

**THE CITY OF NEW YORK
DEPARTMENT OF FINANCE**

NOTICE OF RULEMAKING

Pursuant to the power vested in me as Commissioner of Finance by sections 389(b) and 1043 of the New York City Charter, I hereby promulgate the within Amendment to Rules Relating to Foreclosure of Tax Liens by Action in Rem. These rules were published in proposed form on August 1, 2011. A hearing for public comment was held on September 1, 2011.

____ S/S _____
David M. Frankel
Commissioner of Finance

NOTE: New Matter is underlined; matter to be deleted is in [brackets]

Basis and Purpose of Amendment

The City of New York now offers two types of installment agreements for property owners in arrears:

- Installment agreements for property owners with properties undergoing in rem foreclosure;
- Installment agreements for property owners who want to prevent the sale of tax liens on their property.

This amendment updates the section of Chapter 13 of Title 19 of the Rules of the City of New York that concerns in rem installment agreements. The amendment clarifies that this section does not apply to installment agreements that are requested to prevent the City from selling the tax liens on the affected property. Those installment agreements have different terms and are pursuant to the newly enacted provisions of Chapter 40 of Title 19 of the Rules of the City of New York. In sum:

- Chapter 13 affects only properties that are included in an in rem foreclosure action brought by the City to collect arrears in real property taxes and property-related charges, and,
- Chapter 40 entitles property owners to request an agreement to pay arrears in real property taxes and property-related charges in installments in order to prevent the City from selling the tax liens on the affected property.

Section 1. Subdivision (d) of section 13-02 of chapter 13 of title 19 of the City of New York (Rules Relating to Foreclosure of Tax Liens by Action in Rem) is amended to read as follows:

(d) [Notwithstanding any other provision of these rules or any other provision in title 19 of the Rules of the City of New York, these] These rules shall not apply to any installment agreement requested pursuant to the provisions of §40-03 of title 19 of the Rules of the City of New York [property for which a 60-day notice of the sale of tax liens has been published by the Department of Finance pursuant to §11-320 of the Administrative Code of the City of New York if an installment agreement is executed no later than the earlier of 120 days after the first date on which liens were sold pursuant to such 60-day notice, or such other date chosen by the Commissioner of Finance and published in a notice in the City Record].