



NEW YORK STATE SENATOR

Pete Harckham

New Law Sponsored by Harckham Will Study Real Property Tax Exemptions

PETE HARCKHAM December 3, 2020

| ISSUE: **PROPERTY TAX EXEMPTION, REAL PROPERTY TAXES, TAX FAIRNESS**



Albany, NY – New York State Senator Pete Harckham announced today his legislation (S.3679A) to create a property tax exemption task force has been signed into law by Governor Andrew M. Cuomo. The new law directs the state's Department of Taxation and Finance to study and prepare a report on existing real property tax exemption laws with an idea that some exemptions may need to be reevaluated.

“Residents, school districts and municipalities across the state will benefit from the new Real Property Tax Exemption Task Force, and I thank Governor Cuomo for signing this legislation,” said Harckham. “A purposeful examination of property tax exemptions and whether they should be continued or not is long overdue. The economic challenges we currently face make it even more necessary that we ensure that everyone is paying their fair share of property taxes.”

According to a research brief issued eight 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, such as the National Football League. These taxes are shifted to other taxpayers, most notably increasing the already high tax burden of homeowners and small businesses.

The purpose of the Real Property Tax Exemption Task Force will be to study and prepare a report which 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.

The Real Property Tax Exemption Task Force will consist of a total of seven members and include the Commissioner of Taxation and Finance, Comptroller and Attorney General or their designees; one appointee each from the Senate President, Senate Minority Leader, Assembly Speaker and Assembly Minority Leader. 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.

RELATED LEGISLATION

2019-S3679A

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- 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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Establishes a real property tax exemption task force

February 12, 2019

Signed by Governor

Sponsored by **Pete Harckham**

Do you support this bill?