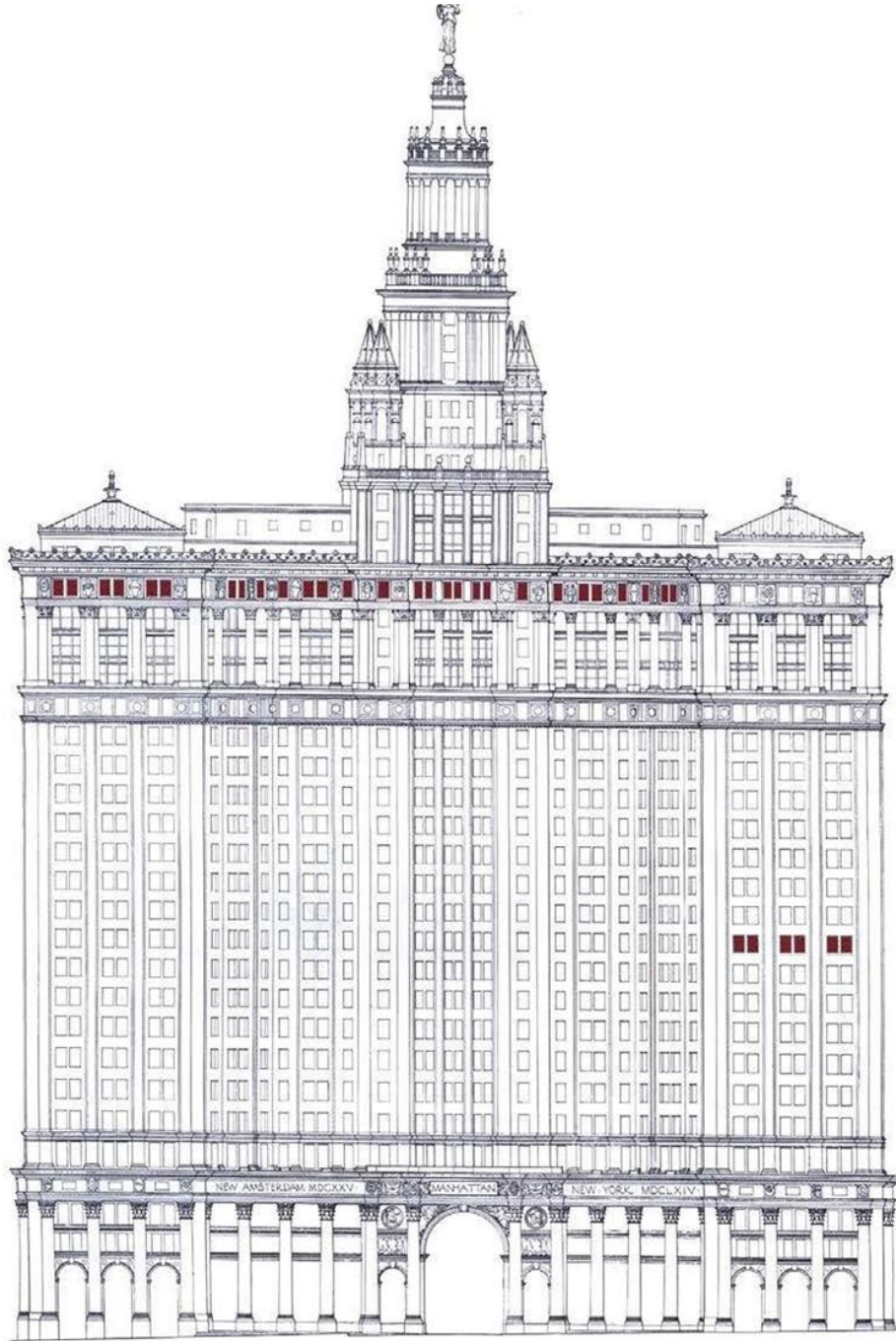


TAX COMMISSION OF THE CITY OF NEW YORK



SCALE 1/8" = 1'-0" FEET
The David N. Dinkins Manhattan Municipal Building
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2023 ANNUAL REPORT

MEMBERS OF THE TAX COMMISSION
2023

Frances J. Henn, President

Gary Bristol
John Heesemann
Bennett Minko
Carlo Silvestri
Kirk P. Tzanides
Vacant

MANAGERIAL STAFF

Director of Operations..... Nelson Sanchez
Special Counsel Leonard Picker
Director of Appraisal & Hearings Louisa Tang
Chief Information Officer Srinivas Vallury

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Introduction

The Tax Commission's 2023 Annual Report is submitted to the Mayor and the City Council pursuant to Section 155 of the Charter of the City of New York.

This report contains information about the Tax Commission and its mission, functions, operations and resources, an overview of the agency's performance, and statistical profiles related to determinations made during calendar year 2023. It also contains a statement of the Tax Commission's 2023 accomplishments and improvements and a summary of plans for 2024.

Mission & Functions

The Tax Commission is the City of New York's independent forum for administrative review of New York City Real Property Tax (RPT) assessments set by the Department of Finance. The Tax Commission's mission is to ensure that determinations of RPT assessment appeals are made effectively, fairly and efficiently. Annual property tax assessments are the basis for the RPT levy, the City's largest single source of tax revenue. There are over one million parcels of real property in the City, generally identified by the borough, block and lot number on the tax maps maintained by the Department of Finance. Each year, the Department of Finance sets tentative assessed values, which are reflected on the tentative assessment roll it publishes in January for the fiscal year beginning the following July 1st. The Department of Finance also mails individual printed notices of the tentative assessed value to the owner (or designee) of each property on or about January 15th.

