



Legislation Text

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Res. No. 606

Resolution calling upon the Governor and the State Legislature to increase the maximum exemption allowable, as well as the income limits, under the Senior Citizen Homeowner real property tax exemption to mitigate the effects of the recent property tax increase on seniors with lower-to-moderate incomes.

By Council Members McMahon, Addabbo, Baez, Clarke, Felder, Fidler, Gennaro, Gerson, Gioia, Jackson, Jennings, Katz, Liu, Lopez, Martinez, Nelson, Quinn, Recchia, Reed, Reyna, Rivera, Sanders, Sears, Stewart, Vann, Weprin, Yassky, Brewer and Lanza; also Council Members Koppell, Provenzano and Seabrook

Whereas, Currently, section 467 of the State Real Property Tax Law authorizes the City to provide a Senior Citizen Homeowner Exemption to the real property tax for lower income seniors who own and occupy their homes; and

Whereas, The maximum exemption allowable under the State law authorizing the exemption is 50% of the assessed valuation of the real property, and this full 50% exemption is only authorized for seniors whose annual incomes do not exceed \$21,500; and

Whereas, The State law also authorizes exemptions of less than 50% on a sliding scale for seniors whose annual incomes are between \$21,500 and \$29,900; and

Whereas, Pursuant to the State law, a senior citizen homeowner whose annual income is \$29,899 could only qualify for a 5% exemption and one whose annual income is \$29,900 or more could not qualify for any exemption; and

Whereas, The City's Administrative Code provides City seniors with a Senior Citizen Homeowner Exemption and with the enactment of Int. No. 265 into law will provide the exemption to the maximum extent allowable under State law; and

Whereas, On November 25, 2002, facing the loss of \$3 billion in revenues as a result of the September 11th terrorist attacks and a \$1 billion budget deficit for Fiscal 2003 as well as a projected deficit exceeding \$6 billion looming in Fiscal 2004, the Mayor requested, and the Council enacted a substantial property tax increase necessary to balance the City's budget; and

Whereas, This property tax increase will be especially difficult for lower and moderate income seniors who may live on fixed incomes and face substantially increasing costs in other critical necessities such as health care; and

Whereas, An increase in the maximum allowable exemption from 50% to 75% of the assessed valuation of the home and an increase of approximately 30% in the income limits for the full as well as partial exemptions - allowing a senior with an annual income of up to approximately \$39,000 to qualify for some level of exemption, all of which would be greater than the current levels -- would mitigate the effects of the tax increase on low and moderate income seniors, and ensure that they are able to maintain ownership of their homes; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Governor and the State Legislature to increase the maximum exemption allowable, as well as the income limits, under the Senior Citizen Homeowner real property tax exemption to mitigate the effects of the recent property tax increase on seniors with lower-to-moderate incomes.

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