

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1996**

No. 16

Introduced by the Speaker (Council Member Vallone), Council Members Berman, Pinkett, Lasher, Spigner, Leffler, Eisland, Robles, McCaffrey, Stabile and Fusco (by the request of the Queens Borough President); also Council Members Koslowitz, Povman, Sabini, Wooten and Marshall.

A LOCAL LAW

To amend the administrative code of the city of New York in relation to making permanent the release of a cooperative housing corporation and certain other grantees from liability as grantee for real property transfer tax due from the grantor with respect to a transfer resulting from certain actions to enforce a lien or other rights.

Be it enacted by the Council as follows:

Section 1. Subdivision c of section 11-2106 of the administrative code of the city of New York, as added by local law number 94 for the year 1992, is amended to read as follows:

c. Notwithstanding any provision of this chapter to the contrary, where stock of a cooperative housing corporation and the appurtenant proprietary leasehold are transferred to such cooperative housing corporation or a wholly owned subsidiary of such housing corporation, or to the holder of a mortgage on the real property of such cooperative housing corporation or a wholly owned subsidiary of such holder of a mortgage on the real property of such cooperative housing corporation, such cooperative housing corporation or its wholly owned subsidiary, or such mortgage holder or its wholly owned subsidiary, shall not be liable as grantee for the tax determined to be due under this chapter from the grantor in such transfer, provided that such transfer occurred pursuant to, as the result of, or in connection with an action, proceeding, or other procedure to which such cooperative housing corporation is a party, to enforce a lien, security interest or other rights on or in such stock and proprietary leasehold, including but not limited to rights under the proprietary lease. This subdivision shall apply to transfers occurring on or after June sixteenth, nineteen hundred ninety-two [and before February first, nineteen hundred ninety-five].

§2. If the exemption from grantee liability provided for in section one of this local law is adjudged by any court of competent jurisdiction to be unconstitutional or otherwise invalid, such judgment shall not result in the extension of such exemption to any person not specifically exempted pursuant to such section one; in the event of such judgment, liability for the tax imposed under chapter 21 of title 11 of the administrative code of the

city of New York with respect to any transfer described in such section one shall be determined and enforced as if this local law had not been enacted.

§3. This local law shall take effect immediately and shall be deemed to have been in full force and effect on December 7, 1992.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on February 6, 1996, and approved by the Mayor on February 20, 1996.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 16 of 1996, Council Int. No. 629-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on February 6, 1996: 50 for, 0 against.

Was approved by the Mayor on February 20, 1996.

Was returned to the City Clerk on February 21, 1996.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel