



Legislation Details (With Text)

File #: Res 1919-2001 **Version:** A **Name:** Interest Rate for non-payment of taxes on real property where annual tax is not more than \$2,750 (18%) for FY2002

Type: Resolution **Status:** Adopted

In control: Committee on Finance

On agenda: 5/23/2001

Enactment date: **Enactment #:**

Title: Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2002 for non-payment of taxes on real property where the annual tax on the parcel is more than \$2,750 or where, irrespective of the annual tax, the parcel consists of vacant or unimproved land; and for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health.

Sponsors: Herbert E. Berman, Priscilla A. Wooten

Indexes:

Attachments: 1. Committee Report, 2. Hearing Transcript

Date	Ver.	Action By	Action	Result
5/23/2001	*	City Council	Introduced by Council	
5/23/2001	*	City Council	Referred to Comm by Council	
6/5/2001	*	Committee on Finance	Hearing Held by Committee	
6/5/2001	A	Committee on Finance	Approved by Committee	Pass
6/5/2001	*	Committee on Finance	Amended by Committee	
6/5/2001	*	Committee on Finance	Amendment Proposed by Comm	
6/5/2001	A	City Council	Approved, by Council	Pass

Proposed Res. No. 1919-A

Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2002 for non-payment of taxes on real property where the annual tax on the parcel is more than \$2,750 or where, irrespective of the annual tax, the parcel consists of vacant or unimproved land; and for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health.

By Council Member Berman; also Council Member Wooten.

Whereas, Local Law 46 of 1976 requires the Banking Commission to recommend to the City Council, not later than the 25th of May of each year, the proposed interest rate to be charged for non-payment of taxes on real estate where the annual tax on the parcel is more than \$2,750 or where, irrespective of the annual tax, the parcel consists of vacant or unimproved land; and

Whereas, Local Law 44 of 1978 requires the Banking Commission to recommend to the City Council, not later than the 25th of May of each year, the proposed interest rate to be charged for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health; and

Whereas, Such laws require the Banking Commission to propose a rate at least 6 percent per annum greater than the prevailing interest rates charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the "Prime Rate"); and

Whereas, It is in the best interest of the City to encourage the prompt payment of taxes by all large taxpayers; and

Whereas, The Banking Commission noted, at the May 16th adoption of its recommendation, that the Prime Rate was 7.5%; and

Whereas, Subsequent to the Banking Commission's May 16th action, the Prime Rate was lowered to a rate of 7%, which change was acknowledged in a communication from the Commission to the Speaker dated May 31, 2001 and such communication stated did not affect the recommendation of the Banking Commission set forth in its original resolution; and

Whereas, The Banking Commission recommended to the City Council, that the interest rate to be charged for non-payment of taxes on real estate where the annual tax on the parcel is more than \$2,750 or where, irrespective of the annual tax, the parcel consists of vacant or

unimproved land, and for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health, be eighteen percent (18%) per annum for Fiscal Year 2002; now, therefore, be it

Resolved, That the Council determines that the interest rate to be charged be 18% per annum for Fiscal Year 2002 for non-payment of taxes on real property where the annual tax on the parcel is more than \$2,750 or where, irrespective of the annual tax, the parcel consists of vacant or unimproved land; and, be it further

Resolved, That the Council determines that the interest rate to be charged be 18% per annum for Fiscal Year 2002 for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health; and, be it further

Resolved, That this resolution shall take effect immediately and shall be deemed to have been in effect as of July 1, 2001.

jc:ag
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Prec. Reso
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