



Legislation Text

File #: Int 0524-2022, **Version:** *

Int. No. 524

By Council Members Carr, Brannan, Yeger, Farías, Hanif, Louis, Riley, Holden, Velázquez, Ariola and Borelli

A Local Law to amend the administrative code of the city of New York, in relation to interest rates applicable to installment agreements for the payment of property tax arrears

Be it enacted by the Council as follows:

Section 1. Subdivision e of section 11-224.1 of the administrative code of the city of New York, as amended by local law number 30 for the year 2015, is amended to read as follows:

(e) Council adopted rates. By May thirteenth of each year, the banking commission shall send a written recommendation to the council of a proposed interest rate to be charged for nonpayment of taxes on real property.

(i) The commission shall consider the prevailing interest rates charged for commercial loans extended to prime borrowers by commercial banks operating in the city and:

[[i]] (1) for real property with an assessed value of two hundred fifty thousand dollars or less that is not subject to an executed installment agreement or that is in default of an executed installment agreement pursuant to section 11-322 or 11-322.1, shall propose a rate at least equal to such prevailing prime rate;

[[ii]] (2) for real property with an assessed value of over two hundred fifty thousand dollars, shall propose a rate of at least six percent per annum greater than such prevailing prime rate.

(ii) For real property with an assessed value of two hundred fifty thousand dollars or less that is subject to an executed installment agreement that is not default pursuant to section 11-322 or 11-322.1, the commission shall consider the most recently determined federal short-term rate, as determined pursuant to sections 1247(d)

and 6621(b) of the internal revenue code, and shall propose a rate at least equal to such rate.

The council may by resolution adopt interest rates to be applicable to the aforementioned properties and may specify in such resolution the date that such rates will take effect.

§2. Subdivision c of section 11-312 of the administrative code of the city of New York is REPEALED.

§3. Subdivision e of section 11-313 of the administrative code of the city of New York is REPEALED.

§4. This local law takes effect immediately and is retroactive to and deemed to have been in effect as of January 1, 2022.

MMB
LS #9703
6/11/22; 10:41 a.m.