**Plain Language Summary**

**Current Introduction Number:**

Int. No. 2331-A

**Prime Sponsor:**

Council Members Chin and Riley

**Bill Title:**

A Local Law to authorize adoption by resolution of an interest rate for nonpayment of taxes on real property with an assessed value over two hundred fifty thousand dollars in fiscal year 2022 for certain property owners adversely affected by COVID-19

**Bill Summary:**

**This plain language summary is for informational purposes only and does not substitute for legal counsel. For more information, you should review the full text of the bill, which is available online at legistar.council.nyc.gov.**

This bill would authorize the City Council to adopt by resolution an interest rate between 3 percent and 7.5 percent for qualifying properties with an assessed value of more than $250,000 and no greater than $450,000 and an interest rate between 6 percent and 7.5 percent for qualifying properties with an assessed value of more than $450,000 for the nonpayment of taxes due on July 1, 2021 and paid no later than December 31, 2021 for fiscal year 2022 for real property. To be eligible, property owners would be required to demonstrate to the Department of Finance (DOF) by no later than November 30, 2021 that such property owner either: (a) owns class 2 or 4 real property with an assessed value of more than $250,000 and less than $1,000,000, the income from which declined, for any six month period between March 7, 2020 and June 30, 2021, by at least 50 percent as compared to the corresponding period in the previous 12 month period due to COVID-19, or (b) owns real property where at least 50 percent of the property is used for residential rental dwellings and contains no more than 50 rental dwelling units, of which at least 50 percent are rent regulated accommodations, the income from which declined, for any six month period between March 7, 2020 and June 30, 2021, by at least 25 percent as compared to the corresponding period in the previously 12 month period due to COVID-19. Additionally, DOF would be required to report to the Speaker no later than February 1, 2022 the number of properties for which the lower interest rates was imposed, the total amount of tax due and the total amount of interest reduced, all disaggregated by two qualifying provisions, and the aggregate value of the real property tax liability of those properties. The bill also mandates notice and outreach regarding the program.

**Effective Date:**

June 1, 2021

**Legislative Impact:**

**☐ Agency Rulemaking Required**: Is City agency rulemaking required?

[x]  **Report Required**: Is a report due to Council required?

**☐ Sunset Date Included**: Does the legislation have a sunset date?

**☐ Council Appointment Required**: Is an appointment by the Council required?

**☐ Other Appointment Required**: Are other appointments not by the Council required?

**Note:** In the full bill text online at legistar.council.nyc.gov, language in proposed consolidated laws that is enclosed by [brackets] would be deleted, and language that is underlined would be new. Language in proposed unconsolidated laws, in contrast, will not have brackets or underlining because it would be entirely new. Consolidation means that the law is placed in the New York City Charter or Administrative Code.

RKC/NB

LS #17782