



Legislation Text

File #: Res 0940-2003, **Version:** *

Preconsidered Res. No.940

Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2004 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 and Mental Hygiene.

By Council Members Weprin, Comrie and Seabrook

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, Section 17-151 of the Administrative Code of the City of New York 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 Mental Hygiene; 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 4.25%; 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 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 and Mental Hygiene, be eighteen percent (18%) per annum for Fiscal Year 2004; now, therefore, be it

Resolved, That the Council determines that the interest rate to be charged be 18% per annum for Fiscal Year 2004 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 2004 for non-payment of charges for work performed pursuant to orders of the Board of Health or Department of Health and Mental Hygiene; 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, 2003.

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