



Legislation Details (With Text)

File #: Res 0737-2015 **Version:** * **Name:** Establish that the interest rate be 18% per annum for FY'16 for non-payment of taxes on properties with an assessed value of over \$250,000, or over \$250,000 per residential unit for co-op apartments.

Type: Resolution **Status:** Adopted

In control: Committee on Finance

On agenda: 6/10/2015

Enactment date: **Enactment #:**

Title: Resolution to establish that the interest rate be 18 percent per annum for Fiscal Year 2016 for non-payment of taxes on properties with an assessed value of over \$250,000, or over \$250,000 per residential unit for cooperative apartments

Sponsors:

Indexes:

Attachments: 1. Banking Commission Letter, 2. Committee Report, 3. June 10, 2015 - Stated Meeting Agenda with Links to Files, 4. Hearing Testimony 6/10/15, 5. Hearing Transcript 6/10/15, 6. Hearing Transcript - Stated Meeting 6-10-15, 7. Minutes of the Stated Meeting - June 10, 2015

Date	Ver.	Action By	Action	Result
6/10/2015	*	Committee on Finance	Hearing on P-C Item by Comm	
6/10/2015	*	Committee on Finance	P-C Item Approved by Comm	Pass
6/10/2015	*	City Council	Introduced by Council	
6/10/2015	*	City Council	Referred to Comm by Council	
6/10/2015	*	City Council	Approved, by Council	Pass

Preconsidered Res. No. 737

Resolution to establish that the interest rate be 18 percent per annum for Fiscal Year 2016 for non-payment of taxes on properties with an assessed value of over \$250,000, or over \$250,000 per residential unit for cooperative apartments

By Council Member Ferreras-Copeland

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 over \$250,000, or over \$250,000 per residential unit for cooperative apartments; and

Whereas, The Banking Commission is required to propose a rate of at least six percent 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 as of May 12, 2015, the Prime Rate stands at three and one-quarter 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 large taxpayers; and

Whereas, The Banking Commission forwarded its recommendation to the Council, by letter dated May 13, 2015, that the interest rate to be charged for non-payment of taxes on properties where the assessed value on a parcel is over \$250,000, or over \$250,000 per residential unit for cooperative apartments, be 18 percent per annum for Fiscal Year 2016; now, therefore, be it

Resolved, That the Council of the City of New York establishes that the interest rate be 18 percent per annum for Fiscal Year 2016 for non-payment of taxes on properties with an assessed value of over 250,000, or over \$250,000 per residential unit for cooperative apartments.

RC LS#5520
6/2/15