Under New York State and City law, each property owner¹ has the right to an administrative review of the assessed value of its property. After the Department of Finance publishes the tentative assessment roll, an owner or other party with legal standing who believes the property is incorrectly assessed may seek review by the Tax Commission by filing an application for correction.

¹ By law, certain other parties having an interest in the property who are adversely affected by the assessment, e.g., a tenant of the entire property who pays the RPT for the property, can request a review of the assessment by the Tax Commission in lieu of the property owner.

History

At its inception, the Tax Commission supervised the agency responsible for setting RPT assessments, formerly known as the Tax Department, and later the Real Property Assessment Department. In 1968, the Department of Finance assumed the assessing function as part of a reorganization of City government. In 1984, the Department of Finance was given original jurisdiction to determine applications for exemptions, and the Tax Commission was given authority to review denials of exemptions, completing the separation of the assessment process from the formal assessment review function. Since then, the Tax Commission has served exclusively as an independent administrative review body. In 2007, the City Council amended the New York City Charter (L.L. 59 of 2007) putting both the Tax Commission and the Tax Appeals Tribunal (the agency charged with administrative review of non-property tax notices issued by the Department of Finance) under the umbrella of the Office of Administrative Tax Appeals.

Structure & Resources

The City Charter provides that the Tax Commission consists of a President and six Commissioners appointed by the Mayor to staggered, six-year terms, with the advice and consent of the City Council. The President, as the head of the agency, serves full-time, while the six Commissioners serve part-time. Each member of the Tax Commission must have at least three years of business experience in real estate or real estate law. Additionally, the City Charter requires the Tax Commission to include at least one resident of each borough. Frances J. Henn served as President of the Tax Commission in 2023, having been appointed effective January 7, 2020 for a six-year term ending January 6, 2026. In 2023, one part-time Tax Commissioner position was vacant.

The Tax Commission has fully integrated the New York City Tax Appeals Tribunal professional staff into the process of reviewing Tax Commission applications. This enables the

Tax Commission to manage the increased volume of applications without diminishing the quality of review.

For the 2023/24 tax year filing season, the Office of Administrative Tax Appeals had a staff of 42 full-time employees in addition to the part-time Tax Commissioners and two additional part-time hearing officers, each with more than 20 years of experience in real property valuation at the City Corporation Counsel's Office.² The Office of Administrative Tax Appeals' operating budget for 2023 was \$5,984,923. The Tax Commission's structure and its managerial personnel are presented in the organizational chart included in this report.

The Administrative Review of Property Tax Assessments in New York City

State law divides all real property in the City into four classes for purposes of taxation. Class one includes one-, two- and three-family homes, most residentially-zoned vacant land outside Manhattan and certain condominiums of up to three stories.³ Class two consists of all primarily residential property not in class one. Utility property is in class three. All other nonresidential property is in class four.

Each year, the Department of Finance makes a determination as to the market value of every parcel of property in the five boroughs of New York City. The Department of Finance then calculates an individual assessment for every parcel of property. These assessments are published by the Department of Finance in January and together comprise the tentative assessment roll. Except for properties whose annual assessment increases are limited by law,⁴ the amount of a property's assessed value is a percentage, called the assessment ratio, of the property's market value. The current assessment ratio for class one property is 6%. The assessment ratio for classes two, three and four is 45%. Real property tax exemptions reduce the taxable portion of individual assessed values. Abatements are dollar credits that reduce the amount of RPT owed after they've been calculated.

² The Tax Commission also employs part-time college aides.

³ Certain other small condominiums also are included in class one.

⁴ All class one and certain small class two properties having ten or fewer units.

The tentative assessment roll is subject to modifications until the final assessment roll is published by the Department of Finance on or about May 25th. Thereafter, the City Council sets the annual tax rates for the four tax classes in accordance with statutory requirements involving: the aggregate assessments in each of the four tax classes; the portion of the City's budget to be sustained by the total property tax levy; and the proportion of the total property tax levy to be borne by each of the four property tax classes. The tax imposed on each property for a fiscal year (before abatements) is the product of its assessed value (after exemptions) and the tax rate applicable to its tax class as adopted by the City Council.

In response to the filing of an application for correction of assessment, the Tax Commission will review the following claims: 1) misclassification, i.e., the property is assessed in the wrong tax class for its type and use under the four-class system; 2) excessiveness, including claims that the property did not receive all or a portion of a tax exemption; 3) inequality, i.e., the property's assessed value is set at a higher proportion of market value than that applied to all other properties in the same tax class; and 4) unlawfulness, including claims that the property did not receive a full exemption or the property otherwise was not subject to assessment by the Department of Finance. The RPT rates set by the City Council are not subject to Tax Commission review. The estimated market value determined by the Department of Finance for class one properties and class two properties having fewer than 11 residential units also are not subject to Tax Commission review. The physical description of the property cannot be changed on the records of the Department of Finance although if, as part of a Tax Commission application, an applicant offers evidence of a discrepancy in the physical description, the Tax Commission will ask the Department of Finance to inspect the property to confirm or modify the physical description.

The typical application filed with the Tax Commission seeks a reduction in the amount of the property's assessed value. Challenges to the assessment ratio set by the Department of Finance are rarely raised before the Tax Commission because they require extensive data analysis and are best handled through court proceedings. Therefore, challenges for most properties are limited to disputes over the assessed value as determined by the Department of Finance. Challenges based on a claim of misclassification or eligibility for a full or partial exemption also are common. Applicants can raise more than one type of claim.

