



Legislation Text

File #: Res 1338-2000, Version: \*

Res. No. 1338

Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2001 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 Members Berman, Dear, Nelson; also Council Members Carrion and Lasher

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, The Banking Commission notes that the Prime Rate is currently 9%; 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 recommended, by letter 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 2001; now, therefore, be it

Resolved, That the Council determines that the interest rate to be charged be 18% per annum for Fiscal Year 2001 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 2001 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, 2000.

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