

A 7606 Schimel Same as [S 5145](#) JOHNSON C
Real Property Tax Law
TITLE....Extends the authority for villages to hold
tax lien sales
04/16/09 referred to real property taxation
05/12/09 reported referred to ways and means
05/27/09 reported
05/28/09 advanced to third reading cal.688
06/02/09 passed assembly
06/02/09 delivered to senate
06/02/09 REFERRED TO LOCAL
GOVERNMENT
06/30/09 SUBSTITUTED FOR S5145
06/30/09 3RD READING CAL.670
06/30/09 PASSED SENATE
07/09/09 VOTE RECONSIDERED - RESTORED
TO THIRD READING
07/09/09 REPASSED SENATE
07/09/09 RETURNED TO ASSEMBLY
07/10/09 delivered to governor
07/16/09 signed chap.230

S5145 JOHNSON C Same as [A 7606](#) Schimel
ON FILE: 04/30/09 Villages
TITLE....Extends the authority for villages to hold
tax lien sales
04/27/09 REFERRED TO LOCAL
GOVERNMENT
06/30/09 COMMITTEE DISCHARGED AND
COMMITTED TO RULES
06/30/09 ORDERED TO THIRD READING
CAL.670
06/30/09 SUBSTITUTED BY A7606
A07606 Schimel
04/16/09 referred to real property taxation
05/12/09 reported referred to ways and means
05/27/09 reported
05/28/09 advanced to third reading cal.688
06/02/09 passed assembly
06/02/09 delivered to senate
06/02/09 REFERRED TO LOCAL
GOVERNMENT
06/30/09 SUBSTITUTED FOR S5145
06/30/09 3RD READING CAL.670
06/30/09 PASSED SENATE
07/09/09 VOTE RECONSIDERED - RESTORED
TO THIRD READING
07/09/09 REPASSED SENATE
07/09/09 RETURNED TO ASSEMBLY
07/10/09 delivered to governor
07/16/09 signed chap.230

STATE OF NEW YORK

7606

2009-2010 Regular Sessions

IN ASSEMBLY

April 16, 2009

Introduced by M. of A. SCHIMEL -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend chapter 602 of the laws of 1993 amending the real property tax law relating to the enforcement of the collection of delinquent real property taxes and to the collection of taxes by banks, in relation to the enforcement of the collection of taxes in certain villages

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

1 Section 1. Subdivision (c) of section 6 of chapter 602 of the laws of
2 1993 amending the real property tax law relating to the enforcement of
3 the collection of delinquent real property taxes and to the collection
4 of taxes by banks, as amended by chapter 599 of the laws of 2006, is
5 amended to read as follows:
6 (c) A village which conducted a tax sale in 1993 pursuant to section
7 1454 of the real property tax law is hereby authorized to adopt a local
8 law without referendum, no later than September 1, 1994, providing that
9 the collection of taxes that shall become liens on or after January 1,
10 1995 and on or before December 31, [~~2009~~ 2012] shall be enforced pursu-
11 ant to title 3 of article 14 of the real property tax law, as the same
12 shall have been in effect on the last day preceding the effective date
13 of this act. A copy of such local law shall be filed with the state
14 board of equalization and assessment no later than October 1, 1994.
15 § 2. This act shall take effect immediately and shall be deemed to
16 have been in full force and effect on and after July 26, 1994.

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

LBD11102-01-9

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

BILL NUMBER: A7606

SPONSOR: Schimel

TITLE OF BILL: An act to amend chapter 602 of the laws of 1993 amending the real property tax law relating to the enforcement of the collection of delinquent real property taxes and to the collection of taxes by banks, in relation to the enforcement of the collection of taxes in certain villages

PURPOSE OR GENERAL IDEA OF BILL: To extend for three additional years the authority for villages to hold annual tax lien sales as a means of enforcing collection of delinquent taxes.

SUMMARY OF SPECIFIC PROVISIONS: Amends subdivision (c) of §6 of Chapter 602 of the Laws of 1993, to provide that any village which adopted a local law by September 1, 1994, authorizing such village to continue to enforce unpaid property taxes by tax lien sale, may continue to hold tax lien sales for village taxes which become liens in 2010, 2011 and 2012.

Chapter 602 of the Laws of 1993, which became effective on January 1, 1995, comprehensively reformed the method by which local governments enforce the collection of unpaid real property taxes. Part of that reform included eliminating municipal authority to enforce unpaid taxes via tax lien sales. However, Chapter 602 authorized counties, cities and towns with local charters that included tax enforcement provisions - including tax lien sales - to opt out of the new enforcement system by adopting a local law prior to July 1, 1994. To address the needs of the 165 villages for whom their county does not enforce village taxes, the Legislature then enacted Chapter 532 of the Laws of 1994, amending Chapter 602 to provide that any village using tax lien sales as a means of tax enforcement was authorized to enact a local law retaining the right to continue to hold annual tax lien sales for village taxes that became liens in 1995, 1996 and 1997. This was then extended several times to allow for tax lien sales through 2009. More than 100 villages passed such a local law, and continue to rely upon tax liens sales.

A tax lien sale is NOT the public sale of property, but rather the public sale of the current year's delinquent property taxes on a property. By selling such liens, villages are able to recoup the outstanding delinquent taxes owed the village, including interest penalties and charges.

Additionally, the public notice of the impending sale of tax liens serves to encourage delinquent taxpayers to remit full payment of their property taxes. For many villages, particularly in the downstate region, annual tax lien sales serve as a critical cash flow device. Without such tax lien sales, villages would be required to raise an additional amount of property taxes to cover delinquencies. This bill would allow villages to continue to use tax lien sales for village taxes levied in 2007, 2008 and 2009.

PRIOR LEGISLATIVE HISTORY: New Bill

FISCAL IMPLICATIONS: None to the State. Will enable tax enforcing villages to continue holding tax lien sales to reduce their tax delinquency liability, thereby relieving pressure on the property tax.

EFFECTIVE DATE: This act shall take effect immediately.

LAWS OF NEW YORK, 2009

CHAPTER 230

AN ACT to amend chapter 602 of the laws of 1993 amending the real property tax law relating to the enforcement of the collection of delinquent real property taxes and to the collection of taxes by banks, in relation to the enforcement of the collection of taxes in certain villages

Became a law July 16, 2009, with the approval of the Governor. Passed by a majority vote, three-fifths being present in the Assembly and a majority being present in the Senate.

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

Section 1. Subdivision (c) of section 6 of chapter 602 of the laws of 1993 amending the real property tax law relating to the enforcement of the collection of delinquent real property taxes and to the collection of taxes by banks, as amended by chapter 599 of the laws of 2006, is amended to read as follows:

(c) A village which conducted a tax sale in 1993 pursuant to section 1454 of the real property tax law is hereby authorized to adopt a local law without referendum, no later than September 1, 1994, providing that the collection of taxes that shall become liens on or after January 1, 1995 and on or before December 31, [~~2009~~ 2012] shall be enforced pursuant to title 3 of article 14 of the real property tax law, as the same shall have been in effect on the last day preceding the effective date of this act. A copy of such local law shall be filed with the state board of equalization and assessment no later than October 1, 1994.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after July 26, 1994.

The Legislature of the STATE OF NEW YORK ss:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

MALCOLM A. SMITH
Temporary President of the Senate

SHELDON SILVER
Speaker of the Assembly

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