A BUDGET BILL submitted by the Governor
in accordance with Article VII of the Constitution

AN ACT to amend the real property tax law, in relation to STAR recoupment program

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

Section 1. Subdivision 15 of section 425 of the real property tax law, as added by section 1 of part E of chapter 59 of the laws of 2015, is amended to read as follows:

15. Recoupment of exemptions by commissioner. (a) Generally. If the commissioner should determine, based upon data collected under the STAR registration program, that property improperly received the basic STAR exemption in the current school year or one or more of the three preceding assessment rolls school years, the commissioner shall treat the exemption as an improperly granted exemption and proceed in the manner provided by this subdivision; provided that final assessment rolls that were filed prior to April first, two thousand eleven shall not be subject to the provisions of this subdivision.

(b) Procedure. The tax savings attributable to each such improperly granted exemption shall be collected from the owners whose property improperly received the exemption for the applicable year, together with interest as specified in this subdivision, by utilizing any of the procedures for collection, levy, and lien of personal income tax set forth in article twenty-two of the tax law, any other relevant procedures referenced within the provisions of that article, and any other law as may be applicable, so far as practicable when recouping the exemption amount pursuant to this subdivision, except that:
(i) in order for the recoupment procedure to be considered timely, the notice required by subparagraph (ii) of this paragraph must be mailed no later than three years after the conclusion of the school year for which the exemption in question was granted, or in the case of an exemption that was granted for the two thousand twelve--two thousand thirteen school year, no later than September thirtieth, two thousand sixteen;

(ii) prior to directing that an improperly granted exemption be recouped pursuant to this subdivision, the commissioner shall provide the owners with notice and an opportunity to show the commissioner that the exemption was properly granted. If the owners fail to respond to such notice within forty-five days from the mailing thereof, or if their response does not show to the commissioner's satisfaction that the eligibility requirements were in fact satisfied, the commissioner shall proceed with the recoupment of the improperly granted exemption in accordance with the provisions of this subdivision; and

[(ii)] (iii) notwithstanding the provisions of paragraph (b) of subdivision six of this section, neither an assessor nor a board of assessment review has the authority to consider an objection to the recoupment of an exemption pursuant to this subdivision, nor may such an action be reviewed in a proceeding to review an assessment pursuant to title one or one-A of article seven of this chapter. Such an action may only be challenged before the department. If an owner is dissatisfied with the department's final determination, the owner may appeal that determination to the board in a form and manner to be prescribed by the commissioner. Such appeal shall be filed within forty-five days from the issuance of the department's final determination. If dissatisfied with the board's determination, the owner may seek judicial review thereof pursuant to article seventy-eight of the civil practice law and rules. The
owner shall otherwise have no right to challenge such final determination in a court action, administrative proceeding, including but not limited to an administrative proceeding pursuant to article forty of the tax law, or any other form of legal recourse against the commissioner, the department, the board, the assessor, or any other person, state agency, or local government.

(c) The amount to be recouped for each improperly received exemption shall have interest added at the rate prescribed by section nine hundred twenty-four-a of this chapter or such other law as may be applicable for each month or portion thereof since the levy of school taxes upon such assessment roll.

(d) In the event that a revocation of prior exemption pursuant to subdivision twelve of this section or a voluntary renunciation of the STAR exemption pursuant to section four hundred ninety-six of this [chapter] article has occurred, the provisions of this subdivision shall not be applicable to the exemptions so revoked or voluntarily renounced.

§ 2. This act shall take effect immediately.