Council of New York Cooperatives & Condominiums
INFORMATION, EDUCATION AND ADVOCACY

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COMMENTS ON THE DOF RULES FOR IMPLEMENTING THE PIED-A-TERRE TAX
Presented July 9, 2026

Good Morning, and thank you for this opportunity to comment on the pied-a-terre tax. My name is Mary Ann Rothman and I am the executive director of the Council of New York Cooperatives and Condominums, a not-for-profit membership organization that has been providing information, education and advocacy to and for housing cooperatives and condominiums 1975.

We have submitted extensive written comments on the Department's rules for implementing this tax and my colleague will provide an overview in her testimony. I would like to use my time to address two critical aspects of the State legislation that imposes the pied-a-terre tax, which we feel need to be changed.

Seeking very swift implementation of the pied-a-terre tax, the enabling legislation has set an interim threshold of $1million of DOF's imputed market value as being comparable to the sales price of $5 million that the legislation was designed to tax. Our research finds this to be an unreasonably low threshold. **Consideration must be given to clear documentation of sales value well below $5 million in accepting protests during this interim period.**

The pied-a-terre legislation also makes cooperatives responsible for collecting and remitting to the Department the pied-a-terre tax owed by individual shareholders. This is a huge departure from past practices where DOF has provided documentation to enable cooperatives to distributed **credits** to shareholders who qualified for exemptions and abatements.

Any cooperative unable to collect from a shareholder in time for property tax payment will need to find the funds to keep the building's property taxes current or suffer consequences from their mortgage lender, from fines and penalties, and from the likely lack of availabilty of share loans. The smaller the building, the larger the portion of the non-resident owner's pied-a-terre tax that each resident shareholders will have to find a way to pay.

Instead, **the Department of Finance should collect the pied-a-terre tax directly from each affected shareholder**. It is our hope that the Department of Finance will be supportive of future legislation to make this essential correction.

Thank you.

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