



## Legislation Text

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**File #:** Int 2331-2021, **Version:** A

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Int. No. 2331-A

By Council Members Chin and Riley

A Local Law to authorize adoption by resolution of an interest rate for nonpayment of taxes on real property with an assessed value over two hundred fifty thousand dollars in fiscal year 2022 for certain property owners adversely affected by COVID-19

Be it enacted by the Council as follows:

Section 1. Notwithstanding paragraph (ii) and paragraph (iii) of subdivision (e) of section 11-224.1 of the administrative code of the city of New York, the council may by resolution adopt an interest rate between 3 percent and 7.5 percent for properties with an assessed value of more than \$250,000 and no greater than \$450,000 and an interest rate between 6 percent and 7.5 percent for properties with an assessed value of more than \$450,000 for the nonpayment of taxes due on July 1, 2021 for fiscal year 2022 for real property:

(1) classified as class 2 or class 4 pursuant to section 1802 of the real property tax law with an assessed value of more than \$250,000 and less than \$1,000,000, provided that such taxes are paid no later than December 31, 2021 and that no later than November 30, 2021, the owner of such property submits documentation to the commissioner of finance demonstrating that such owner has been adversely affected by the COVID-19 pandemic, and provided further that nothing herein shall be construed to amend paragraph 6 of subdivision b of section 11-319 of such code; or

(2) with an assessed value over \$250,000 (i) where at least 50 percent of the property is used for residential rental dwellings; and (ii) which contains no more than 50 rental dwelling units of which at least 50 percent are rent regulated accommodations, provided that such taxes are paid no later than December 31, 2021 and that no later than November 30, 2021, the owner of such property submits documentation to the

commissioner of finance demonstrating that such owner has been adversely affected by the COVID-19 pandemic, and provided further that nothing herein shall be construed to amend paragraph 6 of subdivision b of section 11-319 of such code.

§ 2. For the purposes of this local law, the following terms shall have the following meanings:

(a) “Adversely affected by the COVID-19 pandemic” means: (1) for real property described in subdivision 1 of section one of this local law, the income of the owner from such real property declined, for any six month period between March 7, 2020 and June 30, 2021, by at least 50 percent as compared to the corresponding period in the previous 12 month period due to COVID-19; and (2) for real property described in subdivision 2 of section one of this local law, the income of the owner from such real property declined, for any six month period between March 7, 2020 and June 30, 2021, by at least 25 percent as compared to the corresponding period in the previous 12 month period due to COVID-19.

(b) “Owner” means a person who is liable for payment of the real property tax on the subject property.

(c) “Rent regulated accommodation” means a dwelling unit required by law or by an agreement with a governmental entity to be regulated in accordance with the emergency tenant protection act of 1974, the rent stabilization law of 1969, the local emergency housing rent control act of 1962.

§ 3. No later than February 1, 2022, the department of finance shall report to the speaker of the council the number of properties for which the lower interest rate was imposed pursuant to the provisions of this local law, the total amount of tax due and the total amount of interest reduced pursuant to this local law, disaggregated by the total amount of tax due and the total amount of interest reduced pursuant to subdivisions 1 and 2 of section one of this local law, and the aggregate value of the real property tax liability of those properties.

§ 4. No later than August 15, 2021, the department of finance shall send a notice to the owner of any real property: (1) classified as class 2 or class 4 pursuant to section 1802 of the real property tax law with

an assessed value of more than \$250,000 and less than \$1,000,000 for which taxes for such property due on July 1, 2021 have not been paid as of August 1, 2021; or (2) with an assessed value over \$250,000 and which contains no more than 50 rental dwelling units of which at least 50 percent are rent regulated accommodations for which taxes for such property due on July 1, 2021 have not been paid as of August 1, 2021. Such notice shall advise such owner of the reduced interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic.

§ 5. No later than August 1, 2021, the department of finance shall post a notice on the department of finance's website describing the reduced interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic. The department shall distribute a print copy of this notice in department of finance business centers. This notice shall be translated pursuant to the requirements of article 11 of chapter 23 of the administrative code of the city of New York.

§ 6. Any outreach session conducted by the department of finance between July 1, 2021 and November 30, 2021 relating to the payment of property taxes must discuss the reduced interest rate authorized by this local law for certain owners adversely affected by the COVID-19 pandemic.

§ 7. This local law takes effect immediately and is retroactive to and deemed to have been in effect as of June 1, 2021, except that the council of the city of New York may take such measures as are necessary for the implementation of this local law, including the adoption of the resolution that is the subject of this local law, on or before such date.

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