent exemption order; and further, except that where any other application has been received within ninety days of the issuance of the order increasing the tenant's maximum rent pursuant to paragraph three, four or six of subdivision (a) of this section, or subparagraph (a), (b), (c), or (1) of paragraph (1) of subdivision (g) of this section or pursuant to court order, whichever is later, the rent exemption order shall without further order take effect as of the effective date of said order increasing the tenant's rent including any retroactive increments collectible pursuant to such orders.

§3. Subparagraph (ii) of paragraph (2) of subdivision b of section 26-509 of such code, as amended by local law number 96 for the year 1992, is amended to read as follows:

(ii) the aggregate disposable income (as defined by regulation of the department for the aging) of all members of the household residing in the housing accommodation does not exceed [sixteen] *twenty* thousand [five hundred] dollars per year, after deduction of federal, state and city income and social security taxes. For purposes of this subdivision, "aggregate disposable income" shall not include increases in benefits accorded pursuant to the social security act which take effect after the eligibility date of a head of the household receiving benefits under this section whether received by the head of the household or any other member of the household.

§4. Subdivision d of section 26-601 of such code, as amended by local law number 96 for the year 1992, is amended to read as follows:

d. "Eligible head of the household" means a person or his or her spouse who is sixty-two years of age or older and is entitled to the possession or to the use and occupancy of a dwelling unit, provided, however, *that* with respect to a dwelling which was subject to a mortgage insured or initially insured by the federal government pursuant to section two hundred thirteen of the national housing act, as amended, "eligible head of the household" shall be limited to that person or his or her spouse who was entitled to possession or the use and occupancy of such dwelling unit at the time of termination of such mortgage, and whose income when combined with the income of all other members of the household, does not exceed [sixteen] *twenty* thousand [five hundred] dollars for the taxable period.

§5. Paragraph (b) of subdivision 3 of section 11-245.3 of such code, as added by local law number 8 for the year 1992, is amended to read as follows:

(b) unless the title of the property shall have been vested in the owner or one of the owners of the property for at least [twenty-four] *twelve* consecutive months prior to the date of making application for exemption, provided, however, that in the event of the death of either husband or wife in whose name title of the property shall have been vested at the time of death and then becomes vested solely in the survivor by virtue of devise by or descent from the deceased husband or wife, the time of ownership of the property by the deceased husband or wife shall be deemed also a time of ownership by the survivor and such ownership shall be deemed continuous for the purposes of computing such period of [twenty-four] *twelve* consecutive months, and provided further, that in the event of a transfer by either husband or wife to the other spouse of all or part of the title to the property, the time of ownership of the property by the transferer spouse shall be deemed

also a time of ownership by the transferee spouse and such ownership shall be deemed continuous for the purposes of computing such period of [twenty-four] *twelve* consecutive months, and provided further, that where property of the owner or owners has been acquired to replace property formerly owned by such owner or owners and taken by eminent domain or other involuntary proceeding, except a tax sale, and where a residence is sold and replaced with another within one year and both are within the state, the period of ownership of the former property shall be combined with the period of ownership of the property for which application is made for exemption and such periods of ownership shall be deemed to be consecutive for purposes of this section. Where the owner or owners transfer title to property which as of the date of transfer was exempt from taxation under the provisions of this section, the reacquisition of title by such owner or owners within nine months of the date of transfer shall be deemed to satisfy the requirement of this paragraph that the title of the property shall have been vested in the owner or one of the owners for such period of [twenty-four] *twelve* consecutive months. Where, upon or subsequent to the death of an owner or owners, title to property which as of the date of such death was exempt from taxation under such provisions, becomes vested, by virtue of devise or descent from the deceased owner or owners, or by transfer by any other means within nine months after such death, solely in a person or persons who, at the time of such death, maintained such property as a primary residence, the requirement of this paragraph that the title of the property shall have been vested in the owner or one of the owners for such period of [twenty-four] *twelve* consecutive months shall be deemed satisfied;

§6. Section 11-245.3 of such code is amended by adding a new subdivision 10 to read as follows:

10. For the purposes of this section, title to that 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, except for any portion of such real property that is a "dwelling unit" as defined in section 26-601 of the code, be deemed to be vested in such tenant-stockholder. That proportion of the assessment of real property owned by a cooperative apartment corporation, determined by the relationship of such real property vested in such tenant-stockholder to such entire parcel and the buildings thereon 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. Each cooperative apartment corporation shall notify each tenant-stockholder thereof in residence of such provisions as are set forth in this section. This subdivision shall apply to assessment rolls prepared on the basis of taxable status dates occurring on or after January 1, 1996.

§7. This local law shall take effect immediately; provided, however, that the amendment of section 11-245.3 of the administrative code of the city of New York by section five of this local law shall take effect on January 1, 1996 and shall apply to assessment rolls prepared on the basis of taxable status dates occurring on or after January 1, 1996; and, provided, further, that the amendment of section 11-245.3 of such code by section six of this local law shall take effect on any effective date hereinafter authorized by the state legislature; and, provided, further, that the amendment of subparagraph (ii) of

paragraph (2) of subdivision m of section 26-405 of such code by section one of this local law, the amendment of paragraph (5) of subdivision m of section 26-405 of such code by section two of this local law, the amendment of subparagraph (ii) of paragraph (2) of subdivision b of section 26-509 of such code by section three of this local law, and the amendment of subdivision d of section 26-601 of such code by section four of this local law shall each be retroactive to and shall be deemed to have been in full force and effect on and after August 2, 1995. Notwithstanding any other provisions of the administrative code of the city of New York, any person who on or after August 2, 1995 through the date of enactment of this local law would have been eligible for a rent increase exemption order pursuant to such code but for the fact that his or her income exceeded the income limitation of sixteen thousand, five hundred dollars in effect before the enactment of this local law, and who as a result of the enactment of this local law increasing the maximum income limitation to twenty thousand dollars is eligible for such order on or after August 2, 1995 through the date of enactment of this local law may file an application for such order within ninety days of the enactment of this local law. Any such rent increase exemption order issued to such applicant shall be effective as of that date on or after August 2, 1995 through the date of enactment of this local law upon which such person would have been eligible for such rent increase exemption order but for the fact that his or her income exceeded the income limitation of sixteen thousand, five hundred dollars in effect before the enactment of this local law.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 20, 1995, and approved by the Mayor on January 12, 1996.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 1996, Council Int. No. 597-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 20, 1995: 46 for, 0 against.

Was approved by the Mayor on January 12, 1996.

Was returned to the City Clerk on January 16, 1996.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel