

**REPORT OF THE
COMMITTEE ON FINANCE**

**FINANCE DIVISION
LATONIA MCKINNEY, ACTING DIRECTOR**

RESOLUTION TO PROVIDE THE AMOUNTS NECESSARY FOR THE SUPPORT OF THE GOVERNMENT OF THE CITY OF NEW YORK AND THE COUNTIES THEREIN AND FOR THE PAYMENT OF INDEBTEDNESS THEREOF, FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2014 AND ENDING ON JUNE 30, 2015 BY THE LEVY OF TAXES ON THE REAL PROPERTY IN THE CITY OF NEW YORK, IN ACCORDANCE WITH THE PROVISIONS OF THE CONSTITUTION OF THE STATE OF NEW YORK, THE REAL PROPERTY TAX LAW AND THE CHARTER OF THE CITY OF NEW YORK

Introduction. This Resolution, dated June 25, 2014, provides the amounts necessary for the support of the government of the City of New York and the counties therein and for the payment of indebtedness thereof, for the fiscal year beginning on July 1, 2014 and ending on June 30, 2015 by the levy of taxes on the real property in the city of New York, in accordance with the provisions of the Constitution of the State of New York, the Real Property Tax law and the Charter of the City of New York.

On May 8, 2014, the Mayor submitted the executive budget for Fiscal 2015 to the Council pursuant to Section 249 of the Charter. On the date hereof, the Council adopted the budget for Fiscal 2015 pursuant to Section 254 of the Charter (the "Fiscal 2015 Budget"). Pursuant to Section 1516 of the Charter, the Council must fix the annual real property tax rates immediately upon such approval of the Fiscal 2015 Budget. In the resolution, captioned above, fixing the real property tax rates for Fiscal 2015 (the "Tax Fixing Resolution"), the Council fixes the annual real property tax rates, as described in greater detail below, and authorizes the levy of real property taxes for Fiscal 2015.

Determining the Amount of the Real Property Tax Levy. In the Tax Fixing Resolution, the Council determines the amount of the real property tax levy for Fiscal 2015, pursuant to the provisions of Section 1516 of the Charter, in the following manner. (1) First, the Council acknowledges the amount of the Fiscal 2015 Budget to be \$75,026,906,545, as set forth in the communication from the Mayor pursuant to Section 1515(a) of the Charter (the "Fiscal 2014 Budget Amount"). (2) The Council then acknowledges the estimate of the probable amount of all non-property tax revenues to be \$54,247,974,545, as set forth in the communication from the Mayor pursuant to Section 1515(a) of the Charter (the "Fiscal 2015 Revenue Estimate"). (Attached hereto as Exhibit A is a description of the Fiscal 2015 Revenue Estimate, detailing all sources of revenues exclusive of real property taxes.) (3) Pursuant to Section 1516 of the Charter, the Council finally determines the net amount required to be raised by tax on real property to be \$20,778,932,000, by subtracting the amount of the Fiscal 2015 Revenue Estimate from the Fiscal 2015 Budget Amount.

In order to achieve a real property tax yield of \$20,778,932,000, however, due to provision for uncollectible taxes and refunds and collection of levies from prior years equal in the aggregate to \$1,812,597,495, the Council determines that a real property tax levy of \$22,591,529,495 is required. Such amount, levied at rates on the classes of real property as further described below will produce a balanced budget within generally accepted accounting principles for municipalities.

The Council also provides for the application of the real property tax levy (net of provision for

uncollectible taxes and refunds and collection of levies from prior years) to (1) debt service not subject to the constitutional operating limit, (2) debt service subject to the constitutional operating limit and (3) the Fiscal 2015 Budget in excess of the amount of the Fiscal 2015 Revenue Estimate.

Authorizing and Fixing the Real Property Tax Rates. After having determined the amount of the real property tax levy, the Council authorizes and fixes the real property tax rates. On May 27, 2014, the Commissioner of the Department of Finance (the "Commissioner") delivered the certified assessment rolls for all real property assessable for taxation in the City in each borough thereof for Fiscal 2015 to the Council, pursuant to Section 1514 of the Charter (the "Fiscal 2015 Assessment Rolls"). On June 25, 2014, the Council adopted a resolution in which the Council computed and certified the current base proportion, the current percentage and the base percentage of each class of real property in the City for Fiscal 2015 (the "Current Base Proportion Resolution"), pursuant to Section 1803-a (1) of the Real Property Tax Law. On June 25, 2014, pursuant to Section 1803-a of the Real Property Tax Law, the Council adopted a resolution in which the Council adjusted the current base proportions of each class of real property in the City for Fiscal 2015, to reflect the additions to, and full or partial removal from, the Fiscal 2015 Assessment Rolls (the "Adjusted Base Proportion Resolution").

The following sections describe the determinations the Council must make before it fixes the real property tax rates and the process by which the Council fixes the real property tax rates.

Assessed Valuation Calculations. In the Tax Fixing Resolution, the Council sets out the assessed valuation calculations of taxable real property in the City by class within each borough of the City. Next, the Council sets out the assessed valuation (1) by class of real property for the purpose of taxation (exclusive of the assessed valuation of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes) in each borough of the City and (2) by class of veterans' real property subject to tax for school purposes in each borough of the City.

Compliance with Constitutional Operating Limit Provisions. In the Tax Fixing Resolution, the Council also provides evidence of compliance with constitutional operating limit provisions. The Council determines that the amount to be levied by tax on real property for the Fiscal 2015 Budget does not exceed the limit imposed by Section 10, Article VIII of the Constitution of the State of New York, as amended, and Article 12-A of the Real Property Tax Law (the "Operating Limit Provisions"). The Operating Limit Provisions require that the City not levy taxes on real property in any fiscal year in excess of an amount equal to a combined total of two and one-half percent (2 ½%) of the average full valuation of taxable real property in the City, determined by taking the assessed valuations of taxable real property on the last completed assessment roll and the four (4) preceding assessment rolls of the City and applying thereto the special equalization ratio which such assessed valuations of each such roll bear to the full valuations as fixed and determined by the State Office of Real Property Services ("ORPS"), minus (i) the amount to be raised by tax on real property in such year for the payment of the interest on and the redemption of certificates of other evidence of indebtedness described in the Constitution and (ii) the aggregate amount of business improvement district charges exclusive of debt service. (Attached hereto as Exhibit B is a description of net reductions of the amounts to be raised by the Fiscal 2014 tax levy as authorized by New York State law for purposes of the Operating Limit determination.)

Adjusted Base Proportions. The Tax Fixing Resolution sets forth the adjusted base proportions for Fiscal 2015, pursuant to the Adjusted Base Proportion Resolution, to be used in determining the Fiscal 2015 tax rates for the four classes of properties.

Tax Rates on Adjusted Base Proportions. Finally, in the Tax Fixing Resolution, the Council authorizes and fixes, pursuant to Section 1516 of the Charter, the rates of tax for Fiscal 2015 by class upon: (1) each dollar of assessed valuation of real property subject to taxation for all purposes of, and within, the City, as fixed in cents and thousandths of a cent per dollar of assessed valuation, as follows:

All One-, Two- and Three-Family Residential Real Property	0.19157
All Other Residential Real Property	0.12855
Utility Real Property	0.11125
All Other Real Property	0.10684

and (2) each dollar of assessed valuation of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes of, and within, the City, as fixed in cents and thousandths of a cent per dollar of assessed valuation, as follows:

All One-, Two- and Three-Family Residential Real Property	0.11581
All Other Residential Real Property	0.07795
Utility Real Property	0.00000
All Other Real Property	0.06485

Authorization of the Levy of Property Taxes for Fiscal 2015. The Council authorizes and directs the Commissioner, pursuant to Section 1517 of the Charter, to set down in the Fiscal 2015 Assessment Rolls, opposite to the several sums set down as the valuation of real property, the respective sums to be paid as a tax thereon and add and set down the aggregate valuations of real property in the boroughs of the City and send a certificate of such aggregate valuation in each such borough to the State Comptroller. The Tax Fixing Resolution then requires the City Clerk to procure the proper warrants, in the form attached thereto, such warrants to be signed by the Public Advocate and counter-signed by the City Clerk.

The Tax Fixing Resolution would take effect as of the date of adoption of the Fiscal 2015 Budget.

Accordingly, the Committee on Finance recommends adoption of the Tax Fixing Resolution.

EXHIBIT A

**ESTIMATED FISCAL YEAR 2015 REVENUE
OTHER THAN REAL PROPERTY TAXES
Summarizing by Source of Revenue**

Source of Revenue	Estimate of Revenue
Taxes (excluding Real Estate Taxes):	
General Sales (1)	\$6,666,000,000
Personal Income (Excluding Transitional Finance Authority Debt)	9,191,000,000
General Corporation	2,858,000,000
Commercial Rent	715,000,000
Utility	415,000,000
Banking Corporation	1,168,000,000
Mortgage Recording	874,000,000
Unincorporated Business	1,933,000,000
Real Property Transfer	1,352,000,000
Cigarette	53,000,000
Hotel Occupancy	535,000,000
Other:	
Penalty and Interest	42,000,000
Off-Track Betting	0
Off-Track Betting Surtax	1,250,000
Payments in Lieu of Tax	256,000,000
Section 1127 (Waiver)	121,000,000
Beer and Liquor	24,000,000
Auto Use	29,000,000
Commercial Motor Vehicle	50,000,000
Taxicab License Transfer	8,000,000
Liquor License Surcharge	5,000,000
Horse Race Admissions	20,000
Other Refunds	<u>(29,000,000)</u>
State Tax Relief Program ("STAR") for Personal Income and Real Property Taxes.....	<u>862,000,000</u>
	<u>27,129,270,000</u>
Miscellaneous Revenue:	
Licenses, Franchises, etc.....	583,171,494
Interest Income.....	9,570,000
Charges for Services.....	920,249,207
Water and Sewer Charges.....	1,559,171,000
Rental Income.....	272,399,000
Fines and Forfeitures.....	788,862,000
Miscellaneous.....	<u>2,089,730,808</u>
	<u>6,223,153,509</u>

EXHIBIT A

**ESTIMATED FISCAL YEAR 2015 REVENUE
OTHER THAN REAL PROPERTY TAXES
Summarizing by Source of Revenue**

Source of Revenue	Estimate of Revenue
Grants:	
Federal	6,457,653,231
State	12,401,663,134
Provision for Disallowances	<u>(15,000,000)</u>
	<u>18,844,316,365</u>
Unrestricted State and Federal Aid:	
N.Y. State Revenue Sharing	0
Other Unrestricted Aid	<u>0</u>
	<u>0</u>
Transfer from Capital Funds	<u>532,719,459</u>
Tax Audit Revenue and Other Initiatives.....	<u>709,400,000</u>
Tax Program.....	<u>0</u>
Other Categorical Grants.....	<u>809,115,212</u>
Amount of Estimated Revenue other than Real Estate Taxes.....	<u>\$54,247,974,545</u>

FOOTNOTES

(1) Fiscal 2015 administrative expenses of the New York State Financial Control Board ("FCB") and the Office of the State Deputy Comptroller ("OSDC"), the "State Oversight Retention Requirements", have been treated only for accounting and financial reporting purposes of the City as if they were City expenditures. Consequently, the above estimates of General Fund receipts for Fiscal 2015 do not reflect anticipated reductions in amounts to be received by the City from the 4.5 percent sales tax levied in the City (the "City Sales Tax") pursuant to State Oversight Retention Requirements. In fact, the State Oversight Retention Requirements are to be retained by the State from the City Sales Tax and will therefore reduce the funds which are paid to the City from the City Sales Tax. This presentation of State Oversight Retention Requirements (instead of being shown as a reduction in City Sales Tax) has no bearing on the statutory relationship between the City, on the one hand, and the FCB and OSDC, on the other hand.

Exhibit B

**PROPERTY TAX ITEMS IN THE RESERVE CONSIDERED OFFSETS TO LEVY
FOR PURPOSES OF CONSTITUTIONAL OPERATING LIMIT PROVISIONS**

FISCAL 2015 RESERVE ESTIMATES

Reserve Item	Estimate <i>(in millions)</i>
<u>Property Tax Reductions (Tax Expenditures) Authorized by State Law</u>	
Coop/Condo Abatement	(\$416.0)
STAR Exemption*	(202.0)
J-51	(103.0)
SCRIE/DRIE	(186.9)
Commercial Revitalization Program & Borough Development	(62.1)
Section 626	(20.0)
ICAP Abatement	(9.0)
Solar/Green Roof Abatement	(2.5)
<u>Property Tax Additions (Tax Programs) Authorized by State Law</u>	
Exempt Property Restored	33.6
ICIP Abatement/Repayment	1.6
TOTAL	<u>(\$966.3)</u>

* Although the STAR exemption is authorized by State law and treated as an abatement and included in the property tax reserve, the State reimburses the City for the exact amount of the abatement. However, this is an Expense item and accounted for as a separate allocation of funds.

Source: NY City Office of Management and Budget, FY 2015 Adopted Budget

RESOLUTION NO. _____

By Council Member Julissa Ferreras

RESOLUTION TO PROVIDE THE AMOUNTS NECESSARY FOR THE SUPPORT OF THE GOVERNMENT OF THE CITY OF NEW YORK AND THE COUNTIES THEREIN AND FOR THE PAYMENT OF INDEBTEDNESS THEREOF, FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2014 AND ENDING ON JUNE 30, 2015, BY THE LEVY OF TAXES ON THE REAL PROPERTY IN THE CITY OF NEW YORK, IN ACCORDANCE WITH THE PROVISIONS OF THE CONSTITUTION OF THE STATE OF NEW YORK, THE REAL PROPERTY TAX LAW AND THE CHARTER OF THE CITY OF NEW YORK.

Whereas, on May 8, 2014, pursuant to the Section 249 of the Charter of the City of New York ("the Charter"), the Mayor of the City of New York (the "Mayor") submitted to the Council of the City of New York (the "Council"), the executive budget for the support of the government of the City of New York and the counties therein (collectively, the "City") for the fiscal year beginning on July 1, 2014 and ending on June 30, 2015 ("Fiscal 2015"); and

Whereas, on May 27, 2014, pursuant to Section 1514 of the Charter, the Commissioner of the Department of Finance (the "Commissioner") delivered to the Council, the certified assessment rolls for all real property assessable for taxation in the City in each borough thereof for Fiscal 2015, a certified copy of which is in the Office of the Clerk of the City pursuant to Section 516, Real Property Tax Law (the "Fiscal 2015 Assessment Rolls"); and

Whereas, on June 25, 2014, the Council adopted a resolution in which the Council computed and certified the current base proportion, the current percentage and the base percentage of each class of real property in the City for Fiscal 2015 pursuant to Section 1803-a(1), Real Property Tax Law (the "Current Base Proportion Resolution"); and

Whereas, on June 25, 2014, pursuant to Section 1803-a, Real Property Tax Law, the Council adopted a resolution in which the Council adjusted the current base proportion of each class of real property in the City for Fiscal 2015, to reflect the additions to, and full or partial removal from, the Fiscal 2015 Assessment Rolls (the "Adjusted Base Proportion Resolution"); and

Whereas, on June 25, 2014, pursuant to Section 254 of the Charter, the Council adopted the budget for the support of the government of the City and for the payment of indebtedness thereof for Fiscal 2015 (the "Fiscal 2015 Budget"); and

Whereas, on June 25, 2014, pursuant to Section 1515(a) of the Charter, the Mayor prepared and submitted to the Council, a statement setting forth the amount of the Fiscal 2015 Budget as approved by the Council (the "Fiscal 2015 Budget Statement") and an estimate of the probable amount of receipts into the City treasury during Fiscal 2015 from all the sources of revenue of the general fund and all receipts other than those of the general fund and taxes on real property, a copy of which is attached hereto as Exhibit A (the "Fiscal 2015 Revenue Estimate");

NOW, THEREFORE, be it resolved by The Council of The City of New York as follows:

Section 1. Fixing of Real Property Tax Rates for Fiscal 2015.

a. Determining the Amount of the Real Property Tax Levy.

(i) The total amount of the Fiscal 2015 Budget as set forth in the Fiscal 2015 Budget Statement is \$75,026,906,545.

(ii) The estimate of the probable amount of receipts into the City treasury during Fiscal 2015 from all the sources of revenue of the general fund and all receipts other than those of the general fund and taxes on real property as set forth in the Fiscal 2015 Revenue Estimate is \$54,247,974,545.

(iii) Pursuant to Section 1516 of the Charter, the Council hereby determines that the amount required to be raised by tax on real property shall be \$20,778,932,000, which is derived from deducting the amount set forth in the Fiscal 2015 Revenue Estimate from the amount of the Fiscal 2015 Budget.

(iv) In order to achieve a real property tax yield of \$20,778,932,000 due to provision for uncollectible taxes and refunds and collection of levies from prior years, the Council hereby determines that a real property tax levy of \$22,591,529,495 will be required, calculated as follows:

Not Subject to the 2 1/2 Percent Tax Limitation:

For Debt Service:	
Funded Debt	\$3,332,765,351

Amount Required for Debt Service and Financing as:

Provision for Uncollectible Taxes	\$262,945,525	
Provision for Refunds	\$78,784,335	
Collection of Prior Years' Levies	(\$51,004,517)	\$3,623,490,694

Subject to the 2 1/2 Percent Tax Limitation:

For Debt Service:	
Temporary Debt	
Interest on Temporary Debt	\$74,623,611
For General Operating Expenses:	
Funds Required	\$17,371,543,038

Amount Required for Debt Service and Operating Expenses as:

Provision for Uncollectible Taxes	\$1,376,451,970	
Provision for Refunds	\$412,415,665	
Collection of Prior Years' Levies	(\$266,995,483)	<u>18,968,038,801</u>

<i>TOTAL REAL PROPERTY TAX LEVY</i>		<u>\$22,591,529,495</u>
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The Council hereby determines that such amount, levied at such rates on the classes of real property pursuant to paragraph (iv) of subsection b below will produce a balanced budget within generally accepted accounting principles for municipalities.

(v) The real property tax levy, net of provision for uncollectible taxes and refunds and the collection of levies from prior years, determined pursuant to clause (iv) above shall be applied as follows:

(A) For payment of debt service not subject to the 2 1/2 percent tax limitation:	\$3,332,765,351
(B) For debt service on short-term debt subject to the 2 1/2 percent tax limitation:	\$74,623,611
(C) To provide for conducting the public business of the City and to pay the appropriated expenditures for the counties therein as set forth in the Fiscal 2015 Budget in excess of the amount of revenues estimated in the Fiscal 2015 Revenue Estimate:	\$17,371,543,038

b. Authorizing and Fixing the Real Property Tax Rates.

(i) Assessed Valuation Calculations of Taxable Real Property in the City. The Fiscal 2015 Assessment Rolls set forth the following valuations by class within each borough of the City.

(A) The assessed valuation by class of real property for the purpose of taxation in each borough of the City, exclusive of the assessed valuation of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes is set forth below:

Assessment by Class of Property Subject to Taxation for All Purposes					
Borough	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property	Utility Real Property	All Other Real Property	Assessment of Property Subject to Taxation for All Purposes
Manhattan	\$849,681,553	\$45,408,148,991	\$4,791,997,366	\$67,633,427,131	\$118,683,255,041
The Bronx	1,435,600,368	3,302,441,421	1,545,599,310	3,553,363,707	9,837,004,806
Brooklyn	5,293,059,501	7,678,725,861	2,658,289,718	7,444,629,589	23,074,704,669
Queens	7,437,874,459	6,809,703,327	2,644,537,447	9,773,004,462	26,665,119,695
Staten Island	2,651,262,368	290,398,749	714,706,305	1,803,375,951	5,459,743,373
TOTAL	\$17,667,478,249	\$63,489,418,349	\$12,355,130,146	\$90,207,800,840	\$183,719,827,584

(B) The assessed valuation by class of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes in each borough of the City is set forth below:

Assessment by Class of Veterans' Property Exempted under State Law from Tax for General Purposes but Subject to Tax for School Purposes					
Borough	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property	Utility Real Property	All Other Real Property	Total Assessment of Veterans' Property Exempted under State Law from Tax for General Purposes but Subject to Tax for School Purposes
Manhattan	\$868,322	\$105,539,272	\$0	\$40,219	\$106,447,813
The Bronx	14,122,712	4,102,286	0	0	18,224,998
Brooklyn	40,349,595	12,786,221	0	22,785	53,158,601
Queens	75,218,965	37,095,851	0	39,242	112,354,058
Staten Island	48,092,957	1,084,160	0	11,352	49,188,469
TOTAL	\$178,652,551	\$160,607,790	\$0	\$113,598	\$339,373,939

*Includes condominiums of three stories or fewer which have always been condominiums.

(ii) Chapter 389 of the Laws of 1997 established a new real property tax exemption providing school tax relief (Section 425, Real Property Tax Law). Pursuant to subdivision 8 of Section 425, the assessment by tax class of property subject to taxation for all purposes and the assessment by tax class of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes has been increased by the amounts shown below for purposes of: (a) determining the City's tax and debt limits pursuant to law; (b) determining the amount of taxes to be levied; (c) calculating tax rates by tax class; and (d) apportioning taxes among classes in a special assessing unit under Article 18, Real Property Tax Law.

(A) The assessed valuation by class of real property for the purpose of taxation in each borough of the City exempted under Section 425, Real Property Tax Law, exclusive of the assessed valuation of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes is set forth below:

Assessment by Class of Property Exempted under Section 425, Real Property Tax Law, for All Purposes				
Borough	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property**	All Other Real Property	Exempted under Section 425, Real Property Tax Law, for All Purposes
Manhattan	\$3,278,650	\$170,444,659	\$177,515	\$173,900,824
The Bronx	67,989,029	31,060,014	27,436	99,076,479
Brooklyn	213,363,370	86,878,217	291,570	300,533,157
Queens	322,702,755	157,969,315	350,696	481,022,766
Staten Island	144,788,342	5,746,383	50,180	150,584,905
TOTAL	\$752,122,146	\$452,098,588	\$897,397	\$1,205,118,131

(B) The assessed valuation by class of veterans' real property exempt under state law from tax for general purposes and exempt under Section 425, Real Property Tax Law, for school purposes in each borough of the city is set forth below:

Assessment by Class of Veterans' Property Exempted under Section 425, Real Property Tax Law, for School Purposes				
Borough	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property**	All Other Real Property	Total Assessment of Veterans' Property Exempted under Section 425, Real Property Tax Law, for School Purposes
Manhattan	\$0	\$11,907	\$0	\$11,907
The Bronx	28,528	47,105	0	75,633
Brooklyn	36,716	34,819	1,125	72,660
Queens	79,035	100,520	582	180,137
Staten Island	36,396	20,375	0	56,771
TOTAL	\$180,675	\$214,726	\$1,707	\$397,108

*Includes condominiums of three stories or fewer which have always been condominiums.

** Only residential real property held in the cooperative or condominium form of ownership qualifies for the real property tax exemption providing school tax relief.

(iii) Operating Limit Provisions. The Council hereby determines that the amount to be raised by tax on real property for the Fiscal 2015 Budget pursuant to clause (iii) of subsection (a) of Section 1 hereof does not exceed the limit imposed by Section 10, Article VIII of the Constitution of the State of New York, as amended, and Article 12-A, Real Property Tax Law (the "Operating Limit Provisions"). *

(A) The Operating Limit Provisions require that the City not raise an amount by tax on real property in any fiscal year in excess of an amount equal to a combined total of two and one-half percent (2 1/2 %) of the average full valuation of taxable real property, less (i) the amount to be raised by tax on real property in such year for the payment of the interest on and the redemption of certificates or other evidence of indebtedness described therein and (ii) the aggregate amount of district charges, exclusive of debt service, imposed in such year by business improvement districts pursuant to Article 19-A, General Municipal Law.

(B) The Operating Limit Provisions require that average full valuations of taxable real property be determined by taking the assessed valuations of taxable real property on the last completed assessment roll and the four (4) preceding assessment rolls of the City and applying thereto the special equalization ratios which such assessed valuations of each such roll bear to the full valuations as fixed and determined by the State Office of Real Property Services ("ORPS") pursuant to Section 1251, Real Property Tax Law, as shown below:

Fiscal Year	Assessed Valuations	Assessment Percentage	Full Valuations
2011.....	149,311,931,232	0.2000	746,559,656,160
2012.....	157,121,003,987	0.2048	767,192,402,280
2013.....	164,036,985,806	0.2081	788,260,383,498
2014.....	173,429,032,559	0.2073	836,608,936,609
2015.....	184,059,201,523	0.1981	929,122,673,009
		<i>AVERAGE</i>	<i>\$813,548,810,311</i>
2 1/2 percent thereof for Fiscal 2015			\$20,338,720,258
Less debt service subject to the 2 1/2 percent tax limitation:			
Temporary debt			
Interest on temporary debt.....			(\$74,623,611)
Less aggregate amount of district charges subject to the 2 1/2 percent tax limitation.....			<u>(\$100,037,565)</u>
Constitutional amount subject to the limitation which may be raised for other than debt service in accordance with the provisions of Section 10, Article VIII, of the State Constitution.....			<u>\$20,164,059,082</u>

* The amount to be raised by tax on real property for purposes of the Operating Limit determination is equal to the real property tax levy as reduced by the net reductions in amounts collected as authorized by New York State law.

(iv) Adjusted Base Proportions. Pursuant to the Adjusted Base Proportion Resolution, the Council certified the following adjusted base proportions to be used in determining the Fiscal 2015 tax rates for the four classes of properties:

All One-, Two- and Three-Family Residential Real Property*.....	15.0728
All Other Residential Real Property.....	36.1823
Utility Real Property.....	6.0842
All Other Real Property.....	<u>42.6607</u>
Total.....	100.0000

*Includes condominiums of three stories or fewer which have always been condominiums.

(v) Tax Rates on Adjusted Base Proportions.

(A) Pursuant to Section 1516 of the Charter, the Council hereby authorizes and fixes the rates of tax for Fiscal 2015 (1) by class upon each dollar of assessed valuation of real property subject to taxation for all purposes of, and within, the City, as fixed in cents and thousandths of a cent per dollar of assessed valuation, as follows:

	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property	Utility Real Property	All Other Real Property
Subject to the 2 1/2 percent tax limitation as authorized by Article VIII, Section 10, of the State Constitution including a reserve for uncollectible taxes.....	0.16073	0.10791	0.09341	0.08970
Not subject to the 2 1/2 percent tax limitation as authorized by Article VIII, Sections 10 and 11 of the State Constitution including a reserve for uncollectible taxes.....	<u>0.03084</u>	<u>0.02064</u>	<u>0.01784</u>	<u>0.01714</u>
Decimal rate on adjusted proportion for all purposes.....	<u>0.19157</u>	<u>0.12855</u>	<u>0.11125</u>	<u>0.10684</u>

*Includes condominiums of three stories or fewer which have always been condominiums.

and (2) by class upon each dollar of assessed valuation of veterans' real property exempt under state law from tax for general purposes but subject to tax for school purposes of, and within, the City, as fixed in cents and thousandths of a cent per dollar of assessed valuation, as follows:

	All One, Two and Three Family Residential Real Property*	All Other Residential Real Property	Utility Real Property	All Other Real Property
Subject to the 2 1/2 percent tax limitation as authorized by Article VIII, Section 10, of the State Constitution including a reserve for uncollectible taxes.....	0.10851	0.07304	0.00000	0.06076
Not subject to the 2 1/2 percent tax limitation as authorized by Article VIII, Sections 10 and 11, of the State Constitution including a reserve for uncollectible taxes.....	<u>0.00730</u>	<u>0.00491</u>	<u>0.00000</u>	<u>0.00409</u>
Decimal rate on adjusted proportion for all veterans' property exempted under state law from tax for general purposes but subject to tax for school purposes.....	<u>0.11581</u>	<u>0.07795</u>	<u>0.00000</u>	<u>0.06485</u>

*Includes condominiums of three stories or fewer which have always been condominiums.

