



REPORT OF THE
COMMITTEE ON FINANCE

FINANCE DIVISION
PRESTON NIBLACK, DIRECTOR

**RESOLUTION AMENDING AND RESTATING THE RESOLUTION
COMPUTING AND CERTIFYING ADJUSTED BASE
PROPORTION OF EACH CLASS OF REAL PROPERTY FOR
FISCAL 2010 TO THE STATE BOARD OF REAL PROPERTY
SERVICES PURSUANT TO SECTION 1803-a, REAL PROPERTY
TAX LAW**

Introduction. The above-captioned resolution completes the certification procedure required by Section 1803-a, Real Property Tax Law, to establish the class shares used in levying the real property taxes for the adopted Fiscal 2010 budget.

On June 19, 2009, the Council adopted a resolution computing and certifying the current base proportions for Fiscal 2010 (the "CBP Resolution"). After the adoption of the CBP Resolution, Section 1803-a, Real Property Tax Law, was amended to lower the percent of increase in the current base proportion as compared with the previous year's adjusted base proportion from 5.0 percent to 0.0 percent, which altered the calculations contained in the CBP Resolution. Pursuant to this amendment to state law, the Council adopted a resolution on November 16, 2009, restating the CBP Resolution. On June 19, 2009, the Council also adopted a resolution computing and certifying the adjusted base proportion of each class of real property for Fiscal 2010 (the "ABP Resolution"). The above-captioned resolution amends and restates the ABP Resolution to reflect the changes in the November 16, 2009 CBP Resolution.

The current base proportion for each class of real property takes into account the market value changes in the class occurring between the assessment roll for the base period, 1989, and the latest roll for which the State Board of Real Property Services ("SBRPS") has established class equalization rates, 2008. The CBP Resolution modified the class shares for the Fiscal 2010 property tax levy accordingly. The remaining step, to be taken in the above-captioned resolution, adjusts these current base proportions to take account of the various physical changes (such as demolitions, new construction, changes in exempt status and transfers among classes) that are reflected in the new final assessment roll. The computations called for in the SBRPS procedure are designed to separate the effects of these physical changes from equalization changes made by local assessors.

Analysis. The calculations shown on the SBRPS Form RP-6702 attached to the above-captioned resolution modify the share for each class to reflect physical changes. For Fiscal 2010, all classes show modest

physical increases, except for class three, which has a small decrease. These physical adjustments result in the following changes to the Fiscal 2010 current base proportions. The Fiscal 2010 adjusted base proportions for Classes 1 and 4 decrease by nearly one percent from their respective Fiscal 2010 current base proportions. The adjusted base proportion for Class 2 increases by slightly less than one percent and Class 3 by nearly three and one-half percent from their respective current base proportions.

Pursuant to Section 1803-a(1)(u) of the Real Property Tax Law which was enacted during the 2009 legislative session (limiting the increase in Fiscal 2010 current base proportions to the Fiscal 2009 adjusted base proportions), the Fiscal 2009 adjusted base proportions become the Fiscal 2010 current base proportions for all four classes. Therefore, the changes from the adjusted base proportions from Fiscal 2009 to Fiscal 2010, as reported in the table below, reflect the same changes to the Fiscal 2010 current base proportions discussed above. (Last year's increase in class shares was also capped at 0.0 percent.)

Comparison of Class Shares for Fiscal 2009 and Fiscal 2010			
Class	Fiscal 2009	Fiscal 2010	Percent Change
1	14.9557	14.8231	-0.89
2	37.2143	37.4672	+0.68
3	7.3186	7.5717	+3.46
4	40.5114	40.1380	-0.92
Total	100.0000	100.0000	

The tax rates resulting from the use of class shares shown above for Fiscal 2010 are compared to the Fiscal 2009 tax rates in the following table. The Fiscal 2009 tax rates are the rates effective for the second half of Fiscal 2009, as adopted on December 18, 2008, and reflect the rescinding of the 7 percent reduction adopted on June 29, 2008.

