

**The Council of the City of New York**

**Finance Division**

**Preston Niblack, Director**

**jeff rodus, first deputy director**

**Fiscal Impact Statement**

**Intro.:** **1064**

**Committee: Finance**

**Title:** A LOCAL LAW to amend the administrative code of the city of New York, in relation to the transfer of the alternative exemption for veterans upon the purchase of real property after the taxable status date in accordance with section four hundred fifty-eight-a of the real property tax law.

**Sponsor:** Council Member Ignizio, The Speaker (Council Member Quinn), Recchia, Oddo, Arroyo, Chin, Comrie, Dickens, Eugene, Fidler, Koo, Lander, Palma, Richards, Vann and Halloran

**Summary of Legislation:** This legislation would add a new section 11-245.9 to the Administrative Code of the City of New York to allow a property owner who receives an exemption under section 458-a of the New York State Real Property Tax law (also known as the alternative veteran’s exemption), to transfer that exemption when they sell and buy a new home and to have that transfer effective and prorated to the date the owner obtains title to the new home. Currently, the transfers are only effective at the beginning of the next fiscal year for which the Department of Finance is accepting new exemption applications. In some cases, that may mean the property owner would have to wait over a full calendar year to receive the benefit on the new property.

**Effective Date:** This legislation would take effect immediately and shall apply to assessment rolls prepared on the basis of taxable status dates occurring on or after January 1, 2014.

**Fiscal Year in Which Full Fiscal Impact Anticipated:** Fiscal 2015

**Fiscal Impact Statement:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Effective FY14** | **FY Succeeding**  **Effective FY15** | **Full Fiscal**  **Impact FY15** |
| **Revenues (+)** | **$0** | ***De minims*** | ***De minims*** |
| **Expenditures (-)** | **$0** | **$0** | **$0** |
| **Net** | **$0** | ***De minims*** | ***De minims*** |

**Impact on Revenues:** There will be a de minims impact on revenues as the number of properties to be impacted is expected to be small. While some of the transfers will be to higher value properties (resulting in higher values of exemption) as some homeowners move up, it is expected that a number of owners will be downsizing their home in the transfer, meaning that on average, there is minimal expected value change when an exemption is transferred.

**Impact on Expenditures:** The Department of Finance will handle the transfers with existing resources, so there is no expected impact on expenditures as a result of enactment of this legislation.

**Source of Funds To Cover Estimated Costs:** N/A

**Source of Information:** New York City Mayor’s Office of Legislative Affairs

New York City Office of Management and Budget

New York City Council Finance Division

**Estimate Prepared By:** Emre Edev, Senior Legislative Financial Analyst, Revenue

City Council Finance Division

**Estimate Reviewed By:** Raymond Majewski, Chief Economist/Deputy Director, Revenue, City Council Finance Division

Tanisha Edwards, Chief Counsel, Finance Division, City Council Finance Division

**Date Submitted to Council:** June 12, 2013

**History:** Introduced as Intro. 1064by the Council on June 12, 2013 and referred to the Committee on Finance. The legislation will be considered by the Committee on July 24, 2013 and upon successful vote, the bill would be submitted to the full Council for a vote.