

New York City Department of Finance

Notice of Public Hearing and Opportunity to Comment on Proposed Rules

What are we proposing? The New York City Department of Finance (“DOF”) is proposing amendments to rules to extend the period and expand the processes by which property owners may appeal an initial determination relating to the surcharge on real property that does not serve as a primary residence. This rule is being proposed to make permanent the rule adopted on an emergency basis and published in the August 5, 2026 issue of the City Record.

When and where is the hearing? DOF will hold a public hearing on the proposed rule. The public hearing will take place at 11:00 AM on November 6, 2026. The hearing will be conducted remotely through Microsoft Teams. To participate in the public hearing, enter the URL <https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>. If prompted to provide the meeting ID, please enter: 212 689 884 701 894; If prompted for a passcode, please enter the following: Gd6Ud6Td. You can also participate in the hearing via telephone by calling 646-893-7101. The Phone conference ID: 740 085 278#

This location has the following accessibility option(s) available:
Audio-only access

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to DOF through the NYC rules website at <http://rules.cityofnewyork.us>.
- **Email.** You can email comments to DOFRules@finance.nyc.gov.
- **Mail.** You can mail comments to NYC Department of Finance, Legal Affairs Division, 375 Pearl Street, 30th Floor, New York, NY 10038, Attn: Timothy Byrne.
- **Fax.** You can fax written comments to NYC Department of Finance, Attn: Timothy Byrne, at (212) 748-6981.
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by calling Joan Best at (212) 748-7214. You can speak for up to three minutes. Please note that the hearing is for accepting oral testimony only and is not held in a “Question and Answer” format.

Is there a deadline to submit comments? The deadline to submit written comments is November 6, 2026.

What if I need assistance to participate in the hearing? You must contact DOF’s Office of Legal Affairs if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You can tell us by mail at the address given above. You may also tell us by telephone by calling Joan Best at (212) 748-7214; or by email at bestj@finance.nyc.gov. Advance notice is requested to allow sufficient time to arrange the accommodation. Please provide at least 72 hours’ notice prior to the hearing to ensure availability. This location has the following accessibility option(s) available: Audio-only access.

Can I review the comments made on the proposed rules? You can review the comments made online on the proposed rules by going to the website at <http://rules.cityofnewyork.us/>. A few days after the hearing, copies of all comments submitted online, copies of all written comments, and a video recording of oral comments concerning the proposed rule will be available on the DOF website. Copies of these documents may also be reviewed at NYC Department of Finance, Legal Affairs Division, 375 Pearl Street, 30th Floor, New York, N.Y. 10038.

What authorizes DOF to make this rule? Section 1043(a) of the New York City Charter and sections 11-3203 and 11-3205 of the New York City Administrative Code authorize DOF to make this proposed rule. This proposed rule was not included in the DOF's regulatory agenda for this Fiscal Year because it was not contemplated when the DOF published the agenda.

Where can I find DOF's rules? The NYC Department of Finance's rules are in Title 19 of the Rules of the City of New York. See the link below.
<https://codelibrary.amlegal.com/codes/newyorkcity/latest/NYCrules/0-0-0-34211>

What laws govern the rulemaking process? NYC Department of Finance must meet the requirements of section 1043 of the Charter when creating or changing rules. This notice is made according to the requirements of section 1043 of the Charter.

Statement of Basis and Purpose of Proposed Rule

The New York City Department of Finance ("DOF") is proposing the following rule change in accordance with the powers set forth in New York City Charter ("Charter") §§ 1043(a) and (i) and 1504, as well as chapter 32 of title 11 of the New York City Administrative Code ("Administrative Code"). On May 28, 2026, New York State adopted part HH of chapter 59 of the laws of 2026, which enacted a new chapter 32 within title 11 of the Administrative Code, imposing a surcharge on certain residential properties that do not serve as the primary residence of the owners of such properties, their immediate family members, or a tenant. See *also* Tax Law art. 30-C (codifying the corresponding enabling statute, also added by part HH of chapter 59 of the laws of 2026).

This surcharge is calculated as the product of a surcharge rate established by statute and the market value of a covered property, or with respect to a residential cooperative property, a residential cooperative dwelling unit. See Administrative Code §§ 11-3202 - 11-3204. This surcharge only applies to class one residential properties, class two residential cooperative dwelling units and class two residential condominium units that are not used as a primary residence by a covered owner, an immediate family member of a covered owner, or a tenant and that have market values exceeding thresholds set forth in the Administrative Code. See Administrative Code § 11-3202.

On August 3, 2026, an emergency rule was adopted to extend the deadline for submission of documentation demonstrating primary residence and expand the options that a property owner may use to submit such documentation. See Charter § 1043(i). On August 5, 2026, a copy of this emergency rule was published in the City Record. See City Record at 3284 (Aug. 5, 2026).

Pursuant to Charter § 1043(i), an emergency rule remains in effect for 60 days during which time a permanent rule may be proposed. This provision allows the effectiveness of the emergency rule to be extended for an additional 60 days to a total of 120 days while conducting a notice-and-comment process for the permanent rule pursuant to the City Administrative Procedure Act ("CAPA").

DOF thereby extends the effectiveness of the August 3, 2026 emergency rule through December 1, 2026 and further proposes a permanent rule, which would be substantially similar to the August 3, 2026 emergency rule.

Like the emergency rule in effect, this proposed permanent rule would extend the deadline for a property owner to submit documentation demonstrating primary residence. This permanent rule would differ from the August 3, 2026 emergency rule as it would:

- (i) allow a property owner to, in fiscal year 2026/2027, submit such documentation no later than October 6, 2026, to align with the deadline announced by the Commissioner pursuant to the emergency rule,
- (ii) allow a property owner to submit such documentation within 60 days after transmittal of an initial determination for fiscal years after 2026/2027, and
- (iii) authorize the DOF Commissioner to extend the deadline to submit such documentation in any fiscal year where good cause is shown.

This additional time to submit such documentation would provide property owners with further time to receive assistance with any questions they may have about the process and make such submission. This proposed rule would also authorize property owners to submit such documentation in person at locations designated by the DOF Commissioner.

New material is underlined.

[Deleted material is in brackets.]

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department unless otherwise specified or unless the context clearly indicates otherwise.

Section one. The opening paragraph of paragraph 1 of subdivision (b) of section 62-06 of title 19 of the rules of the city of New York is amended to read as follows:

An owner of a covered property, or, in the case of a covered property that is a residential cooperative property, a residential cooperative dwelling unit, or a duly authorized person may file an appeal of any initial determination made pursuant to subdivision (a) of this section no later than [30] 60 days after the date that notice of such initial determination is transmitted pursuant to paragraph (4) of such subdivision, or if no such notice is transmitted by DOF, no later than [30] 60 days after such surcharge appears on the assessment roll, provided, however, that in the fiscal year beginning on July 1, 2026, such owner or duly authorized person may file an appeal of such initial determination no later than October 6, 2026. Notwithstanding any provision of this paragraph, in any fiscal year, the commissioner of finance may set a later date for the filing of an appeal of an initial determination, where good cause is shown. Such owner must file such appeal in writing through an electronic portal designated by the department, or may file such appeal in person at a location designated by commissioner. Such appeal must include a certification that such property or dwelling unit is used as a primary residence and one or more of the following:

**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS
253 BROADWAY, 10th FLOOR
NEW YORK, NY 10007
212-788-1400**

**CERTIFICATION / ANALYSIS
PURSUANT TO CHARTER SECTION 1043(d)**

RULE TITLE: Amendment of Rules Relating to Surcharge on Certain Non-Primary Residences
- Permanent Rule

REFERENCE NUMBER: DOF-86

RULEMAKING AGENCY: Department of Finance

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco X. Navarro
Mayor's Office of Operations

September 25, 2026
Date

**NEW YORK CITY LAW DEPARTMENT
DIVISION OF LEGAL COUNSEL
100 CHURCH STREET
NEW YORK, NY 10007
212-356-4028**

**CERTIFICATION PURSUANT TO
CHARTER §1043(d)**

RULE TITLE: Amendment of Rules Relating to Surcharge on Certain Non-Primary Residences
- Permanent Rule

REFERENCE NUMBER: 2026 RG 077

RULEMAKING AGENCY: Department of Finance

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN
Senior Counsel

Date: 9/25/2026