Section 2. Authorization of the Levy of Real Property Taxes for Fiscal 2015.

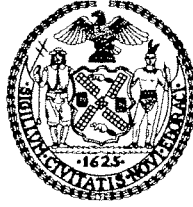
a. Pursuant to Section 1517 of the Charter, the Council hereby authorizes and directs the Commissioner to (i) set down in the Fiscal 2015 Assessment Rolls, opposite to the several sums set down as the valuation of real property, the respective sums, in dollars and cents, to be paid as a tax thereon, rejecting the fractions of a cent and add and set down the aggregate valuations of real property in the boroughs of the City and (ii) send a certificate of such aggregate valuation in each such borough to the Comptroller of the State.

b. Pursuant to Section 1518 of the Charter, immediately upon the completion of the Fiscal 2015 Assessment Rolls, the City Clerk shall procure the proper warrants in the form attached hereto as Exhibit B to be signed by the Public Advocate of the City ("Public Advocate") and counter-signed by the City Clerk authorizing and requiring the Commissioner to collect the several sums therein mentioned according to law and immediately thereafter the Fiscal 2015 Assessment Rolls of each borough shall be delivered by the Public Advocate to the Commissioner with proper warrants, so signed and counter-signed, annexed thereto.

Section 3. Effective Date.

This resolution shall take effect as of the date hereof.

EXHIBIT A



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, N.Y. 10007

June 25, 2014

To The HONORABLE COUNCIL of THE CITY OF NEW YORK

For the Expense Budget of the City of New York as adopted by the Council pursuant to Section 254 of the Charter for the Fiscal Year beginning July 1, 2014 and ending June 30, 2015 (Fiscal Year 2015) the amount of appropriation is:

Amounts Appropriated \$75,026,906,545

The probable amounts and sources of revenues (other than Real Property Taxes) for Fiscal Year 2015, as estimated by me pursuant to Section 1515 of the Charter, are as set forth below:

Taxes (excluding Real Property Taxes)		\$27,129,270,000
Miscellaneous Revenues	\$6,223,153,509	
Grants:		
Federal	6,457,653,231	
State	12,401,663,134	
Provision for Disallowances	(15,000,000)	
Other Categorical Aid	809,115,212	
Transfer from Capital Funds	532,719,459	
Tax Audit Revenue	<u>709,400,000</u>	\$27,118,704,545

Making the total amount of the Expense Budget for the Fiscal Year 2015 to be financed by Real Property Taxes (after provision for uncollectibles, refunds and collection of prior years' levies): \$20,778,932,000

In order to achieve the required Real Property Tax yield of \$20,778,932,000, a Real Property Tax levy of \$22,591,529,495 will be required:

The amount of taxes on real estate to be levied subject to the 2-1/2 percent tax limitation as authorized by Article VIII Section 10 of the State Constitution including a provision for uncollectible taxes \$18,968,038,801

The amount of taxes on real estate to be levied not subject to the 2-1/2 percent tax limitation as authorized by Article VIII Sections 10 and 11(a) of the State Constitution including a provision for uncollectible taxes \$3,623,490,694

Total amount of Real Property Taxes to be levied for the Fiscal Year 2015 is \$22,591,529,495

Very truly yours,



Bill de Blasio

Mayor

EXHIBIT B

FORM OF WARRANT

WARRANT

To Jacques Jiha, Commissioner of Finance of the City of New York:

You are hereby authorized and required, in accordance with the provisions of the Real Property Tax Law and the Charter of the City of New York, to collect the real property tax on the properties named and described in the real property assessment roll in accordance with the assessments thereon and the tax rates fixed by the City Council for the fiscal year beginning on July 1, 2014.

Public Advocate of the
City of New York

Clerk of the City of
New York