The Tax Commission updates and prints application forms each year for use in the administrative review process. The specific forms required to be filed depend on the property's designated tax class and use and the nature of the claim(s) being made. Application forms, instructions, and summaries of applicable procedures may be obtained in person at the Tax Commission's office in Manhattan as well as at the Department of Finance Business Centers in each borough. Forms also are available for download from the Tax Commission's website at www.nyc.gov/taxcommission and are mailed by the Tax Commission on request.

The application forms are designed to elicit information necessary for the Tax Commission's proper determination of the claims raised in the application, including financial information and information about the use and occupancy of the property. By law, financial statements for income-producing properties having an assessed value of \$5 million or more must be accompanied by a certification by a certified public accountant that the accountant has reviewed the financial statement.⁵

In 2023, the filing deadline for applications for review of assessments of properties in tax class one was March 15, 2023; the deadline for filing applications for review of assessments of all other properties was March 1, 2023. To be considered timely, an application must be received at the Tax Commission or a borough office of the Department of Finance by the applicable deadline. The Tax Commission has no authority to waive or extend the deadlines.⁶

The applicant must complete the application according to the printed instructions and sign it with a certification for property in tax class one or sign it before a notary public for property in tax classes two, three and four. All applicants who properly complete, sign and timely file the required application forms receive a review of their claims by the Tax Commission. Resources permitting, a hearing on the claims is granted if requested and the application is eligible for review. The duration of a hearing may be a few minutes in straightforward cases, and up to an hour in particularly complex or unique cases.

⁵ Local Law 42 of 2019 raised the threshold for requiring a CPA's certification from \$1 million to \$5 million effective January 1, 2019. That threshold is subject to adjustment every five years to reflect changes in the assessed values of tax class two and four properties.

⁶ If the Department of Finance issues a notice increasing the assessed value or reducing the amount of an exemption, the property owner can file an application for correction within 20 calendar days after the date of that notice even if the 20th day falls after the deadlines listed above.

When a personal hearing (e.g., virtual, in-person) is not requested, or when resource allocations require it, applications are determined on the papers (i.e., documented information) submitted. There is no difference in the thoroughness of the review if there is a personal hearing or a hearing on the papers alone. A substantial majority of applicants request a personal hearing. In 2023, virtual hearings were offered in lieu of in-person hearings in most instances. In addition, 2023 marked the first year that self-represented applicants were offered the expanded options of having their hearing in-person, by telephone, virtually, or on the submitted papers alone. Regardless of the hearing format chosen, self-represented applicants were permitted to submit documentation in support of their claim with their application, by email prior to their hearing or at their in-person hearing.

Since 2011, a filing fee of \$175 applies to applications for properties with an assessed value of \$2 million or more, equivalent to a market value of about \$4.45 million for properties in tax classes two, three and four, and over \$33 million for properties in tax class one. The Tax Commission will not review an application if the fee is not paid for the previous year.⁷ The fee does not apply if the applicant or representative waives review of the application before it is scheduled for a hearing.

In addition to providing property owners an independent forum for review of their property tax assessments, the Tax Commission helps the City maintain the integrity of the property tax assessment rolls, the sound and equitable allocation of the property tax burden and promotes public confidence in government and the tax system. A fair and efficient review process is essential to reducing costly litigation of assessment disputes. Appropriate action by the Tax Commission resolves many claims that might be further contested through court proceedings under Article 7 of the Real Property Tax Law costing property owners and the City time and resources.

As a condition of accepting an offer of reduction from the Tax Commission, applicants must agree to discontinue all pending judicial proceedings for prior years and forego the filing of a judicial proceeding for the current year. This benefits the City by eliminating thousands of

⁷ The fee is not paid with the application but is added to the RPT bill and collected with the tax by the Department of Finance.

pending Article 7 proceedings. Finally, to the extent the Tax Commission resolves applicants' claims prior to publication of the final annual assessment roll in May, RPT bills issued in July can be based on the corrected assessed values.

Applications are reviewed by one or more of the following acting as hearing officers: members of the Tax Commission Appraisal & Hearing Group (all of whom are experienced assessors by training), the President, part-time Tax Commissioners, or, as designated by the President, the Tax Commission Special Counsel, a part-time hearing officer,⁸ or an attorney in the Tax Appeals Tribunal. In 2023, hearings on applications involving properties with assessments of \$65 million or more, referred to generally as "high value" properties, were conducted by teams of two hearing officers, consisting of one assessor and either the President or a senior member of the Appraisal & Hearings Group.

For applications involving utility properties, applicants may request a hearing before, and determination by, the President, or the entire Tax Commission (i.e., the President and all the part-time Tax Commissioners). Applications involving exemption claims are reviewed by attorneys in the Tax Commission or Tax Appeals Tribunal acting as hearing officers. All other applications are divided into categories based on the property type and assessed value, and then randomly assigned to a hearing officer by category, taking into account the experience level of the hearing officer.

The Tax Commission conducts hearings at its offices in Manhattan. When resources allow, hearings may be held in the Bronx, Brooklyn, Queens and Staten Island offices located within the premises of the Department of Finance's Property Division.

In preparation for a hearing, the hearing officer reviews the current year's application, financial or other information submitted, applications submitted in past years, and any other relevant information. At the hearing, the applicant or representative is expected to be prepared to explain any anomalies in the application and accompanying documents, especially discrepancies between the current year's application and prior applications filed. At the applicant's request, the Tax Commission will receive sworn oral testimony by the owner (or another person with relevant

⁸ See "Structure & Resources" at page 2.

knowledge) in support of the claims made on the application. Formal rules of evidence do not apply. Although not required, about 98% of applicants overall were represented by a lawyer or a non-attorney professional in 2023, although it is worth noting that owners of class one properties represented themselves about 19% of the time.

