

# **State of New York Property Tax Assessments Statutes**

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## **Basis for Property Tax Assessments – Market Value**

All property within an assessing unit, other than in special assessing units (New York City and Nassau County) must be assessed at a uniform percentage of value (Sec. 305, Real Property Tax Law). Property in special assessing units is classified and assessed by formula (Sec. 1802—Sec. 1804, Real Property Tax Law). “Value is not defined in New York statutes or regulations. New York courts have generally held that the standard for tax assessment purposes is the value of property in its current use, not its value at a presumed “highest and best use (see, for example, N.Y. Properties, L.P. v. The Commissioner of Finance & The Tax Commissioner of the City of New York, NY SCt, NY Cty., 210 NYLJ 70, p. 21, 10/8/93). However, vacant land is valued at its market value.

## **Real Property Defined**

Real property includes the following (Sec. 102(12)(a)—(h), Real Property Tax Law):— land, whether above or under water, trees and undergrowth, and minerals, fossils, or quarries below the land’s surface;— buildings and other structures above or below ground, articles and structures affixed to land or other structures, bridges, wharves, and piers and the value of the right to collect wharf age, dockage, or crantage, but not including bulk milk tanks or coolers on a farm to hold milk before shipment or silos located on operating farms used to store livestock feed; — railroads, including all railroad structures, substructures, and superstructures, tracks, branches, switches, and any other authorized or permitted railroad fixture;— telephone and telegraph lines, wires, poles, supports, and enclosures for electrical conductors upon, above, and underground, owned by a telephone company;— lines, wires, poles, supports, and enclosures for electrical conductors upon, above, and underground, not owned by a telephone company, and used in connection with the transmission or switching of electromagnetic voice, video, and data signals between different entities separated by air, street, or other public domain, other than station connections, fire and surveillance alarm system property, property used in the transmission of news wire services, or property used in transmission of news or entertainment radio, television, or cable television signals;— mains, pipes, and tanks on, under, or above a street, used for the transmission of steam, heat, water, oil, electricity, or other property capable of such transmission;— boilers, ventilating



apparatuses, elevators, plumbing, heating, lighting, power generators, shafting other than counter-shafting, and equipment for the distribution of heat, light, power, gases, and liquids (excluding movable machinery or equipment consisting of structures to the operation of which machinery is essential, owned by a corporation subject to the Business Corporation Franchise Tax, used for trade or manufacture, not essential to the support of the building or structure, and removable without material injury thereto); — trailers and mobile homes (excluding recreational vehicles) used for residential, commercial, or office purposes, except those that are within the assessment unit for less than 60 days or unoccupied and for sale; and— special franchises (see “Intangibles”). Oil and gas rights are separately assessed, along with real property associated with the exercise of those rights, including the unextracted oil and gas, as well as equipment, fixtures, pipelines, wells, and related equipment and buildings (Sec. 590 et seq., Real Property Tax Law). Oil and gas rights, and other elements of economic units, are exempt from taxation if the gas produced in the economic unit is collected from a landfill or used to power farm waste energy systems or farm waste electric generating equipment (Sec. 594, Real Property Tax Law). The exemption is applicable to property on assessment rolls based on taxable status dates occurring before 2018.

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**Personal Property Defined**

Exempt.

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**Intangible Property Taxes**

All intangible property is exempt from property taxation, because ad valorem taxation of intangible property is prohibited by the New York State Constitution (Sec. 3, Art. XVI, NY Const.). However, special franchises, that is, franchises, rights, authority, or permission of utilities to construct or use above, in, or under public streets and places, pipes, tanks, conduits, wires, or transformers for conducting water, steam, light, power, electricity, gas, or other substances, are defined as real property and, therefore, are taxable (Sec. 102(17), Real Property Tax Law, Sec. 600, Real Property Tax Law).