Comparison of Tax Rates for Fiscal 2009 and Fiscal 2010 (Per \$100 Assessed Value)			
Class	Fiscal 2009	Fiscal 2010	\$ Difference
1	16.787	17.088	+0.301
2	13.053	13.241	+0.188
3	12.577	12.743	+0.166
4	10.612	10.426	-0.186

PRECONSIDERED

RESOLUTION NO. 2265

By Council Member Weprin

RESOLUTION AMENDING AND RESTATING THE RESOLUTION COMPUTING AND CERTIFYING ADJUSTED BASE PROPORTION OF EACH CLASS OF REAL PROPERTY FOR FISCAL 2010 TO THE STATE BOARD OF REAL PROPERTY SERVICES PURSUANT TO SECTION 1803-a, REAL PROPERTY TAX LAW

Whereas, on May 29, 2009, pursuant to Section 1514 of the Charter of the City of New York, the Commissioner of the Department of Finance delivered to the Council the certified assessment rolls for all real property assessable for taxation in the City in each borough thereof for the fiscal year beginning on July 1, 2009 and ending on June 30, 2010 ("Fiscal 2010"), a certified copy of which is in the Office of the Clerk of the City pursuant to Section 516, Real Property Tax Law (the "Fiscal 2010 Assessment Rolls"); and

Whereas, Section 1803-a (5), Real Property Tax Law, requires the Council subsequent to the filing of the final Fiscal 2010 Assessment Rolls, to adjust current base proportions computed pursuant to the Current Base Proportion Resolution to reflect additions to and removals from the Fiscal 2010 Assessment Rolls as described therein (each such current base proportion so adjusted to be known as an "Adjusted Base Proportion"); and

Whereas, within five (5) days upon determination of the Adjusted Base Proportions, Section 1803-a (6), Real Property Tax Law, requires the Council to certify, to the State Board of Real Property Services ("SBRPS"), the Adjusted Base Proportion for each class of real property applicable to the City, the assessed value of all property in each class of real property, the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from the additions to or removals from the Fiscal 2010 Assessment Rolls as described above, and the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from changes other than those referred to above; and

Whereas, on June 19, 2009, the Council adopted a resolution in which the Council computed and certified the current base proportion, the current percentage and the base percentage of each class of real property in the City for Fiscal 2010 pursuant to Section 1803-a (1), Real Property Tax Law (the "Current Base Proportion Resolution"); and

Whereas, after the June 19th adoption of the Current Base Proportion Resolution, Section 1803-a, Real Property Tax Law, was amended to lower the percent of increase in the current base proportion as compared with the previous year's adjusted base proportion to 0.0 percent; and

Whereas, pursuant to the amendment to Section 1803-a, Real Property Tax Law, on November 16, 2009, the Council adopted a resolution computing and certifying the base percentage, current percentage and current base proportion of each class of real property for Fiscal 2010 to the SBRPS pursuant to Section 1803-a, Real Property Tax Law;

NOW, THEREFORE, be it resolved by The Council of The City of New York as follows:

Section 1. Computation and Certification of Adjusted Base Proportions and Related Information for Fiscal 2010. (a) The Council hereby computes and certifies the Adjusted Base Proportion for each class of real property applicable to the City, the assessed value of all property in each class of real property, the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from the additions to or removals from the Fiscal 2010 Assessment Rolls as described in Section 1803-a (5), Real Property Tax Law, and the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from changes other than those described in Section 1803-A (5), Real Property Tax Law, as shown on SBRPS Form RP-6702, attached hereto as Exhibit A and incorporated herein by reference (the "ABP Certificate").

(b) The Clerk of the Council is hereby authorized and directed to execute the ABP Certificate and to file it with the SBRPS no later than five (5) days after the date hereof.

Section 2. Effective Date. This resolution shall take effect as of the date hereof.

