

**LOCAL LAWS
OF
THE CITY OF NEW YORK**

FOR THE YEAR 1998

No. 36

Introduced by the Speaker (Council Member Vallone) and Council Members Berman, Spigner, Robles, Eisland, Michels, O'Donovan, Duane, Ognibene, Koslowitz and Leffler; also Council Member Carrion.

A LOCAL LAW

To set the current base proportions for fiscal year 1999 as required by paragraph (h) of subdivision 1 of section 1803-a of the real property tax law.

Be it enacted by the Council as follows:

Section 1. Legislative Intent. In accordance with state law and the City Charter, on June 8, 1998, the City Council adopted a resolution (Resolution No. 330) fixing the property tax rates for each of the four classes of real property (the "Tax Fixing Resolution"). The first step in the process of fixing the tax rates is the calculation of the current base proportions. The purpose of this calculation is to give effect to the latest class equalization rates required by Article 18 of the Real Property Tax law. By using these rates, new estimates of market values for each class are thereby calculated. This year's current base proportion was first determined by the City Council pursuant to a resolution (Resolution No. 214) adopted on April 28, 1998 (the "CBP Resolution"). The second step in the process of fixing the tax rates is the calculation of the adjusted base proportion. This calculation, which takes into account all the changes in real property that are included in the final assessment roll, was determined by the City Council pursuant to a resolution (Resolution No. 291) adopted on June 4, 1998 (the "ABP Resolution").

Since the adoption of the CBP Resolution, the ABP Resolution and the Tax Fixing Resolution, the State has amended the real property tax law pursuant to Chapter 229 of the Laws of 1998. The amendment requires adoption of a local law altering the current base proportions in the event that the current base proportion for any class of property exceeds the previous fiscal year's adjusted base proportion for that class by more than 2.5 percent (the "Cap Bill"). The current base proportions for Class One and Class Three contained in the CBP Resolution exceeded the City's Fiscal Year 1998 adjusted base proportions for Class One and Class Three by more than 2.5 percent. The Cap Bill therefore requires that the current base proportions for the Fiscal Year 1999 be altered by

local law to ensure that they do not exceed the adjusted base proportion for Fiscal Year 1998 by more than 2.5 percent. In addition, the state law requires that any excess over the 2.5 percent be redistributed to the other classes of real property. In order to continue the City Council's commitment to reducing the inequitable tax burden on cooperative apartment and condominium owners and to reduce the high tax burden on rental property, this local law distributes the excess in Class One and Class Three to Class Four.

§ 2. The current base proportions for the city's fiscal year 1999 are hereby calculated as follows:

**Certificate of Base Percentages, Current Percentages and
Current Base Proportions for the City of New York Pursuant to Article 18,
RPTL, for the Levy of Taxes on the 1998 Assessment Roll**

SECTION I						
Determination of Estimated Market Values						
	(A)	(B)	(C)			
Class	1989 Taxable Assessed Value	1989 Class Equalization Rate	Estimated Market Value A/(B/100)			
1	\$7,995,107,684	9.10	87,858,326,198			
2	19,169,173,444	45.84	41,817,568,595			
3	7,366,591,774	37.98	19,395,976,235			
4	35,523,026,877	39.69	89,501,201,504			
Total	\$70,053,899,779		\$238,573,072,532			

SECTION II						
Determination of Base Percentages						
Class	(D)	(E)	(F)	(G)	(H)	(I)
	Change in Taxable Assessed Value Between 1989 and 1990 Rolls for Parcels Transferred Out of Class	Change in Taxable Assessed Value Between 1989 and 1990 Rolls for Parcels Transferred Into Class	1990 Change in Level of Assessment Factor for Special Assessing Unit Class	Adjustment Factor for Class Change ((E/F) -D)/A)+1	Adjusted Market Value (C*G)	Base Percentage (H/sum of H)*100
1	\$19,354,077	\$228,360,245	1.0149	1.0257224246	90,118,255,366	37.5640
2	237,975,755	329,398,302	1.0932	1.0033042596	41,955,744,698	17.4884
3	1,368,298,335	0	0.9738	0.8142562562	15,793,294,995	6.5831
4	419,700,459	1,581,850,826	1.1086	1.0283531598	92,038,843,371	38.3645
Total					\$239,906,138,430	

SECTION III Determination of Current Percentages				
	(J)	(K)	(L)	(M)
	1997 Taxable Assessed Value	1997 Class Equalization Rate	Estimated Market Value J/(K/100)	Current Percentages (L/Sum of L)*100
Class 1	\$9,164,443,908	7.48	\$122,519,303,583	43.5489
Class 2	\$24,228,838,780	40.83	\$59,340,775,851	21.0924
Class 3	\$6,548,868,883	43.88	\$14,924,496,087	5.3048
Class 4	\$36,078,590,308	42.67	\$84,552,590,363	30.0538
Total	\$76,020,741,879		\$281,337,165,884	

SECTION IV Determination of Current Base Proportions							
	(N)	(O)	(P)	(Q)	(R)	(S)	(T)
					Percent Difference Between Prior Year Adjusted Base and Prospective Current Base Proportion	Maximum Current Base Proportion	Current Base Proportions for 1998 Roll
	Local Base Proportion	Updated Local Base Proportion N*(M/I)	Prospective Current Base Proportion Column (O) to 100.00 Prorated	Adjusted Base Proportion Used for Prior Tax Levy	((P/Q)-1)*100	(Q* 1.025)	
1	10.9181	12.6576	13.52835	12.7296	6.27475	13.0478	13.0478
2	25.7608	31.0696	33.20697	33.9203	-2.10296	34.7683	33.2070
3	10.3385	8.3310	8.90411	6.8740	29.53317	7.0459	7.0459
4	52.9826	41.5053	44.36057	46.4761	-4.55187	47.6380	46.6993
Total	100.0000	93.5635	100.00000	100.0000			100.0000

§ 3. Pursuant to paragraph (h) of subdivision one of section 1803-a of the real property tax law, and as reflected in the calculation set forth in section two above, the current base proportions for the city's fiscal year 1999 are hereby determined to be as follows: for Class One: 0.130478; for Class Two: 0.332070; for Class Three: 0.070459; and for Class Four: 0.466993. As required by paragraph (h), the sum of these numbers equals one. For purposes of this local law, the current base proportion shall mean the current base proportion calculated pursuant to section 1803-a of the real property tax law, as amended by Chapter 229 of the Laws of 1998.

§ 4. This local law shall take effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on July 28, 1998, and returned unsigned by the Mayor on August 31, 1998.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW § 27

Pursuant to the provisions of Municipal Home Rule Law § 27, I hereby certify that the enclosed local law (Local Law 36 of 1998, Council Int. No. 348) contains the correct text and:

Received the following vote at the meeting of the New York City Council on July 28, 1998: 39 FOR, 0 AGAINST, 1 NOT VOTING.

Was returned unsigned by the Mayor on August 31, 1998.

Was returned to the City Clerk on August 31, 1998.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel