File #: Int 0978-2026, **Version:** *

Int. No. 978

By Council Members Louis, Brewer, Zhuang, Epstein, Farias, Marte, Hudson, Riley, Thomas-Henry, Hanif, Restler, Wilson, Maloney, Hankerson, Abreu, Feliz, Schulman, Krishnan, Cabán, Banks, Won, Dinowitz, Gutiérrez, De La Rosa, Avilés, Ossé, Nurse, Wong and Vernikov

A Local Law to amend the administrative code of the city of New York, in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain senior citizens and persons with disabilities

Be it enacted by the Council as follows:

Section 1. Subparagraphs (ii) and (iii) of paragraph 2 of subdivision m of section 26-405 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009 and local law number 94 for the year 2005, respectively, are amended to read as follows:

(ii) the aggregate disposable income (as defined by regulation of the department of finance) of all members of the household residing in the housing accommodation whose head of household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and seventy-five thousand dollars beginning July first, two thousand twenty-six, per year, after deduction of federal, state and city income and social security taxes. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all

items United States city average) for such year which take effect after the date of eligibility of a head of the household receiving benefits under this subdivision whether received by the head of the household or any other member of the household.

(iii) the aggregate disposable income (as defined by regulation of such agency as the mayor shall designate) for the current income tax year of all members of the household residing in the housing accommodation whose head of the household is a person with a disability pursuant to this section does not exceed [the maximum income above which such head of the household would not be eligible to receive cash supplemental security income benefits under federal law during such tax year] seventy-five thousand dollars beginning July first, two thousand twenty-six. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all items United States city average) for such year which take effect after the date of eligibility of a head of the household receiving benefits under this subdivision whether received by the head of the household or any other member of the household.

§ 2. Paragraph 5 of subdivision m of section 26-405 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009, is amended to read as follows:

(5) A rent exemption order shall be issued to each tenant who applies to the department of finance or such agency as the mayor shall designate (which agency may also be the department of finance) in accordance with such department's or agency's regulations and who is found to be eligible under this subdivision. Such order shall take effect on the first day of the first month after receipt of such application, except that where the aggregate disposable income of all members of the household residing in the housing accommodation whose head of the household is sixty-two years of age or older is greater than five thousand dollars per year but does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars

beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and seventy-five thousand dollars beginning July first, two thousand twenty-six, per year pursuant to subparagraph (ii) of paragraph two of subdivision m of this section on orders issued on applications received before July first, nineteen hundred seventy-five, the effective date of such order shall be the later of (1) June thirtieth, nineteen hundred seventy-four or (2) the last day of the month in which a person becomes an eligible head of household in the housing accommodation in which such person resides at the time of filing the most recent application for a rent exemption order; and further, except that where any other application has been received within ninety days of the issuance of the order increasing the tenant's maximum rent pursuant to paragraph three, four or six of subdivision (a) of this section, or subparagraph (a), (b), (c), or (l) of paragraph (1) of subdivision (g) of this section or pursuant to court order, whichever is later, the rent exemption order shall without further order take effect as of the effective date of said order increasing the tenant's rent including any retroactive increments collectible pursuant to such orders.

§ 3. Subparagraphs (ii) and (iii) of paragraph 2 of subdivision b of section 26-509 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009 and local law number 94 for the year 2005, respectively, are amended to read as follows:

(ii) the aggregate disposable income (as defined by regulation of the department of finance) of all members of the household residing in the housing accommodation whose head of the household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and seventy-five thousand dollars beginning July first, two thousand twenty-six, per year, after deduction of federal, state and city income and social security taxes. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts

or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all items United States city average) for such year which take effect after the eligibility date of the head of the household receiving benefits under this section whether received by the head of the household or any other member of the household;

(iii) the aggregate disposable income (as defined by regulation of such agency as the mayor shall designate) for the current income tax year of all members of the household residing in the housing accommodation whose head of the household is a person with a disability does not exceed [the maximum income above which such head of the household would not be eligible to receive cash supplemental security income benefits under federal law during such tax year] seventy-five thousand dollars beginning July first, two thousand twenty-six. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all items United States city average) for such year which take effect after the eligibility date of the head of the household receiving benefits under this section, whether received by the head of the household or any other member of the household.

§ 4. Subdivision d of section 26-601 of the administrative code of the city of New York, as amended by local law numbers 75 and 76 for the year 2025, is amended to read as follows:

d. "Eligible head of the household" means a person or his or her spouse who is sixty-two years of age or older or who qualifies as a person with a disability pursuant to section 26-617 of this chapter and is entitled to the possession or to the use and occupancy of a dwelling unit, provided, however, that with respect to a dwelling which was subject to a mortgage insured or initially insured by the federal government pursuant to

section two hundred thirteen of the national housing act, as amended, "eligible head of the household" shall be limited to that person or his or her spouse who was entitled to possession or the use and occupancy of such dwelling unit at the time of termination of such mortgage, and whose income when combined with the income of all other members of the household whose head of household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and seventy-five thousand dollars beginning July first, two thousand twenty-six, for the taxable period, or whose income for the current income tax year when combined with the income of all members of the household residing in the housing accommodation whose head of the household is a person with a disability does not exceed [the maximum income above which such head of the household would not be eligible to receive cash supplemental security income benefits under federal law during such tax year] seventy-five thousand dollars beginning July first, two thousand twenty-six.

§ 5. Section 26-617 of the administrative code of the city of New York, as added by local law number 76 for the year 2005, the section heading of such section as amended by local law number 109 for the year 2023, is amended to read as follows:

§ 26-617 Eligibility for persons with disabilities. To qualify as a person with a disability for the purposes of this section, an individual shall submit to such agency as the mayor shall designate proof (as specified by regulation of such agency as the mayor shall designate) showing that such individual is currently receiving social security disability insurance (SSDI) or supplemental security income (SSI) benefits under the federal social security act or disability pension or disability compensation benefits provided by the United States department of veterans affairs, or was previously eligible by virtue of receiving disability benefits under the supplemental security income program or the social security disability program and is currently receiving medical assistance benefits based on determination of disability as provided in section three hundred sixty-six

of the social services law and whose income for the current income tax year, together with the income of all members of such individual's household, does not exceed [the maximum income at which such individual would be eligible to receive cash supplemental security income benefits under federal law during such tax year] seventy-five thousand dollars beginning July first, two thousand twenty-six.

§ 6. This local law takes effect immediately and is retroactive to and deemed to have been in full force and effect as of July 1, 2026, and shall expire and be deemed repealed on June 30, 2028; provided that the amendment to section 26-509 of the administrative code of the city of New York made by section three of this local law shall not affect the expiration of such section and shall be deemed to expire therewith.

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