

CAPA REGULATORY AGENDA FY 2020
DEPARTMENT OF FINANCE

1. **SUBJECT:** Representation of Taxpayers before the Commissioner of Finance

- A. Reason: The purpose is to provide clarity concerning representation of taxpayers before the Commissioner of Finance.
- B. Anticipated contents: The proposed rule will specifically state that this rule concerns representation before the Commissioner of Finance for designated business and excise taxes. It also sets forth the requirements for powers of attorney for representation before the Commissioner of Finance for matters other than business and excise taxes.
- C. Objectives: The proposed rule amendment will clarify the rule concerning representation of taxpayers before the Commissioner of Finance.
- D. Legal basis: New York City Charter sections 1043 and 1504 authorize the Department to adopt this proposed rule amendment.
- E. Other relevant laws: See paragraph D above
- F. Types of individuals and entities likely to be affected: Taxpayer representatives.
- G. Approximate schedule: 1st quarter of FY 2020.

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2. **SUBJECT:** Hardship Installment Agreements for Owners of Certain Types of Real Property

- A. Reason: Section 11-322.1 of the Administrative Code of the City of New York requires the Department of Finance to promulgate rules to establish a process for an applicant to seek an exception from the requirement that income information from all property owners be provided.
- B. Anticipated contents: The proposed rule will set forth the eligibility requirements for a hardship installment agreement. A property owner will only be able to have one hardship agreement in effect at one time but the proposed rule will allow a property owner to have other installment agreements in effect on other parcels of real property. It will also allow property owners to change between different installment agreements under certain conditions.
- C. Objectives: The proposed rule will establish a process for an applicant to seek an exception from the requirement that income information from all additional property owners be provided. The Department will grant exceptions in cases where one or more of the property owners is either a victim of domestic abuse or there is a missing heir.
- D. Legal basis: The enabling legislation for this proposed rule is forth in section 11-322.1 of the Administrative Code of the City of New York.
- E. Other relevant laws: See paragraph D above.
- F. Types of individuals and entities likely to be affected: Persons applying for hardship installment agreements for delinquent real property taxes and related charges.
- G. Approximate schedule: 1st quarter of FY 2020.

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3. **SUBJECT:** Partial Tax Abatement of Real Property Taxes for Qualifying Property Held in the Cooperative or Condominium Form of Ownership

- A. **Reason:** This rule amendment will allow for a waiver of the current requirement that in order to eligible for a partial tax abatement of real property taxes for qualifying property held in the cooperative or condominium form of ownership, the qualifying property must be owned by an individual. The waiver will granted if the apartment or its shares are owned by a LLC, or LP, one or more partners or members is a law enforcement officer and he or she demonstrates that there is an imminent and/or ongoing security threat that necessitates ownership by such an entity.
- B. **Anticipated contents:** The proposed rule will set forth the eligibility requirements for a waiver, the deadline for the filing of applications and the term of an approved waiver.
- C. **Objectives:** See paragraph A above.
- D. **Legal basis:** The enabling legislation for partial tax abatement for residential real property held in the cooperative or condominium form is set forth in Real Property Tax law section 467-1 which was originally enacted by chapter 273 of the Laws of 1996 and as amended by Chapter 4 of the Laws of 2013.
- E. **Other relevant laws:** See paragraph D above.
- F. **Types of individuals and entities likely to be affected:** Law enforcement officers who own property in the cooperative or condominium form of ownership.
- G. **Approximate schedule:** 1st quarter of FY 2020.

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4. **SUBJECT:** Amendment to Department of Finance Rules Concerning the Monetary Penalties for failing to file the income and expenses statement by owners of income-producing property (“RPIE”)

- A. **Reason:** Owners of income-producing real property in New York City are required to file income and expense statements each year for the property. The Department of Finance uses the information in the statements to assess the value of real property in the City of New York. The proposed rule is intended to discourage property owners who repeatedly fail to file income and expense statements for their properties
- B. **Anticipated contents:** The proposed rule will establish higher penalty amounts for owners of income-producing property who fail to file a required income and expense statement for three consecutive years.
- C. **Objectives:** The objective of the proposed rule is to increase the number of income and expense statements filed by owners of income-producing property.
- D. **Legal basis:** The enabling legislation for this proposed rule is New York City Administrative Code section 11-208.1 and New York City Charter sections 1043 and 1504.
- E. **Other relevant laws:** See paragraph D above.
- F. **Types of individuals and entities likely to be affected:** Owners of income producing real property who have failed to file required income and expense statements.

G. Approximate schedule: 1st quarter of FY 2020.

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5. SUBJECT: SCRIE and DRIE Program Rules

- A. Reason: The Senior Citizen Rent Increase Exemption (SCRIE) Program and Disability Rent Increase Exemption (DRIE) Programs provide eligible senior citizens and persons with disabilities with exemptions from certain rent increases and property owners with a corresponding abatement of real property taxes. These rules will provide more detailed information concerning the eligibility as well as calculation of SCRIE and DRIE benefits for eligible senior citizens and persons with disabilities.
- B. Anticipated contents: The proposed rules will address who is eligible for SCRIE and DRIE benefits as well as the income and apartment eligibility requirements. The proposed rules will also address rent increase exemption orders, the treatment of Major Capital Improvements (MCI), preferential rents, benefit takeovers and rent redeterminations.
- C. Objectives: These rules will provide guidance concerning the eligibility for as well as calculation of rent increase exemption benefits for eligible senior citizens and persons with disabilities as well as corresponding tax abatement benefits for building owners.
- D. Legal basis: The enabling legislation for SCRIE and DRIE benefits are set forth in Real Property Tax Law sections 467(b) and 467(c) and the local laws are set forth in Chapter 3 (Section 26-401 et seq.), Chapter 4 (Section 26-501 et seq.) and Chapter 7 (Section 26-601 et seq.) of Title 26 of the Administrative Code of the City of New York.
- E. Other relevant laws: See paragraph D above.
- F. Types of individuals and entities likely to be affected: SCRIE and DRIE beneficiaries and owners of rent stabilized and rent controlled apartments.
- G. Approximate schedule: 4th quarter of FY 2020.

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6. SUBJECT: Industrial and Commercial Abatement Program (“ICAP”)

- A. Reason: The Department of Finance proposes revising the rules relating to ICAP. These changes are needed to address recent changes to the New York State Real Property Law.
- B. Anticipated contents: The proposed rule will amend the ICAP rules to allow the granting of abatement benefits by the New York City Department of Finance when a final application is filed more than one year from the date of issuance of the first building permit for construction work on the project, or when construction work does not require a building permit, no later than the date of commencement of construction on the project. The proposed rule amendment also extends the deadline for the submission of ICAP preliminary applications from April 1, 2019 to April 1, 2022.
- C. Objectives: The objective of the proposed rule is to conform the ICAP rules with recently adopted changes to the New York Real Property Tax law.

D. Legal basis: The enabling legislation for ICAP is set forth in Real Property Tax Law sections 489-aaaaaa to 489-kkkkkk and the local law is set forth in sections 11-268 to 11-278 of the Administrative Code of the City of New York.

E. Other relevant laws: See paragraph D above.

F. Types of individuals and entities likely to be affected: Owners of commercial and industrial real property.

G. Approximate schedule: 4th quarter of FY 2020.

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