STATE BOARD OF REAL PROPERTY SERVICES
 (Formerly State Board of Equalization and Assessment)
 16 Sheridan Avenue, Albany, NY 12210-2714

**Certificate of Adjusted Base Proportions Pursuant to Article 18, RP TL,
 for the 2009 Assessment Roll**

Special Assessing Unit _____
 Check One to Identify Portion: County __; City __; Town __; Village __; Town Outside Village Area __; School District __; Special District __.
 Name of Portion _____
 Reference Roll 2008 _____; Levy Roll 2009 _____

SECTION 1
 Determination of Portion Class Net Change in Assessed Value due to Physical and Quantity Changes,
 Equalization Changes and Computation of Class Change in Level of Assessment Factor

	(A)	(B)	(C)	(D)	(E)
Class	Total Assessed Value on the Reference Roll	Total Assessed Value of Physical and Quantity Increases Between Reference Roll and Levy Roll	Total Assessed Value of Physical and Quantity Decreases Between Reference Roll and Levy Roll	Net Assessed Value of Physical and Quantity Changes (B-C)	Surviving Total Assessed Value on the Reference Roll (A-C)
1	\$15,643,675,338	\$193,469,180	\$57,126,310	\$136,342,870	15,586,549,028
2	56,911,996,387	2,551,375,308	1,083,494,522	1,467,880,786	55,828,501,865
3	2,777,486,129	144,666,990	167,349,960	(22,682,970)	2,610,136,169
4	68,845,371,551	2,389,028,378	1,292,982,993	1,096,045,385	67,552,388,558

	(F)	(G)	(H)	(I)
Class	Total Assessed Value of Equalization Increases Between Reference Roll and Levy Roll	Total Assessed Value of Equalization Decreases Between Reference Roll and Levy Roll	Net Equalization Changes (F-G)	Change in Level of Assessment Factor (H/E)+1
1	\$559,362,938	\$91,025,381	\$468,337,557	1.030048
2	3,551,857,435	1,705,795,944	1,846,061,491	1.033067
3	46,612,800	98,504,505	(51,891,705)	0.980119
4	5,352,561,501	854,713,144	4,497,848,357	1.066583

EXHIBIT A

SECTION II

Computation of Portion Class Adjustment Factor

Class	(J) Taxable Assessed Value on the Levy Roll	(K) Taxable Assessed Value on Levy Roll at Reference Roll Level of Assessment (J/I)	(L) Assessed Value of Special Franchise on the Levy Roll at the Reference Roll Level of Assessment	(M) Total Taxable Assessed Value on Levy Roll at Reference Roll Level of Assessment (K+L)	(N) Taxable Assessed Value on the Reference Roll	(O) Class Adjustment Factor (M/N)
1	15,155,941,182	\$14,713,820,309	\$0	14,713,820,309	\$14,574,716,769	1.00954
2	49,691,515,708	48,100,961,223	0	48,100,961,223	46,905,417,292	1.02549
3	2,095,174,439	2,137,673,526	7,967,299,356	10,104,972,882	9,589,112,903	1.05380
4	67,713,490,810	63,486,377,347	0	63,486,377,347	62,909,170,464	1.00918

SECTION III

Computation of Adjusted Base Proportions

Class	(P) Current Base Proportions	(Q) Current Base Proportions Adjusted for Physical and Quantity Changes #1 (P*O)	(R) Adjusted Base Proportions (Q/SUM of Q)*100
1	14.9557	15.0984	14.8231
2	37.2143	38.1629	37.4672
3	7.3186	7.7123	7.5717
4	40.5114	40.8833	40.1380
Total	100.0000	101.8569	100.0000

I, the Clerk of the Legislative Body of the special assessing unit identified above, hereby certify that the legislative body determined on November 16, 2009 the adjusted base proportions and the data, procedures and computations used to determine the adjusted base proportions as set forth herein for the assessment roll and portion identified above.

Signature

Title

Date