Under applicable case law, the assessment set by the Department of Finance is presumed to be correct. The burden is on the applicant to offer substantial evidence to overcome the presumption and then to prove, by a preponderance of the evidence, that the assessment should be reduced or otherwise corrected.

The Department of Finance is permitted to appear at hearings or may offer written submissions in defense of assessments under review. For the past several years, representatives of the Department of Finance have, in fact, attended a number of hearings, requested copies of various documents, and submitted information and documents supporting the original assessment. Applicants or their representatives will receive copies of any information submitted by the Department of Finance. Attendance at hearings gives the Department of Finance the opportunity to gain additional information about a specific property that may aid in assessing that property for the following year, with a goal of reducing or eliminating the need for Tax Commission review in the following year.

In making a determination on an application, the hearing officer considers all relevant information and documents presented, along with any information from the Department of Finance, and any facts of which the Tax Commission properly may take administrative notice. The accepted methodologies for valuing real estate, as well as those set by law, use sales of comparable properties, the income producing potential of a property or the cost of reproducing the property. To aid in determining the market values of properties, the Tax Commission staff does market research and monitoring, and compiles reference materials that are supplemented and updated regularly. The Tax Commission also reviews documents and articles regarding the real estate industry, such as recent sales and leasing activity reports, and maintains in its files materials relevant to specific properties. Finally, Tax Commission assessors perform exterior and/or interior field inspections of subject properties when necessary or make referrals to the Department of Finance for inspection.

In addition to considering claims relating to a property's current year assessment, the Tax Commission also is authorized by law to review the assessment for the most recent preceding year, provided a valid court proceeding is pending. In unusual cases, the assessment for an earlier year within the most recent five years may be reviewed, again provided a valid court proceeding is pending. Proper filing of a Tax Commission application is a prerequisite to judicial review of an assessment, and timely filing of an Article 7 petition⁹ is a prerequisite to Tax Commission review of a prior year's assessment.

If the Tax Commission concludes that there is adequate proof, it offers relief in the form of an assessment reduction, class change or exemption as appropriate. The Tax Commission cannot raise the assessed value or reduce the amount of an exemption. The Tax Commission mails a notice of its determination to the applicant or its designated representative. An offer to reduce or otherwise adjust an assessment is implemented only if the applicant or authorized representative properly executes and returns the Tax Commission's standard written acceptance agreement within the specified time. Acceptance of any offer is subject to specified terms and conditions, which include the discontinuance of all judicial proceedings pending with respect to assessments for prior years and an agreement not to file an Article 7 proceeding for the current year covered by the offer.¹⁰

All offers of reduction of \$50,000 or more are subject to review and approval by the President of the Tax Commission. The Tax Commission also has an internal quality control auditing process. A number of applications for which the hearing officer has proposed an offer of reduction are systematically identified using predetermined criteria as well as a stratified random sample. Selected applications are subject to reexamination and a revised determination may be made. On occasion, an offer is withdrawn.¹¹ The Tax Commission will explain to applicants or their representatives the basis for any withdrawal of an offer. The Tax Commission

⁹ A Real Property Tax Law Article 7 petition must be filed by October 24 for assessments that are deemed final by law in May of that same year (e.g., an Article 7 petition on an application filed by March 1, 2023 had to have been filed on or before October 24, 2023).

¹⁰ Statistics on prior years' petitions closed in connection with Tax Commission offers of reduction are provided under "2023 Operations & Performance" at page 11.

¹¹ The Tax Commission's authority to withdraw an offer was upheld by the Appellate Division, First Department in *The 45 Great Jones Apartment Corp. v Tax Commission of the City of NY*, 180 AD3d 442 (1st Dept., 2020).

also has the authority to revoke an offer. In addition, as part of the internal quality controls, to the extent possible, applications for a property are not reviewed by the same hearing officer in more than two consecutive years.

If the applicant accepts a Tax Commission offer of relief before publication of the final assessment roll, the revised assessed value is reflected on the final annual assessment roll and on the corresponding tax bills subsequently mailed by the Department of Finance for the fiscal year beginning July 1st. Offers of reduction for current-year assessments accepted after the roll becomes final, as well as all accepted offers of relief for prior-year assessments, are implemented by remission. In those situations, the Department of Finance recalculates the property's RPT liability based on the assessment as corrected by the Tax Commission and issues a refund and/or credit to the affected taxpayer.

If a Tax Commission offer of relief is not accepted, is not accepted by the applicable deadline, or the offer is withdrawn or an acceptance agreement revoked, the tentative assessment at issue is confirmed.

An applicant may seek judicial review of an assessment confirmed by the Tax Commission by filing a Real Property Tax Law Article 7 petition in the New York State Supreme Court in the appropriate county by October 24th and serving the petition on the Tax Commission. State law does not require the courts to give any deference to the Tax Commission's determination. An optional small claims (SCAR) procedure is available for owner-occupied one-, two- and three-family homes. With its notice of determination, the Tax Commission provides all applicants with information on how to initiate an Article 7 or SCAR proceeding.

The City's Corporation Counsel represents the Tax Commission in Article 7 proceedings. The Tax Commission and the Tax and Bankruptcy Litigation Division of the New York City Corporation Counsel's office maintain ongoing communications to foster efficiency, fairness, and to further the best interests of the City. The Tax Commission maintains records of all judicial proceedings relating to property tax assessments from commencement to disposition and updates that file twice a year.

