

PRECONSIDERED RESOLUTION NO. 1105

By Council Member Brannan

RESOLUTION AMENDING AND RESTATING THE 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, 2025 AND ENDING ON JUNE 30, 2026, 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 1, 2025, pursuant to the Section 249 of the New York City Charter (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, 2025 and ending on June 30, 2026 ("Fiscal 2026"); and

Whereas, On May 27, 2025, 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 2026 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 2026 Assessment Rolls"); and

Whereas, On June 30, 2025, 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 2026 pursuant to Section 1803-a(1) of the Real Property Tax Law (the "Current Base Proportion Resolution"); and

Whereas, On June 30, 2025, pursuant to Section 1803-a(5) of the 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 2026, to reflect the additions to, and full or partial removal from, the Fiscal 2026 Assessment Rolls (the "Adjusted Base Proportion Resolution"); and

Whereas, On June 30, 2025, 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 2026 (the "Fiscal 2026 Budget"); and

Whereas, On June 30, 2025, 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 2026 Budget as approved by the Council (the "Fiscal 2026 Budget Statement") and an estimate of the probable amount of receipts into the City treasury during Fiscal 2026 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 2026 Revenue Estimate");

Whereas, After the adoption of the Current Base Proportion Resolution, the Adjusted Base Proportion Resolution, the Fiscal 2026 Budget and the Tax Fixing Resolution, Section 1803-a of the Real Property Tax Law was amended to authorize the Council to adjust the allowable percent increase in the current base proportion as compared with the previous year's adjusted base proportion, provided that such limit shall be no more than five percent, and provided further that such determination must be made by December 1, 2025; and

Whereas, On October 29, 2025, the Council adopts herewith a resolution that sets a limit of one percent increase of the current base proportion of any class over the adjusted base proportion of the immediately preceding year for purposes of determining the current base proportion;

Whereas, The amendment to Section 1803-a of Real Property Tax Law and the aforementioned resolution, requires the amending and restating of the Tax Fixing Resolution;

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 2026.

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

(i) The total amount of the Fiscal 2026 Budget as set forth in the Fiscal 2026 Budget Statement is \$115,907,309,727.

(ii) The estimate of the probable amount of receipts into the City treasury during Fiscal 2026 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 2026 Revenue Estimate is \$80,746,309,727.

(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 \$35,161,000,000, which is derived from deducting the amount set forth in the Fiscal 2025 Revenue Estimate from the amount of the Fiscal 2025 Budget.

(iv) In order to achieve a real property tax yield of \$35,161,000,000 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 \$37,976,587,244 will be required, calculated as follows:

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

For Debt Service:

Funded Debt	\$3,140,083,896	
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Amount Required for Debt Service and Financing as:

Provision for Uncollectible		
Taxes	\$257,878,508	
Provision for Refunds	\$49,118,232	
Collection of Prior Years'		
Levies	(\$55,548,255)	\$3,391,532,380

Subject to the 2 1/2 Percent Tax Limitation:

For Debt Service:

Temporary Debt		
Interest on Temporary Debt	\$0	

For General Operating Expenses:

Funds Required	\$32,020,916,104	
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Amount Required for Debt Service and Operating Expenses as:

Provision for Uncollectible		
Taxes	\$2,629,708,736	
Provision for Refunds	\$500,881,768	
Collection of Prior Years'		
Levies	(\$566,451,745)	\$34,585,054,864

TOTAL REAL PROPERTY TAX LEVY

\$37,976,587,244

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:	\$3,140,083,896
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(B) For debt service on short-term debt subject to the 2 1/2 percent tax limitation:	\$0
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(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 2026 Budget in excess of the amount of revenues estimated in the Fiscal 2026 Revenue Estimate:	\$32,020,916,104
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b. Authorizing and Fixing the Real Property Tax Rates.

(i) Assessed Valuation Calculations of Taxable Real Property in the City. The Fiscal 2026 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 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	\$1,396,031,788	\$78,844,637,348	\$10,558,324,441	\$94,013,152,825	\$184,812,146,402
The Bronx	2,170,698,585	5,995,628,302	3,825,697,009	6,107,851,681	18,099,875,577
Brooklyn	8,310,039,570	20,421,343,450	6,049,772,173	14,793,321,992	49,574,477,185
Queens	11,445,415,866	13,782,870,509	6,271,133,639	15,950,271,860	47,449,691,874
Staten Island	4,043,429,366	494,521,082	1,609,020,151	3,097,725,330	9,244,695,929
TOTAL	\$27,365,615,175	\$119,539,000,691	\$28,313,947,413	\$133,962,323,688	\$309,180,886,967

(ii) Chapter 389 of the Laws of 1997 established a real property tax exemption providing school tax relief (Section 425 of the Real Property Tax Law). Pursuant to subdivision 8 of Section 425, the assessment by tax class of property subject to taxation for all 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 of the Real Property Tax Law is set forth below:

Assessment by Class of Property Exempted under Section 425 of the 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 of the Real Property Tax Law, for All Purposes
Manhattan	\$1,394,902	\$77,863,881	\$0	\$79,258,783
The Bronx	35,892,289	19,050,926	0	54,943,215
Brooklyn	117,746,674	50,438,108	18,270	168,203,052
Queens	183,243,314	96,755,011	46,480	280,044,805
Staten Island	79,910,225	3,015,370	0	82,925,595
TOTAL	\$418,187,404	\$247,123,296	\$64,750	\$665,375,450

*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 2026 Budget pursuant to clause (iii) of subsection (a) of Section 1 hereof does not exceed the limit imposed by Section 10 of 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"). *

(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 of the 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 Tax Services ("ORPTS") pursuant to Section 1251, Real Property Tax Law, as shown below:

Fiscal Year	Assessed Valuations	Equalization Ratio	Full Valuations
2022	257,560,316,555	0.2027	1,270,647,836,976
2023	275,614,595,502	0.2044	1,348,408,001,478
2024	287,719,502,079	0.2112	1,362,308,248,480
2025	300,109,002,061	0.2045	1,467,525,682,450
2026	309,180,886,967	0.1955	1,581,487,912,875
		AVERAGE	\$1,406,075,536,452

2 1/2 percent thereof for Fiscal 2026..... \$35,151,888,411

Less debt service subject to the 2 1/2 percent tax limitation:

Temporary debt

Interest on temporary debt..... \$0

Less aggregate amount of business improvement district charges subject to the

2 1/2 percent tax limitation..... (\$162,670,357)

Constitutional amount subject to the limitation which may be raised for
other than debt service in accordance with the provisions of Section 10 of

Article VIII of the State Constitution..... \$34,989,218,054

* 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 2026 tax rates for the four classes of properties:

All One-, Two- and Three-Family Residential Real Property*	14.2990
All Other Residential Real Property	39.1540
Utility Real Property	8.2814
All Other Real Property	<u>38.2656</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 2026 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 Section 10 of Article VIII of the State Constitution including a reserve for uncollectible taxes.....	0.18071	0.11328	0.10116	0.09879
Not subject to the 2 1/2 percent tax limitation as authorized by Sections 10 and 11 of Article VIII of the State Constitution including a reserve for uncollectible taxes.....	<u>0.01772</u>	<u>0.01111</u>	<u>0.00992</u>	<u>0.00969</u>
Decimal rate on adjusted proportion for all purposes.....	<u>0.19843</u>	<u>0.12439</u>	<u>0.11108</u>	<u>0.10848</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 2026

a. Pursuant to Section 1517 of the Charter, the Council hereby authorizes and directs the Commissioner to (i) set down in the Fiscal 2026 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 2026 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 2026 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.

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Exhibit A



THE CITY OF NEW YORK

June 30, 2025

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, 2025 and ending June 30, 2026 (Fiscal Year 2026), the amount of appropriation is:

Amount Appropriated	\$115,907,309,727
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Pursuant to Section 1515 of the City Charter, the probable amounts and sources of revenues (other than Real Property Taxes) for Fiscal Year 2026, as estimated by me on May 1, 2025 are further revised as set forth below. I hereby determine that it is fiscally necessary to make such revision due to changed circumstances. The basis for such determination is a change in the amount of Other taxes, Miscellaneous revenues, Federal and State grants, and transfer from capital funds. As a result, projected revenues have increased by \$1,041,255,021 since the date of my previous revenue estimate.

Taxes (excluding Real Property Taxes)		\$45,353,281,000
Miscellaneous Revenues	\$6,218,901,966	
Grants:		
Federal	7,470,351,621	
State	18,980,375,593	
Provision for Disallowances	(15,000,000)	
Unrestricted State and Federal Aid	-	
Other Categorical Aid	1,125,051,431	
Transfer from Capital Funds	804,682,116	
Tax Audit Revenue	<u>808,666,000</u>	\$35,393,028,727

Making the total amount of the Expense Budget for the Fiscal Year 2026 to be financed by Real Property Taxes (after provision for uncollectibles, refunds and collection of prior years' levies):	\$35,161,000,000
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In order to achieve the required Real Property Tax yield of \$35,161,000,000, a Real Property Tax levy of \$37,976,587,244 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

\$34,585,054,864

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

\$3,391,532,380

Total amount of Real Property Taxes to be levied for the Fiscal Year 2026 is

\$37,976,587,244

Very truly yours,

A handwritten signature in dark ink, appearing to read "Eric Adams", is written over a light blue horizontal line.

Eric Adams

Mayor

EXHIBIT B

FORM OF WARRANT

WARRANT

To Preston Niblack, 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 New York City Charter, 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, 2025.

Public Advocate of the
City of New York

Clerk of the City of
New York

(SEAL)

