



Legislation Text

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Res. No. 528

Resolution calling upon the State Legislature to introduce and adopt, and the Governor to sign, legislation which would provide for the imposition of a civil penalty for the failure of a cooperative apartment corporation to credit the STAR exemption to the tenant-stockholders thereof.

By Council Members James, Gentile, Koppell, Liu, Palma, Sanders Jr. and Mark-Viverito

Whereas, Clause (b) of subparagraph (iii) of paragraph (k) of subdivision (2) of section 425 of the Real Property Tax Law requires every cooperative apartment corporation, upon receiving a School Tax Relief (“STAR”) exemption to credit the full amount of such exemption to each eligible tenant stockholder residing in the cooperative apartment; and

Whereas, Such exemption must also be fully credited to each tenant stockholder during the assessment cycle of which each tenant stockholder is eligible; and

Whereas, There have been many cases in which the cooperative apartment corporation has not distributed the benefit in a timely manner as prescribed by law or, in many cases, has not distributed the credit at all; and

Whereas, Currently, state law imposes no penalties against cooperative apartment corporations that fail to disburse the STAR credit to their tenant stockholders; and

Whereas, When cooperative apartment corporations fail to disburse such credit to tenant stockholders, the tenant stockholders have no clearly defined redress; and

Whereas, Imposing civil penalties on a cooperative apartment corporation for failure to disburse the STAR credit within a reasonable and definitive time after receiving it, (e.g. three months) will help ensure that tenant stockholders will receive the benefit, and receive such in a timely manner; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State

Legislature to introduce and adopt, and the Governor to sign, legislation which would provide for the imposition of a civil penalty for the failure of a cooperative apartment corporation to credit the STAR exemption to the tenant-stockholders thereof.

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