**Plain Language Summary**

**Current Introduction Number:**

Int. No. 1964

**Prime Sponsors:**

Council Member Chin

**Bill Title:**

A Local Law in relation to the deferral of property tax liability on real property with an assessed value exceeding two hundred fifty thousand dollars owned by certain property owners impacted by COVID-19

**Bill Summary:**

**This plain language summary is for informational purposes only and does not substitute for legal counsel. For more information, you should review the full text of the bill, which is available online at legistar.council.nyc.gov.**

This bill would require the Department of Finance to offer agreements to defer real property tax liability for the installment of real property tax otherwise due and payable as of July 1, 2020. The deferrals would be available to owners of real property with an assessed value exceeding two hundred fifty thousand dollars which either (1) was occupied by an active business or trade on March 7, 2020 that became subject to seating, occupancy or on-premises service limitations pursuant to an executive order issued by the governor or mayor between March 7, 2020 and June 30, 2020 or (2) experienced an unexpected decline in income during the period March 1, 2020 through June 30, 2020. The interest rate imposed on the deferred property tax would be the same as the interest rate set by the commissioner of finance on underpayments of general corporation tax. The deferral agreement would require that the property owner pays 25 percent of the taxes due on July 1, 2020 by October 1, 2020 and the remainder by May 1, 2021. Further, the agreement would require the property owner to provide to any commercial, residential, or institutional tenant or lessee at the subject property a forbearance on rent with an interest rate on late rent not to exceed one-quarter the rate applicable to the property owner’s own unpaid deferred taxes.

**Effective Date:**

This local law takes effect immediately, except that if it becomes law after July 1, 2020, it is retroactive to and deemed to have been in full force and effect as of July 1, 2020.

**Legislative Impact:**

[ ]  **Agency Rulemaking Required**: Is City agency rulemaking required?

[x]  **Report Required**: Is a report due to Council required?

[ ]  **Sunset Date Included**: Does the legislation have a sunset date?

[ ]  **Council Appointment Required**: Is an appointment by the Council required?

[ ]  **Other Appointment Required**: Are other appointments not by the Council required?

**Note:** In the full bill text online at legistar.council.nyc.gov, language in proposed consolidated laws that is enclosed by [brackets] would be deleted, and language that is underlined would be new. Language in proposed unconsolidated laws, in contrast, will not have brackets or underlining because it would be entirely new. Consolidation means that the law would be placed in the New York City Charter or Administrative Code.

NAB

LS #6347