2023 Operations & Performance

Assessment Review. In 2023, the Tax Commission received 57,057 applications, covering 253,637 separately assessed tax lots, having an aggregate tentative assessed value of \$263,848,021,808. In 2023, the Tax Commission provided substantive review on 32,224 applications.¹² The Tax Commission took remedial actions that, in the aggregate, granted \$4,270,588,043¹³ in assessment reductions for the 2023/24 tax year and which also resulted in the discontinuance of 3,587 judicial petitions filed in prior years. The Tax Commission's administrative review has been, and continues to be, the most effective means of resolving pending judicial proceedings contesting billions of dollars in assessments.

In connection with performing its core function of ruling on annual applications for correction of assessment, the Tax Commission must undertake substantial preparatory and support work including:

- Annually reviewing, updating and refining application forms along with associated instructions and informational summaries
- Outreach to the public and information sessions on the application process
- Intake of applications and stratified sorting of applications and accompanying documents
- Creating, maintaining, and tracking case files and records, which are used throughout the office during the review process
- Calendaring applications for hearing, which requires matching hearing officers' schedules with those of representatives, and grouping applications by various characteristics, including property type and representative
- Extensive data processing, to ensure Tax Commission data on properties is current and correct and any determinations by the Tax Commission are communicated to the Department of Finance for reflection in the assessment roll

¹² This figure includes applications where the applicant requested that the application be reviewed without a personal hearing. An additional 19,507 applications eligible to be heard did not receive a substantive determination because the applicant or representative either declined substantive review or failed to provide requested information at or after the hearing.

¹³ The number of accepted offers of reduction in assessed valuation less than \$50,000 was 1545, \$50,000 to \$249,999 was 3180 and \$250,000 or more was 3801. If a 2023 offer of reduction granted reductions in both the current and preceding year, it was counted as one offer. In 2023, the Tax Commission also granted reductions of \$879,935,126 for the 2022/23 tax year.

- Rendering determinations
- Generating and mailing disposition notices
- Communicating with the Department of Finance and the City Corporation Counsel's Office
- Auditing determinations
- Compiling and analyzing performance statistics
- Removing discontinued petitions from the Tax Commission's systems
- Responding to inquiries throughout the year from property owners, representatives, elected officials and the public

Nonprofit Exemptions. The Department of Finance sends annual renewal notices for real property tax exemptions to not-for-profit organizations requiring them to provide updated information to establish continued exemption eligibility. A failure to respond or a change in the use or ownership of the property can result in the Department of Finance reducing or removing an exemption.

In 2023, the Tax Commission received 101 applications protesting the denial or reduction of a nonprofit exemption. The review of these types of matters requires substantial interaction with those claiming entitlement to the exemption and extensive documentation related to the exempt status of the organization and use of the premises. Many of these organizations are self-represented and do not have professional staff. The Tax Commission spends a considerable amount of time explaining the exemption requirements and how to present the facts needed to prove their claim.

Personal Exemptions. The Tax Commission received 831 applications for review of denials of personal exemptions for the 2023/24 tax year, including STAR, Enhanced STAR, Senior Citizen, Disabled, Veteran and Clergy exemptions, of which were 706 resolved.

FOIL. The Tax Commission receives numerous requests under the Freedom of Information Law each year. Some requests relate to individual properties; some requests are for large volumes of data to be provided in electronic form. We are advised by the City Corporation Counsel's office that FOIL requires the Tax Commission to put data into the format requested, if possible,

even if it is not maintained by the Tax Commission in that format. Depending on the nature of the request, a request may require that the Tax Commission technology staff take time to compile the data requested and convert it into the desired format. Other requests may require agency staff to manually locate, review and make hard copies of requested material from the paper files. FOIL compliance requires adherence to statutory deadlines so that the necessary staff must be pulled from other tasks. FOIL does not permit full compensation for staff time or the cost of data processing done by agency staff; rather a charge of only \$0.25 per page for copying is allowed. In 2023, the Office of Administrative Tax Appeals received 53 FOIL requests for Tax Commission documents.

Planned and Implemented Improvements or Modifications

In 2023, the Tax Commission continued to expand its use of technology for information gathering, administration, and communication with the public. Publicly available information, including property sales prices, leasing activity, and income and expense data, were used to aid in determining property values and in establishing internal guidelines.¹⁴ In 2023, the Tax Commission continued to make available its guidelines for income, expenses, and capitalization rates, for various property types on its website. In addition, members of the Tax Commission's Appraisal & Hearings Group continued to perform inspections and field visits as well as internet research, to enhance their knowledge of various neighborhoods and the uses of different property types.

The Tax Commission continued its emphasis on the efficient delivery of service to applicants in 2023 by:

- Expanding standard hearing format options for self-represented applicants to include telephone and virtual hearings, in addition to in-person hearings and hearings on papers alone. Self-represented applicants were also offered the option of submitting additional

¹⁴ Guidelines published by the Department of Finance also are considered.

documents or statements in support of their application at either their in-person hearing or by mail/email up to the day before their hearing.

- Working with taxpayer representatives to allow them additional time to screen and decline hearings on matters for which merit review was not requested, resulting in fewer non-meritorious cases being scheduled, and allowing the best use of hearing officers' time and attention.
- Joining representatives from the Department of Finance to provide in-person outreach information programs specifically designed to provide property owners with information and guidance needed to understand the property tax assessment (and other information) listed on the Notice of Property Value sent annually in January by the Department of Finance, and to determine whether an appeal to the Tax Commission of the assessment was warranted. These sessions were presented in February 2023.
- Conducting a three-hour program in January 2023, in conjunction with New York Law School's Center for New York City Law, for representatives who regularly appear before the Tax Commission to review current agency policies, rules of practice, requirements of professional conduct and integrity, any additions or changes applicable to the 2023 hearing season, and other information to help avoid common mistakes that could prevent their clients' applications from being considered on the merits.
- Continuing the use of a cloud-based document management application, which was initiated during the pandemic, to facilitate the filing of appeal-related documents.
- Collaborating with various professional and industry organizations to ensure that the practices, procedures, and policies employed in the annual assessment review process allowed Tax Commission staff and taxpayer representatives to safely, effectively and efficiently conduct hearings virtually, utilizing video conferencing software, and providing for the electronic submission of documents historically provided to hearing officers by representatives at in-person hearings.

- Enhancing the virtual hearing process with the use of upgraded equipment and supplemental training, where appropriate, to ensure hearing officers' abilities to effectively facilitate virtual hearings.
- Increasing utilization of the Department of Finance's Property Tax System (PTS) computer application, where possible, to perform Tax Commission functions more efficiently.

In 2024, Tax Commission plans include:

- Continuing to identify, prioritize and explore technology-related challenges and possible solutions to further the Tax Commission's goal of reducing its heavy reliance on paper to carry out its core functions, including evaluating the feasibility of using online fillable forms and computer readable forms.
- Enhancing the Tax Commission's current record-keeping capabilities related to the storing and searching of digital documents to facilitate teleworking and file management, while also expanding Tax Commission's capabilities to transmit information and documents to applicants and their representatives electronically.
- Reviewing outreach efforts to identify potential new opportunities to provide information to individuals seeking Tax Commission assistance, in addition to current efforts that include information briefings for taxpayers and staff of public officials interested in learning more about the real property tax assessment system and protest process.
- Reviewing Tax Commission's forms and instructions periodically to help minimize filing errors and simplify filings, particularly for self-represented applicants.
- Creating an online scheduling portal to provide flexibility to self-represented applicants in scheduling their in-person, telephone or virtual hearings.
- Ensuring that Tax Commission staff, as well as applicants/taxpayers and their representatives, have sufficient and meaningful opportunities to express concerns and provide constructive feedback that can help improve the quality and efficiency of annual assessment review hearings, the consistency and accuracy of determinations, the

effectiveness of quality control procedures designed to protect against potential corruption, and increase transparency in the assessment review process.

- Working with the Department of Finance to identify opportunities in the assessment and exemption application process where its early action could reduce the number of cases that need Tax Commission review.
- Continuing information gathering and reviewing efforts of the Appraisal & Hearings Group to maximize the reliability of information used to value properties.
- Migrating calendaring, hearing scheduling and statistical gathering and reporting processes from legacy system to newer, more robust system.

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2023 ASSESSMENT APPEALS AND OUTCOMES BY TAX CLASS

APPEALS				CURRENT YEAR OFFERS RECEIVED			CURRENT YEAR OFFERS ACCEPTED		
REAL PROPERTY DESIGNATION	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF OFFER	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF REDUCTION
TAX CLASS 1	1,382	2,757	\$ 211,019,618	51	51	\$ 1,658,120	39	39	\$ 1,446,714
TAX CLASS 2	30,060	206,036	\$ 120,009,231,144	3,351	37,131	\$ 1,676,477,585	2,940	33,666	\$ 1,517,357,538
TAX CLASS 3	101	101	\$ 4,966,842,728	8	8	\$ 201,586,857	6	6	\$ 36,387,900
TAX CLASS 4	25,514	44,743	\$ 138,660,928,318	4,535	7,602	\$ 3,333,197,686	3,755	6,307	\$ 2,715,395,891
TOTAL	57,057	253,637	\$ 263,848,021,808	7,945	44,792	\$ 5,212,920,248	6,740	40,018	\$ 4,270,588,043

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**REMEDIAL ACTIONS BY TAX COMMISSION ON
APPLICATIONS IN 2023 FOR 2022 ASSESSMENTS**

OFFERS TO REDUCE 2022 ASSESSMENTS			ACCEPTED OFFERS TO REDUCE 2022 ASSESSMENTS		
APPLICATIONS	COLLECTIVE AMOUNT OF ASSESSMENTS AT ISSUE	COLLECTIVE AMOUNT OF ASSESSMENT REDUCTION OFFERS	APPLICATIONS	COLLECTIVE AMOUNT OF ASSESSMENTS NO LONGER AT ISSUE	COLLECTIVE AMOUNT OF ACCEPTED ASSESSMENT REDUCTION OFFERS
2,979	\$ 15,437,954,238	\$ 1,389,008,709	1,700	\$ 9,601,125,493	\$ 879,935,126

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2023 PRO SE ASSESSMENT APPEALS AND OUTCOMES BY TAX CLASS

APPEALS				CURRENT YEAR OFFERS RECEIVED			CURRENT YEAR OFFERS ACCEPTED		
REAL PROPERTY DESIGNATION	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF OFFER	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF REDUCTION
TAX CLASS 1	343	325	\$ 22,163,147	25	25	\$ 475,667	18	18	\$ 405,121
TAX CLASS 2	244	356	\$ 141,585,738	49	102	\$ 3,787,778	34	66	\$ 2,574,072
TAX CLASS 4	262	316	\$ 907,844,345	58	78	\$ 3,730,119	46	52	\$ 3,161,419
TOTAL	849	997	\$ 1,071,593,230	132	205	\$ 7,993,564	98	136	\$ 6,140,612

