

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2021**

No. 86

Introduced by Council Members Moya and Riley.

A LOCAL LAW

To authorize adoption by resolution of an interest rate for nonpayment of taxes on real property with an assessed value of two-hundred and fifty thousand dollars or less in fiscal year 2022 for property owners adversely affected by COVID-19

Be it enacted by the Council as follows:

Section 1. Notwithstanding paragraph (i) of subdivision (e) of section 11-224.1 of the administrative code of the city of New York, the council may, by resolution pursuant to such subdivision, adopt an interest rate to be charged for nonpayment of taxes on real property due on July 1, 2021 as follows:

a. For property for which, as of July 1, 2021, an owner of such property has an executed agreement with the department of finance for the payment in installments of any real property taxes, assessments or other charges that are made a lien subject to the provisions of chapter 3 of title 11 of the administrative code of the city of New York, pursuant to section 11-322.1 of such code, the interest rate to be charged for nonpayment of taxes on the real property that is the subject of such executed agreement, due on July 1, 2021, on October 1, 2021, or on July 1, 2021 and October 1, 2021, and paid between July 15, 2021 and December 31, 2021 for fiscal year 2022, shall be zero percent, provided that no later than November 30, 2021, such owner submits

documentation to the commissioner of finance demonstrating that such owner has been adversely affected by the COVID-19 pandemic.

b. For property with an assessed value of \$250,000 or less, for which the income of the owner of such property, and all the additional owners of such property, during calendar year 2020 was less than \$150,000, the interest rate to be charged for nonpayment of taxes on such property due on July 1, 2021, on October 1, 2021, or on July 1, 2021 and October 1, 2021 and paid between July 15, 2021 and December 31, 2021, shall be zero percent, provided that:

(1) such property has been the primary residence of at least one such owner for an uninterrupted period of not less than one year preceding July 1, 2021, which determination shall be made without regard to any hospitalization or temporary stay in a nursing home or rehabilitation facility; and

(2) no later than November 30, 2021, such owner submits documentation to the commissioner of finance demonstrating that such owner has been adversely affected by the COVID-19 pandemic and that the income of such owner and all the additional owners of such property during calendar year 2020 was less than \$150,000.

c. For a cooperative ownership property, the interest rate to be charged for nonpayment of taxes on such property due on July 1, 2021, on October 1, 2021 or on July 1, 2021 and October 1, 2021, and paid between July 15, 2021 and December 31, 2021 for fiscal year 2022, shall be zero percent, provided that:

(1) thirty percent or more of the dwelling units therein are leased to a shareholder in the corporation that owns such cooperative ownership property: (A) whose income, and the income of all other shareholders who have concurrently leased the same dwelling unit, was less than

\$150,000 during calendar year 2020; (B) who used such dwelling unit as a primary residence for an uninterrupted period of not less than one year preceding July 1, 2021, which determination shall be made without regard to any hospitalization or temporary stay in a nursing home or rehabilitation facility; and (C) who has been adversely affected by the COVID-19 pandemic; and

(2) no later than November 30, 2021, the board of directors of such cooperative ownership property certifies to the commissioner of finance that such cooperative ownership property meets the criteria set forth in paragraph one of this subdivision.

d. Nothing in this section shall be construed to amend paragraph 6 of subdivision b of section 11-319 of the administrative code of the city of New York.

e. For the purposes of this section, documentation demonstrating that an owner of a property or a member of the household of such owner was diagnosed with COVID-19, received confirmation from a health professional of having contracted COVID-19 or experienced symptoms of COVID-19 and sought a medical diagnosis shall take the form of a certification executed by such owner on a form provided by the department of finance.

§ 2. For the purposes of this local law, the following terms shall have the following meanings:

a. “Adversely affected by the COVID-19 pandemic” means: (i) the owner of the property or shareholder, as applicable, or a member of the household of such owner or shareholder was diagnosed with COVID-19, received confirmation from a health professional of having contracted COVID-19 or experienced symptoms of COVID-19 and sought a medical diagnosis; or (ii) the loss of the primary source of income because of COVID-19 between March 7, 2020 and June 30, 2021, which continued for at least two months, by the owner of the property or any additional owners of such property, or by the shareholder, as applicable.

b. “Cooperative ownership property” means real property classified as a class 1 or class 2 pursuant to section 1802 of the real property tax law that is held in a cooperative form of ownership and the assessed value for which is less than or equal to the product of \$250,000 and the number of dwelling units in such real property.

c. “Income” has the meaning set forth in subdivision a of section 11-322.1 of the administrative code of the city of New York.

d. “Property” means: (i) real property classified as class 1 pursuant to section 1802 of the real property tax law, or (ii) a dwelling unit in a condominium, except that the term “property” shall not include any cooperative ownership property.

§ 3. Any nonpayment of taxes on real property due on July 1, 2021 or on October 1, 2021 and paid between July 15, 2021 and December 31, 2021, pursuant to subdivisions a, b and c of section one of this local law, shall not be subject to the provisions regarding subsequent tax liens in subdivision a-1 of section 11-319 of the administrative code of the city of New York.

§ 4. No later than February 1, 2022, the department of finance shall report to the speaker of the council the number of properties and cooperative ownership properties for which the zero percent interest rate was imposed pursuant to the provisions of this local law, the total amount of tax due and the total amount of interest reduced pursuant to this local law, disaggregated by the total amount of tax due and the total amount of interest reduced pursuant to each of subdivisions (a), (b) and (c) of section one of this local law, and the aggregate value of the real property tax liability of those properties and cooperative ownership properties.

§ 5. No later than August 15, 2021, the department of finance shall send a notice to the owner

of any property with an assessed value of \$250,000 or less and any cooperative ownership property for which taxes for such property due on July 1, 2021 have not been paid as of August 1, 2021. Such notice shall advise such owner of the zero percent interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic.

§ 6. No later than August 1, 2021, the department of finance shall post a notice on the department of finance's website describing the zero percent interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic. The department shall distribute a print copy of this notice in department of finance business centers. This notice shall be translated pursuant to the requirements of article 11 of chapter 23 of the administrative code of the city of New York.

§ 7. Any outreach session conducted by the department of finance between July 1, 2021 and November 30, 2021 relating to the payment of property taxes must discuss the zero percent interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic.

§ 8. This local law takes effect immediately and is retroactive to and deemed to have been in effect as of June 1, 2021, except that the council of the city of New York may take such measures as are necessary for the implementation of this local law, including the adoption of the resolution that is the subject of this local law, on or before such date.

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, 2021 and returned unsigned by the Mayor on August 2, 2021.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 86 of 2021, Council Int. No. 2350-A of 2021) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council, presented to the Mayor and neither approved nor disapproved within thirty days thereafter.

STEPHEN LOUIS, Acting Corporation Counsel.