



NEW YORK STATE SENATOR

Pete Harckham

Harckham, Abinanti Real Property Tax Exemption Task Force Signed into Law

PETE HARCKHAM June 21, 2021

| ISSUE: **REAL PROPERTY TAXES, PROPERTY TAX EXEMPTIONS, SD 40, SENATOR HARCKHAM, REAL PROPERTY TAX EXEMPTION TASK FORCE**



Albany, NY – New York State Senator Pete Harckham and Assemblymember Tom Abinanti announced today that their legislation ([S.905](#) / [A.971](#)) regarding the creation of a property tax exemption task force has been signed into law by Governor Andrew M. Cuomo. The new law actually amends a 2020 law directing the state to study and prepare a report on existing real property tax exemption laws with an idea of reevaluating the status of certain properties

that presently are off the tax rolls.

“A careful analysis of property tax exemptions and whether they should be continued or not is long overdue,” said Harckham. “Plus, the economic challenges we are facing make it more necessary to see whether we can make property taxes fairer and more equitable. The findings of a Real Property Tax Exemption Task Force may very well end up resulting in certain changes and thus increased tax revenue. This is a big step forward for taxpayers, and Governor Cuomo deserves our thanks for promptly signing this legislation.”

“Information is the keystone to fair taxation,” said Abinanti. “The task force’s job is to report on whether our real property tax system is unfairly benefiting different types of uses to the detriment of our residents. A review is long overdue of our age-old property tax system into which numerous inequities have crept.”

According to a research brief issued several years ago by the Office of the New York State Comptroller, Division of Local Government and School Accountability, the full market value of all real property in New York State was estimated at \$2.5 trillion. Of this, about \$826 billion—about 33%—was exempt from one or more types of local government or school district taxes.

Since the issue of the report, tax exemptions have continued to be granted across the state. These real property tax exemptions are provided to a wide array of entities from government properties to profitable businesses and corporations, even very big healthcare operations that are technically nonprofits but have yearly balance sheets of hundreds of millions of dollars. These taxes are shifted to other taxpayers, most notably increasing the already high tax burden of homeowners and small businesses.

Information and data the Real Property Tax Exemption Task Force will gather for study and a report will include:

- * the types and classifications of New York real properties that can and have been granted tax exemptions;

- * the number of each type and classification of real property granted a partial exemption and the number granted a full exemption and the total value of each;

- * the process by which each type and classification has been or can be granted a tax exemption;

- * the types and classifications of real property, if any, required by federal law to be given a tax exemption;

- * the number of real properties that have been given tax exemptions by industrial development agencies or local development corporations and the total value of these tax exemptions; and

- * recommendations as to whether the types and classifications permitting such tax exemptions should be continued or reformed.

Amendments to the 2020 law include removing the Commissioner of Taxation and finance from the Task Force and increasing membership to nine people from seven. The Task Force members will now include the Comptroller and Attorney General (or their designees); two persons appointed by the Temporary President of the Senate; one person appointed by the Minority Leader of the Senate; two persons appointed by the Speaker of the Assembly; one person appointed by the Minority Leader of the Assembly; and the president of the New York State Assessors Association (or a designee). All appointees to the task force need to be

made no later than thirty days after the effective date of the law's enactment, and vacancies will be filled by the appointing authority.

Also, the new law asks the state department of Taxation and Finance to gather data for the Task Force from assessment rolls and assessors' reports and convey it to the Task Force in accordance with standards outlined in the New York State Open Data Handbook.

RELATED LEGISLATION

2021-S905

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
 - On Floor Calendar Senate
- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
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Relates to the establishment of the real property tax exemption task force

January 05, 2021

Signed by Governor

Sponsored by **Pete Harckham**

Do you support this bill?