

LOCAL LAWS  
OF  
THE CITY OF NEW YORK  
FOR THE YEAR 1987

No. 38

Introduced by Council Member DeMarco (by request of the Mayor). (Passed under a Message of Necessity from the Mayor).

A LOCAL LAW

*f 852*

**To amend the administrative code of the city of New York, in relation to increasing certain penalties payable in connection to tax lien foreclosure by action in rem.**

*Be it enacted by the Council as follows:*

Section 1. Subdivision c of section 11-407 of the administrative code of the city of New York is amended to read as follows:

c. When the time to redeem in an in rem tax foreclosure action has expired, any person claiming to have an interest in a parcel included in said action shall have the right to make a late redemption payment to the commissioner of finance. Such late redemption payment shall consist of all taxes and charges owing on said parcel, the lawful interest thereon to the date of payment and a penalty of five percent of said payment of taxes, charges and interest, which penalty may not exceed one thousand dollars as to each parcel on which a late redemption payment is being made. Such late redemption payment shall be made in cash or by certified or bank check and shall be accepted by the commissioner of finance at any time after the last day to redeem up to the date on which the commissioner is advised by the corporation counsel that the preparation of the judgement of foreclosure in the in rem action has been commenced. Upon receipt of such late redemption payment, the commissioner of finance shall issue a certificate of withdrawal pursuant to the provisions of section 11-413 of this chapter.

§2. Subdivision h of section 11-409 of such code is amended to read as follows:

h. A party who has interposed an answer as to any parcel included in an in rem tax foreclosure action, or any other party interested in such parcel, shall have the right, at any time prior to the final disposition of a motion to strike said answer, to pay all taxes, assessments and other legal charges and interest owing on said parcel. An answering party who makes such payment shall not be required to pay any penalty. Where such payment is made by other than an answering party after the expiration of the period of redemption, there shall be paid to the commissioner of finance an additional amount equal to the penalty payable under subdivision c of section 11-407 of this chapter. Where all delinquent taxes, assessments and other legal charges together with lawful interest thereon and penalty, where required, are paid, the commissioner of finance shall issue a certificate of withdrawal as to said parcel pursuant to the provisions of section 11-413 of this chapter. Said parties may also pay such taxes, assessments and other legal charges and interest by an installment agreement. Where such agreement is requested before the preparation of the aforesaid in rem judgement roll is commenced, the terms of said agreement shall be consistent with the provisions of the preceding subdivision. Where such agreement is requested after judgement of foreclosure has been entered in the in rem action in which the aforesaid answer was interposed, said agreement shall require a first installment of fifty percent of all taxes, assessments and other legal charges and interest owing on said parcel, a penalty of five percent of all such taxes, assessments

and other legal charges and interest, which penalty may not exceed one thousand dollars, and the payment of the balance of such taxes, assessments and other legal charges and interest in four equal quarterly installments together with all current taxes, assessments and other legal charges that accrue during such period. The request of an answering party for an installment agreement shall constitute a withdrawal of such party's answer. An installment agreement requested by an interested party other than the answering party shall require the consent of said answering party which shall also constitute a withdrawal of such party's answer. The severance provided for in this section shall be continued during the term of all installment agreements entered into pursuant to the provisions of this subdivision. Where a default has occurred as to a parcel severed pursuant to this subdivision, the corporation counsel shall cause to be entered a supplemental judgement of foreclosure as to such parcel immediately on notification by the commissioner of finance of such default. Where such installment agreement is paid in full the commissioner of finance shall discontinue the in rem action from which said parcel was severed by issuing a certificate of withdrawal as to said parcel pursuant to the provisions of section 11-413 of this chapter.

§3. Paragraph two of subdivision d of section 11-424 of such code is amended to read as follows:

2. Five percent of the amount paid pursuant to the preceding paragraph but not exceeding one thousand dollars for each parcel.

§4. This local law shall take effect immediately and shall apply to penalty payments due on or after July first, nineteen hundred eighty-seven.

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 June 16, 1987, and approved by the Mayor on July 6, 1987.

CARLOS CUEVAS, City Clerk, Clerk of 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 38 of 1987, Council Int. No. 852) contains the correct text and:

Received the following vote at the meeting of the New York City Council on June 16, 1987:  
31 for, 1 against.

Was approved by the Mayor on July 6, 1987.

Was returned to the City Clerk on July 6, 1987.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel.