File #: Res 0877-2025, **Version:** *

Preconsidered Res. No. 877

Resolution to establish that the interest rate be six percent per annum for Fiscal Year 2026 for non-payment of taxes on properties with an assessed value of not more than $250,000, or not more than $250,000 per residential unit for cooperative apartments.

By Council Member Brannan

Whereas, Pursuant to Section 11-224.1 of the Administrative Code of the City of New York, the Banking Commission is required to recommend to the City Council, not later than the 13th day of May of each year, the proposed interest rate to be charged for non-payment of taxes on properties with an assessed value of not more than $250,000, or not more than $250,000 per residential unit for cooperative apartments; and

Whereas, The Banking Commission is required to propose a rate at least equal to 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 as of May 9, 2025, the Prime Rate stands at 7.50 percent as published by the Board of Governors of the Federal Reserve System; and

Whereas, It is in the best interest of the City to encourage the prompt payment of taxes on real estate by all taxpayers; and

Whereas, The Banking Commission forwarded its recommendation to the Council, by letter dated May 13, 2025, that the interest rate to be charged for the non-payment of taxes on properties where the assessed value is not more than $250,000, or not more than $250,000 per residential unit for cooperative apartments, be 8 percent per annum for Fiscal Year 2026; now, therefore, be it

Resolved, That the Council of the City of New York establishes that the interest rate be 6 percent per

annum for Fiscal Year 2026 for non-payment of taxes on properties with an assessed value of not more than $250,000, or not more than $250,000 per residential unit for cooperative apartments.