



Legislation Text

File #: Res 0485-2024, **Version:** *

Preconsidered Res. No. 485

Resolution to establish that the interest rate be two and one half percent per annum for Fiscal Year 2025 for certain properties for which the owner has entered into an installment payment agreement with the department of finance for payment of delinquent property taxes, assessments or other charges.

By Council Member Brannan

Whereas, Pursuant to Section 11-224.1 of the Administrative Code of the City of New York the Banking Commission is required to recommend to the City Council, not later than the 13th day of May of each year, the proposed interest rate to be charged for certain properties for which the owner has entered into an installment payment agreement with the department of finance for payment of delinquent property taxes, assessments or other charges; and

Whereas, The Banking Commission is required to propose a rate at least equal to the most recent federal short-term interest rate as determined by the United States Secretary of the Treasury in accordance with U.S. Internal Revenue Code § 1247(d), rounded to the nearest half percent (the “Applicable Federal Rate”); and

Whereas, The Banking Commission notes that as of May 2024, the Applicable Federal Rate stands at 4.97 percent; and

Whereas, It is in the best interest of the City to encourage otherwise delinquent taxpayers to enter into arrangements to begin the prompt payment of taxes on real estate by all taxpayers; and

Whereas, The Banking Commission forwarded its recommendation to the Council, by letter dated May 10, 2024, that the interest rate to be charged for certain properties for which the owner has entered into an installment payment agreement with the department of finance for payment of delinquent property taxes, assessments or other charges be 6 percent per annum for Fiscal Year 2025; now, therefore, be it

Resolved, That the Council of the City of New York establishes that the interest rate be 2.5 percent per annum for Fiscal Year 2025 for certain properties for which the owner has entered into an installment payment agreement with the department of finance for payment of delinquent property taxes, assessments or other charges.

MJT
6/29/24