



Legislation Details (With Text)

File #: Res 0902-2007 **Version:** * **Name:** Recommendations of the interest rate to be charged for FY'08 for non-payment of taxes on real estate, and for non-payment of water and sewer rents.

Type: Resolution **Status:** Adopted

In control: Committee on Finance

On agenda: 6/5/2007

Enactment date: **Enactment #:**

Title: Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2008 for non-payment of taxes on properties with an assessed value of over \$80,000, or over \$80,000 per residential unit for cooperative apartments.

Sponsors:

Indexes:

Attachments: 1. Committee Report, 2. Hearing Transcript, 3. Hearing Transcript - Stated Meeting 6/5/07

Date	Ver.	Action By	Action	Result
6/5/2007	*	Committee on Finance	Hearing on P-C Item by Comm	
6/5/2007	*	Committee on Finance	P-C Item Approved by Comm	Pass
6/5/2007	*	City Council	Introduced by Council	
6/5/2007	*	City Council	Referred to Comm by Council	
6/5/2007	*	City Council	Approved, by Council	Pass

Preconsidered Res. No. 902

Resolution to establish that the interest rate be 18% per annum for Fiscal Year 2008 for non-payment of taxes on properties with an assessed value of over \$80,000, or over \$80,000 per residential unit for cooperative apartments.

By Council Members Weprin, Comrie and Nelson

Whereas, Pursuant to Section 11-224.1 of the Administrative Code of the City of New York, as added by Local Law No. 62 of 2005, the Banking Commission is required 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 properties with an assessed value of over eighty thousand dollars (\$80,000), or over eighty thousand dollars (\$80,000) per residential unit for cooperative apartments; and

Whereas, The Banking Commission is required to propose a rate of at least six percent (6%) per annum greater than the prevailing interest rate 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 now stands at eight point twenty-five percent (8.25%) as published by the Federal Reserve Board of Governors; and

Whereas, It is in the best interest of the City to encourage the prompt payment of taxes on real estate 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 properties where the assessed value on a parcel is over eighty thousand dollars (\$80,000), or over eighty thousand dollars (\$80,000) per residential unit for cooperative apartments, be eighteen percent (18%) per annum for Fiscal 2008; now, therefore, be it

Resolved, That the Council establishes that the interest rate be 18% per annum for Fiscal Year 2008 for non-payment of taxes on properties with an assessed value of over \$80,000, or over \$80,000 per residential unit for cooperative apartments.

AB
LS# 3336
5/30/07