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2023 ASSESSMENT APPEALS AND OUTCOMES - BY PROPERTY TYPE

APPEALS				CURRENT YEAR OFFERS RECEIVED			CURRENT YEAR OFFERS ACCEPTED		
REAL PROPERTY DESIGNATION	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF OFFER	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF REDUCTION
TAX CLASS 1	1,382	2,757	\$ 211,019,618	51	51	\$ 1,658,120	39	39	\$ 1,446,714
CONDOMINIUMS	76	1,345	\$ 34,733,450	7	7	\$ 110,977	6	6	\$ 99,891
1,2 & 3 FAMILY	1,046	1,032	\$ 136,809,958	35	35	\$ 721,685	25	25	\$ 540,595
VACANT LAND	110	110	\$ 10,411,728	0	0	\$ -	0	0	\$ -
OTHER	150	270	\$ 29,064,482	9	9	\$ 825,458	8	8	\$ 806,228
TAX CLASS 2	30,060	206,036	\$ 120,009,231,144	3,351	37,131	\$ 1,676,477,585	2,940	33,666	\$ 1,517,357,538
CONDOMINIUMS	3,663	179,185	\$ 37,356,734,746	698	34,478	\$ 747,335,140	593	31,319	\$ 679,766,419
2-10 FAMILY	5,241	5,737	\$ 3,017,797,624	488	488	\$ 42,924,344	428	428	\$ 37,239,754
COOPERATIVES	4,093	4,085	\$ 29,460,767,500	626	626	\$ 374,530,294	575	575	\$ 351,705,100
RENTAL APTS	17,063	17,029	\$ 50,173,931,274	1,539	1,539	\$ 511,687,807	1,344	1,344	\$ 448,646,265
TAX CLASS 3	101	101	\$ 4,966,842,728	8	8	\$ 201,586,857	6	6	\$ 36,387,900
UTILITY PROPERT	101	101	\$ 4,966,842,728	8	8	\$ 201,586,857	6	6	\$ 36,387,900
TAX CLASS 4	25,514	44,743	\$ 138,660,928,318	4,535	7,602	\$ 3,333,197,686	3,755	6,307	\$ 2,715,395,891
CONDOMINIUMS	3,491	22,247	\$ 27,176,982,186	740	3,807	\$ 761,511,220	551	3,103	\$ 631,747,413
OFFICES/LOFTS	3,736	3,712	\$ 69,961,689,096	756	756	\$ 1,541,973,434	611	611	\$ 1,255,544,645
STORES	8,418	8,278	\$ 15,043,998,586	1,581	1,581	\$ 537,378,912	1,324	1,324	\$ 439,290,346
INDUSTRIAL	3,521	3,516	\$ 5,902,747,947	624	624	\$ 140,048,217	563	563	\$ 115,424,713
HOTELS	857	850	\$ 9,183,936,531	82	82	\$ 139,050,751	65	65	\$ 103,906,209
VACANT LAND	1,008	992	\$ 1,118,781,571	65	65	\$ 34,788,462	59	59	\$ 31,692,438
OTHER	4,483	5,148	\$ 10,272,792,401	687	687	\$ 178,446,690	582	582	\$ 137,790,127
TOTAL	57,057	253,637	\$ 263,848,021,808	7,945	44,792	\$ 5,212,920,248	6,740	40,018	\$ 4,270,588,043

NEW YORK CITY TAX COMMISSION 2023 ANNUAL REPORT

2023 ASSESSMENT APPEALS AND OUTCOMES – BY REDUCTION % RANGE

CURRENT YEAR OFFERS RECEIVED				CURRENT YEAR OFFERS ACCEPTED		
RANGE OF OFFER %	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF OFFER	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF REDUCTION
UNDER 10%	4,181	29,486	\$ 2,204,800,816	3,498	26,289	\$ 1,799,617,234
10% - UNDER 20%	2,732	12,232	\$ 1,832,381,139	2,360	10,963	\$ 1,573,786,831
20% - UNDER 30%	746	2,523	\$ 649,319,286	636	2,290	\$ 566,042,090
30% - Above	279	544	\$ 325,819,929	246	470	\$ 294,753,988
TOTAL	7,938	44,785	\$ 5,012,321,170	6,740	40,012	\$ 4,234,200,143

