

**STATE OF NEW YORK**

5717

2011-2012 Regular Sessions

**IN SENATE**

June 13, 2011

Introduced by Sen. GOLDEN -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the real property tax law, in relation to the determination of adjusted base proportions in special assessing units which are cities for the fiscal year 2012

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 1803-a of the real property tax  
2 law is amended by adding a new paragraph (w) to read as follows:

3 (w) Notwithstanding the provisions of paragraph (c) of this subdivi-  
4 sion to the contrary, in a special assessing unit which is a city and  
5 for current base proportions to be determined in such special assessing  
6 unit's fiscal year two thousand twelve, the current base proportion of  
7 any class shall not exceed the adjusted base proportion or adjusted  
8 proportion, whichever is appropriate, of the immediately preceding year  
9 by more than two and a half percent. Where the computation performed  
10 pursuant to paragraph (b) of this subdivision would otherwise produce  
11 such result, the current base proportion of such class or classes shall  
12 be limited to a two and a half percent increase and the legislative body  
13 of such special assessing unit shall alter the current base proportion  
14 of any or all remaining classes so that the sum of the current base  
15 proportions equals one.

16 § 2. In the event the special assessing unit which is a city has sent  
17 out real property tax bills for its fiscal year 2012 before this act  
18 shall have become a law, the city shall take such actions as are neces-  
19 sary, consistent with applicable state and local law, to effect the  
20 provisions of section one of this act, including, but not limited to,  
21 revising the current base proportions and adjusted base proportions,  
22 resetting the real property tax rates and sending amended real property  
23 tax bills. Provided, however, that nothing herein shall be deemed to  
24 affect the obligation of any taxpayer with respect to the payment of any

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD13046-01-1

S. 5717

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1 installment of real property tax for such fiscal year which was due and  
2 payable prior to the date such amended real property tax bills are sent;  
3 for this purpose, such obligations shall be determined in accordance  
4 with the applicable provisions of law that were in effect immediately  
5 prior to the effective date of this act, and such city shall be author-  
6 ized to determine the date on which amended bills are to be sent and the  
7 installments of real property tax which are to be reflected therein.

8 § 3. This act shall take effect immediately.

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**NEW YORK STATE SENATE  
INTRODUCER'S MEMORANDUM IN SUPPORT  
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S5717

SPONSOR: GOLDEN

TITLE OF BILL:

An act to amend the real property tax law, in relation to the determination of adjusted base proportions in special assessing units which are cities for the fiscal year 2012

SUMMARY OF PROVISIONS:

This bill would amend section 1803-a of the Real Property Tax Law to cap the maximum class growth rate at two and a half percent for fiscal year 2012.

JUSTIFICATION:

State law requires New York City to adopt class shares based on rates calculated by the State Board of Real Property Services (SBRPS) in order to distribute the tax levy among the four classes of real property. This year the State Board's class equalization rates would cause the tax burden on property tax class one, comprised one-, two-, and three-family homes, to dramatically increase.

This bill is designed to provide relief for the residential property tax class one. The "uncapped" current base proportions of class one would grow by nearly 12 percent from fiscal year 2011, under the State Board's calculations. Currently, State law provides that the current base proportion of anyone class may not exceed the adjusted base proportion for that class from the prior year by more than five percent. This legislation would adjust that rule, for one year only, to cap the maximum class growth at 2.5 percent for New York City. The effect of this change would be to reduce the amount by which the current base proportions for class one is allowed to grow, resulting in citywide savings of about \$98 for a typical owner of a class one single family home. This legislation would have a net effect of zero on the tax bills of owners of class two, comprised of multi-family co-operative, condominium, and rental apartments. Their class share increase is small this year, 1.7 percent.

Failure to enact this legislation would leave the City Council no option but to adopt the SBRPS formula for establishing class shares. In that case, the estimated tax rate increase for class one would be about 7.7% and would cause significant increases in the tax bills for residential homeowners. The tax rate increase for class one, resulting from SBRPS procedures is avoidable only through passage of this legislation.

FISCAL IMPLICATION:

There would be zero impact on expenditures and revenues as a result of this legislation.

EFFECTIVE DATE:  
Immediately.

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**STATE OF NEW YORK**

8286

2011-2012 Regular Sessions

**IN ASSEMBLY**

June 10, 2011

Introduced by M. of A. FARRELL -- read once and referred to the Committee on Ways and Means

AN ACT to amend the real property tax law, in relation to the determination of adjusted base proportions in special assessing units which are cities for the fiscal year 2012

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 1803-a of the real property tax  
2 law is amended by adding a new paragraph (w) to read as follows:

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5 for current base proportions to be determined in such special assessing  
6 unit's fiscal year two thousand twelve, the current base proportion of  
7 any class shall not exceed the adjusted base proportion or adjusted  
8 proportion, whichever is appropriate, of the immediately preceding year  
9 by more than two and a half percent. Where the computation performed  
10 pursuant to paragraph (b) of this subdivision would otherwise produce  
11 such result, the current base proportion of such class or classes shall  
12 be limited to a two and a half percent increase and the legislative body  
13 of such special assessing unit shall alter the current base proportion  
14 of any or all remaining classes so that the sum of the current base  
15 proportions equals one.

16 § 2. In the event the special assessing unit which is a city has sent  
17 out real property tax bills for its fiscal year 2012 before this act  
18 shall have become a law, the city shall take such actions as are neces-  
19 sary, consistent with applicable state and local law, to effect the  
20 provisions of section one of this act, including, but not limited to,  
21 revising the current base proportions and adjusted base proportions,  
22 resetting the real property tax rates and sending amended real property  
23 tax bills. Provided, however, that nothing herein shall be deemed to  
24 affect the obligation of any taxpayer with respect to the payment of any

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LBD13046-01-1

A. 8286

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1 installment of real property tax for such fiscal year which was due and  
2 payable prior to the date such amended real property tax bills are sent;  
3 for this purpose, such obligations shall be determined in accordance  
4 with the applicable provisions of law that were in effect immediately  
5 prior to the effective date of this act, and such city shall be author-  
6 ized to determine the date on which amended bills are to be sent and the  
7 installments of real property tax which are to be reflected therein.  
8 § 3. This act shall take effect immediately.

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**NEW YORK STATE ASSEMBLY  
MEMORANDUM IN SUPPORT OF LEGISLATION  
submitted in accordance with Assembly Rule III, Sec 1(f)**

**BILL NUMBER:** A8286

**SPONSOR:** Farrell

**TITLE OF BILL:** An act to amend the real property tax law, in relation to the determination of adjusted base proportions in special assessing units which are cities for the fiscal year 2012

**SUMMARY OF PROVISIONS:** This bill would amend section 1803-a of the Real Property Tax Law to cap the maximum class growth rate at two and a half percent for fiscal year 2012.

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State law requires New York City to adopt class shares based on rates calculated by the State Board of Real Property Services (SBRPS) in order to distribute the tax levy among the four classes of real property. This year the State Board's class equalization rates would cause the tax burden on property tax class one, comprised one-, two-, and three-family homes, to dramatically increase.-

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**FISCAL IMPLICATION:** There would be zero impact on expenditures and revenues as a result of this legislation.

**EFFECTIVE DATE:** Immediately.

