



Legislation Text

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Int. No. 1112

By Council Member Yeger and Holden

A Local Law to amend the administrative code of the city of New York, in relation to requiring the department of finance to report certain information concerning the valuation and taxation of real property

Be it enacted by the Council as follows:

Section 1. Section 11-140 of the administrative code of the city of New York, as added by local law 252 for the year 2017, is renumbered section 11-141.

§2. Chapter 1 of title 11 of the administrative code of the city of New York is amended by adding a new section 11-142 to read as follows:

§11-142 Information on real property tax rates. a. Definitions. For purposes of this section:

The term “effective tax rate” means the actual taxes billed to the property including any exemption or abatement divided by the property’s market value as determined by the department.

The term “building type” means apartment buildings that are rentals, cooperatives, or condominiums within tax class two; office, factory, warehouse, hotels, or retail within tax class four; vacant land, and any other tax type that the department deems appropriate.

The term “sales-based effective tax rate” means the actual taxes billed to the property including any exemption or abatement divided by the property’s sales price as recorded by the city register or the office of the Richmond county clerk; except that, for cooperatives, the sales-based effective tax rate shall be calculated by multiplying a fraction, the numerator of which shall be the actual taxes billed to the tax lot containing the applicable cooperative unit including any exemption or abatement and the denominator of which shall be the market value of such tax lot as determined by the department, by a second fraction, the numerator of which

shall be the total number of cooperative shares and the denominator of which shall be the total number of cooperative shares associated with such tax lot.

The term “sales-based unexempted effective tax rate” means the actual taxes billed to a property excluding any exemption or abatement divided by the property’s sales price as recorded by the city register or the office of the Richmond county clerk; except that, for cooperatives, the sales-based unexempted effective tax rate shall be calculated by multiplying a fraction, the numerator of which shall be the actual taxes billed to the tax lot containing the applicable cooperative unit excluding any exemption or abatement and the denominator of which shall be the market value of such tax lot as determined by the department, by a second fraction, the numerator of which shall be the total number of cooperative shares and the denominator of which shall be the total number of cooperative shares associated with such tax lot.

The term “sales ratio” means a property’s sales price as recorded by the city register or the office of the Richmond county clerk divided by such property’s market value as determined by the department; except that, for cooperatives, the sales ratio shall be calculated by multiplying a fraction, the numerator of which shall be the sales price of the applicable cooperative unit and the denominator of which shall be the market value of such tax lot as determined by the department, by a second fraction, the numerator of which shall be the total number of cooperative shares and the denominator of which shall be the total number of cooperative shares associated with such tax lot.

The term “unexempted effective tax rate” means the taxes assessed against real property exclusive of any tax exemption or abatement divided by the property’s market value as determined by the department.

b. Tax rate of assessed properties. The department shall, no later than September 1 of each year, deliver to the council and publish on its website the effective tax rate and unexempted effective tax rate for all properties included on the assessment rolls delivered to the council pursuant to section 1514 of the charter.

c. Tax rate of recently sold properties. The department shall, no later than September 1 of each year, deliver to the council and publish on its website the sales-based effective tax rate, the sales-based unexempted

effective tax rate, and the sales ratio for each property sold in an arm's length transaction and recorded by the city register or the office of the Richmond county clerk during the calendar year immediately preceding the taxable status date of the assessment roll of the prior fiscal year or any other twelve month period that the department may deem appropriate.

d. Report on median effective tax rates and sales ratios. No later than September 1 of each year, the department shall deliver to the council, and shall publish on its website, a report with the following citywide information for the prior fiscal year, disaggregated by tax class and subclass, and further disaggregated by borough, council district, and building type:

1. the median and coefficient of dispersion for the effective tax rate;
2. the median and coefficient of dispersion for the unexempted effective tax rate;
3. the median and coefficient of dispersion for the sales-based effective tax rate;
4. the median and coefficient of dispersion for the sales-based unexempted effective tax rate; and
5. the median and coefficient of dispersion for the sales ratio.

§3. Chapter 1 of title 11 of the administrative code of the city of New York is amended by adding a new section 11-143 to read as follows:

§11-143 Additional information related to property valuation. Within ten days following the delivery of the assessment rolls to the council or city clerk as required by section 11-218, the commissioner of finance shall publish a report on its website containing, for each assessed property, the information required to be included in the notice of property value pursuant to subdivision b of section 11-207.1.

§4. Subdivision b of section 11-207.1 of the administrative code of the city of New York, as added by local law 53 for the year 2013, is amended to read as follows:

b. The notice of property value sent by the department to an owner of real property at least thirty days prior to the final date for filing any appeal shall [inform such owner how to access additional information on the website of the department regarding valuation of the subject real property, including the factors used by the

department to determine the market value of such real property. The notice of property value shall include the address of such website.] include, but not be limited to, the following information:

1. The method used by the department to determine the property's market value; and
2. Where such method used the property's estimated income and/or expenses, the property's estimated income, expenses, and capitalization rates or multipliers, as well as a link to the department's website where the owner can access additional information about the specific formulas, data sources, and values used to determine such capitalization rate.

[Such information shall be made available at least thirty days prior to the final date for filing any appeal.]

§5. This local law takes effect immediately.

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