

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1989**

No. 47

Introduced by Council Member DeMarco (by the request of the Mayor); also Council Members Harrison and Pinkett.

A LOCAL LAW

To amend the New York city charter and the administrative code of the city of New York, in relation to the period for which a discount will be allowed for prepayment of real property taxes and the grace period for payment of real property taxes without interest.

Be it enacted by the Council as follows:

Section 1. Section fifteen hundred nineteen of the New York city charter, as amended by local law number twenty-nine for the year nineteen hundred eighty-two, is amended by adding a new subdivision four to read as follows:

4. a. (1) Notwithstanding anything in subdivision three to the contrary, the discount allowed pursuant to such subdivision shall not be allowed to and including the fifteenth day of the calendar month in which an installment of taxes on real property would otherwise become due and payable if the real property with respect to which such installment is paid is described in paragraph b of this subdivision. With respect to real property described in paragraph b, the discount shall be allowed only to and including the date on which an installment of taxes becomes due and payable.

(2) Notwithstanding anything in subdivision three to the contrary, no discount shall be allowed with respect to an installment of taxes on real property described in paragraph b of this subdivision unless such installment is paid no later than thirty days prior to the date on which such installment becomes due and payable.

b. Real property is described in this paragraph if:

(1) its assessed valuation is more than forty thousand dollars, provided that, for this purpose, real property held in a cooperative form of ownership shall not be deemed to have an assessed valuation of more than forty thousand dollars if its assessed valuation divided by the number of dwelling units contained therein equals forty thousand dollars or less; or

(2) irrespective of its assessed valuation, real property taxes on such property are held in escrow and paid to the commissioner by a mortgage escrow agent.

c. For purposes of this subdivision, the term "mortgage escrow agent" shall include every banking organization, federal savings bank, federal savings and loan association, federal credit union, bank, trust company, licensed mortgage banker, savings bank, savings and loan association, credit union, insurance corporation organized under the laws of any state other than New York, or any other person, entity or organization which, in the regular course of its business, requires, maintains or services escrow accounts in connection with mortgages on real property

located in the city.

§2. Section 11-224 of the administrative code of the city of New York is amended by adding a new subdivision k to read as follows:

k. 1. Notwithstanding any other provision of this section to the contrary, but subject to the exception contained in paragraph two of this subdivision, in the case of an installment of tax on real property described in paragraph b of subdivision four of section fifteen hundred nineteen of the city charter, interest shall be charged, received and collected at the rate established pursuant to this section if such installment shall remain unpaid in whole or in part on the date on which it shall become due and payable.

2. If the tax rate for any fiscal year of the city has not been set by the fifteenth day of June preceding the start of such fiscal year, interest shall not be charged, received and collected with respect to the first installment of tax which is due and payable on the first day of July in such fiscal year if such installment is paid on or before the extended payment date. For this purpose, the term "extended payment date" means the date which falls the same number of days after the first day of July in such fiscal year as the number of days the date such tax rate is set falls after such fifteenth day of June.

§3. This local law shall take effect immediately, and shall apply to installments of taxes on real property which become due and payable on or after January first, nineteen hundred ninety, provided however, that section one of this local law shall not apply to any such installment which is paid prior to the thirtieth day following the effective date of this local law.

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 30, 1989, and approved by the Mayor on July 12, 1989.

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 47 of 1989, Council Int. No. 1247) contains the correct text and:

Received the following vote at the meeting of the New York City Council on June 30, 1989:
32 for, 0 against

Was approved by the Mayor on July 12, 1989.

Was returned to the City Clerk on July 13, 1989.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel