



Legislation Text

File #: Int 0941-2001, **Version:** *

Int. No. 941

By The Speaker (Council Member Vallone) and Council Member Berman (in conjunction with the Mayor); also Council Members Fisher, Povman, Abel and Stabile

A Local Law to amend the administrative code of the city of New York, in relation to increasing a credit allowed under the commercial rent or occupancy tax, increasing exemptions from such tax and increasing the filing threshold for such tax.

Be it enacted by the Council as follows:

Section 1. Paragraph 2 of subdivision b of section 11-704 of the administrative code of the city of New York, as amended by local law number 6 for the year 2001, is amended to read as follows:

(2) A tenant whose base rent, (i) for tax years beginning on or after June first, nineteen hundred eighty-one and ending on or before May thirty-first, nineteen hundred eighty-four, is not in excess of four thousand nine hundred ninety-nine dollars per year, (ii) for the tax year beginning June first, nineteen hundred eighty-four and ending May thirty-first, nineteen hundred eighty-five, is not in excess of seven thousand nine hundred ninety-nine dollars per year, (iii) for tax years beginning on or after June first, nineteen hundred eighty-five and ending on or before May thirty-first, nineteen hundred ninety-four, is not in excess of ten thousand nine hundred ninety-nine dollars per year, (iv) for the tax year beginning June first, nineteen hundred ninety-four and ending May thirty-first, nineteen hundred ninety-five, is not in excess of twenty thousand nine hundred ninety-nine dollars per year, (v) for the tax year beginning June first, nineteen hundred ninety-five and ending May thirty-first, nineteen hundred ninety-six, is not in excess of

thirty thousand nine hundred ninety-nine dollars per year, (vi) for the tax year beginning June first, nineteen hundred ninety-six and ending May thirty-first, nineteen hundred ninety-seven, is not in excess of thirty-nine thousand nine hundred ninety-nine dollars per year, (vii) for tax years beginning on or after June first, nineteen hundred ninety-seven and ending on or before May thirty-first, two thousand, is not in excess of ninety-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, (viii) for the period beginning June first, two thousand and ending November thirtieth, two thousand, is not in excess of ninety-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, (ix) for the period beginning December first, two thousand and ending May thirty-first, two thousand one, is not in excess of one hundred forty-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, and (x) for tax years beginning on or after June first, two thousand one, is not in excess of [one hundred forty-nine thousand nine hundred ninety-nine] two hundred forty-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, shall be exempt from the payment of the tax imposed by this chapter with respect to such rent, provided, however, that where the base rent of such tenant is for a period of less than one year, such base rent shall, for purposes of this paragraph, be determined as if it had been on an equivalent basis for the entire year; and provided, further, that for purposes of subparagraphs (viii) and (ix) of this paragraph, base rent for the period specified in each of such subparagraphs shall be separately annualized as if it had been on an equivalent basis for an entire year, irrespective of the actual base rent for the tax year

as follows: a tenant whose base rent is at least two hundred and fifty thousand dollars but not more than three hundred thousand dollars shall be allowed a credit in an amount determined by multiplying three and nine-tenths percent of base rent by a fraction the numerator of which is three hundred thousand dollars minus the amount of base rent and the denominator of which is fifty thousand dollars. If the tenant's base rent is over [one hundred eighty-nine thousand nine hundred ninety-nine] three hundred thousand dollars, no credit shall be allowed under this paragraph. For purposes of this paragraph, 'base rent' shall be calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of section 11-704 of this chapter.

§3. Subdivision a of section 11-705 of the administrative code of the city of New York, as amended by local law number 63 for the year 1997, is amended to read as follows:

a. Every tenant subject to tax under this chapter shall file with the commissioner of finance a return with respect to the taxes payable for the three month periods ending on the last days of August, November and February of each year and a final return with respect to the taxes payable for the tax year ending on the last day of May of each year. Such returns shall be filed within twenty days from the expiration of the period covered thereby. A tenant who is exempt from the tax by reason of paragraph two of subdivision b of section 11-704 of this chapter shall nevertheless be required to file a final return, provided, however, that for tax years beginning on or after June first, nineteen hundred ninety-five and ending on or before May thirty-first, nineteen hundred ninety-seven, no such final return shall be required from such exempt tenant with respect to taxable premises if (1) the tenant's rent for such premises, determined without regard to any deduction from or reduction in rent or base rent allowed by this chapter, does not exceed fifteen thousand dollars for the tax year and (2) in the case of a tenant who has more than one

taxable premises, the aggregate rents for all such premises, determined without regard to any deduction from or reduction in rent or base rent allowed by this chapter, do not exceed fifteen thousand dollars for the tax year. For tax years beginning on [or after] June first, nineteen hundred ninety-seven and ending on or before May thirty-first, two thousand one, no such final return shall be required from such exempt tenant with respect to any taxable premises if (1) the tenant's rent for such premises, determined without regard to any deduction from or reduction in rent or base rent allowed by this chapter, does not exceed seventy-five thousand dollars for the tax year and (2) the amount of rent received or due from any subtenant of such exempt tenant with respect to such premises does not exceed seventy-five thousand dollars for the tax year. For tax years beginning on or after June first, two thousand one, no such final return shall be required from such exempt tenant with respect to any taxable premises if (1) the tenant's rent for such premises, determined without regard to any deduction from or reduction in rent or base rent allowed by this chapter, does not exceed two hundred thousand dollars for the tax year and (2) the amount of rent received or due from any subtenant of such exempt tenant with respect to such premises does not exceed two hundred thousand dollars for the tax year. Notwithstanding anything in this subdivision to the contrary, for tax periods beginning on or after September first, nineteen hundred ninety-five, no return shall be required pursuant to this subdivision with respect to any taxable premises located in that part of the city specified in paragraph one of subdivision h of section 11-704 of this chapter, and no such taxable premises shall be taken into account for purposes of clause two of the preceding sentence. The commissioner of finance may permit or require returns (including final returns) to be made for other periods and upon such dates as the commissioner may specify and if he or she deems it necessary, in order to insure the payment of the tax imposed by this chapter, the commissioner may require such returns to be made for

shorter periods than those prescribed by the foregoing provisions of this section, and upon such dates as he or she may specify.

§4. This local law shall take effect immediately and shall be retroactive to and deemed to have been in full force and effect as of June 1, 2001.