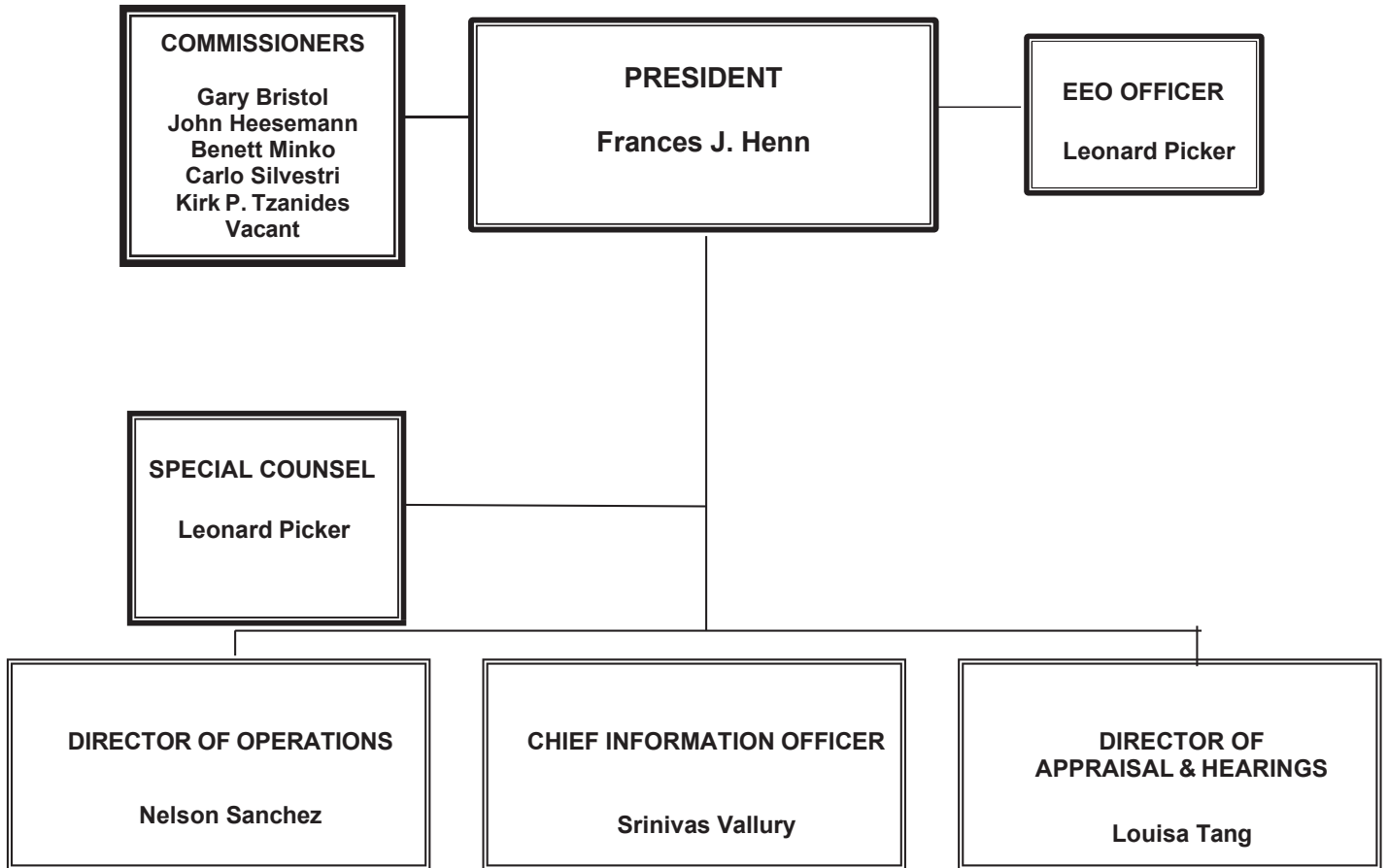
NEW YORK CITY TAX COMMISSION 2023 ANNUAL REPORT
2023 ASSESSMENT APPEALS AND OUTCOMES - BY BOROUGH

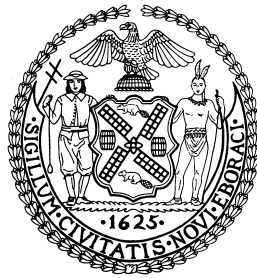
APPEALS				CURRENT YEAR OFFERS RECEIVED			CURRENT YEAR OFFERS ACCEPTED		
BOROUGH	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF OFFER	APPLICATIONS	TAX LOTS	COLLECTIVE AMOUNT OF REDUCTION
BRONX	6,908	20,782	\$ 11,200,738,272	675	1,000	\$ 131,266,879	585	896	\$ 108,691,310
BROOKLYN	14,264	50,412	\$ 30,058,245,194	1,954	6,832	\$ 508,201,686	1,649	5,394	\$ 406,340,943
MANHATTAN	22,937	140,889	\$ 193,544,664,819	3,598	33,844	\$ 4,146,267,568	3,001	31,268	\$ 3,416,078,149
QUEENS	11,476	38,011	\$ 26,403,677,123	1,529	2,890	\$ 370,980,902	1,348	2,266	\$ 305,560,419
STATEN ISLAND	1,472	3,543	\$ 2,640,696,400	189	226	\$ 56,203,213	157	194	\$ 33,917,222
TOTAL	57,057	253,637	\$ 263,848,021,808	7,945	44,792	\$ 5,212,920,248	6,740	40,018	\$ 4,270,588,043

NEW YORK CITY TAX COMMISSION 2023 ANNUAL REPORT
PROCEDURAL DELINEATION OF 2023 ASSESSMENT APPEALS

	APPLICATIONS	TAX LOTS
NOT ELIGIBLE FOR REVIEW	5,326	13,003
LATE FILING	19	19
INCOMPLETE FILING	670	2,059
REQUIRED DEPT. OF FINANCE INCOME AND EXPENSE STATEMENT ("RPIE") NOT FILED, LATE OR IMPROPER	817	2,343
REQUIRED TAX COMMISSION INCOME AND EXPENSE FORM ("TCIE") NOT FILED, LATE OR IMPROPER	3,153	5,950
UNEXCUSED NON-APPEARANCE BY APPLICANT OR REPRESENTATIVE AT SCHEDULED HEARING	18	118
WITHDRAWN BY APPLICANT	373	1,350
OTHER	276	1,164
ELIGIBLE FOR REVIEW	51,731	240,634
REQUESTED IN PERSON HEARING	30,479	199,730
HEARINGS CONDUCTED BY TELEPHONE	118	118
REQUIRED FACTUAL SUBSTANTIATION NOT SUBMITTED	579	794
SUBSTANTIVE HEARING DECLINED AFTER APPLICATION FILED	18,928	37,805
REQUESTED REVIEW ON PAPERS	1,627	2,187
TOTAL	57,057	253,637

TAX COMMISSION OF THE CITY OF NEW YORK 2023





CITY OF NEW YORK
Eric Adams
Mayor