

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2001**

No. 6

Introduced by the Speaker (Council Member Vallone) and Council Members Berman, DiBrienza, Espada, Fisher, Foster, Marshall, Abel, Fiala and Stabile; also Council Members Dear, Koslowitz, O'Donovan, Warden, Wooten and Ognibene (in conjunction with the Mayor)

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to increasing a credit allowed under the commercial rent or occupancy tax and increasing exemptions from such tax.

Be it enacted by the Council as follows:

Section 1. Paragraph 2 of subdivision b of section 11-704 of the administrative code, as amended by local law number 63 for the year 1997, is amended to read as follows:

(2) A tenant whose base rent, (i) for tax years beginning on or after June first, nineteen hundred eighty-one and ending on or before May thirty-first, nineteen hundred eighty-four, is not in excess of four thousand nine hundred ninety-nine dollars per year, (ii) for the tax year beginning June first, nineteen hundred eighty-four and ending May thirty-first, nineteen hundred eighty-five, is not in excess of seven thousand nine hundred ninety-nine dollars per year, (iii) for [the] tax years beginning on or after June first, nineteen hundred eighty-five and ending on or before May thirty-first, nineteen hundred ninety-four, is not in excess of ten thousand nine hundred ninety-nine dollars per year, (iv) for the tax year beginning June first, nineteen hundred ninety-four and ending May thirty-first, nineteen hundred ninety-five, is not in excess of twenty thousand nine hundred ninety-nine dollars per year, (v) for the tax year beginning June first, nineteen hundred ninety-five and ending May thirty-first, nineteen hundred ninety-six, is not in excess of thirty thousand nine hundred ninety-nine dollars per year, (vi) for the tax year beginning June first, nineteen hundred ninety-six and ending May thirty-first, nineteen hundred ninety-seven, is not in excess of thirty-nine thousand nine hundred ninety-nine dollars per year, [and] (vii) for tax years beginning on or after June first, nineteen hundred ninety-seven *and ending on or before May thirty-first, two thousand*, is not in excess of ninety-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, (viii) *for the period beginning June first, two thousand and ending November thirtieth, two thousand, is not in excess of ninety-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section*, (ix) *for the period beginning December first, two thousand and ending May thirty-first, two thousand one, is not in excess of one hundred forty-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section*,

and (x) for tax years beginning on or after June first, two thousand one, is not in excess of one hundred forty-nine thousand nine hundred ninety-nine dollars per year, calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of this section, shall be exempt from the payment of the tax imposed by this chapter with respect to such rent, provided, however, that where the base rent of such tenant is for a period of less than one year, such base rent shall, for purposes of this paragraph, be determined as if it had been on an equivalent basis for the entire year; and provided, further, that for purposes of subparagraphs (viii) and (ix) of this paragraph, base rent for the period specified in each of such subparagraphs shall be separately annualized as if it had been on an equivalent basis for an entire year, irrespective of the actual base rent for the tax year including the period specified in such subparagraph. Notwithstanding the preceding sentence, [(viii)] (xi) a tenant whose base rent for the tax year beginning June first, nineteen hundred eighty-four and ending May thirty-first, nineteen hundred eighty-five, is at least eight thousand dollars per year, but not in excess of ten thousand nine hundred ninety-nine dollars per year, shall be exempt from the payment of the tax imposed by this chapter with respect to such rent for the period beginning December first, nineteen hundred eighty-four and ending May thirty-first, nineteen hundred eighty-five, and [(ix)] (xii) a tenant whose base rent for the tax year beginning June first, nineteen hundred ninety-five and ending May thirty-first, nineteen hundred ninety-six, is at least thirty-one thousand dollars per year, but not in excess of thirty-nine thousand nine hundred ninety-nine dollars per year, shall be exempt from the payment of the tax imposed by this chapter with respect to such rent for the period beginning September first, nineteen hundred ninety-five and ending May thirty-first, nineteen hundred ninety-six.

§ 2. Section 11-704.3 of the administrative code of the city of New York, subdivision 1 as added by local law number 57 for the year 1995, subdivision 2 as amended and subdivision 3 as added by local law number 63 for the year 1997, subdivision 4 as added by local law number 22 for the year 1994 and as renumbered by local law number 57 for the year 1995 and local law number 63 for the year 1997, is amended to read as follows:

§ 11-704.3 Tax credit. (a) (1) For the period beginning September first, nineteen hundred ninety-five and ending May thirty-first, nineteen hundred ninety-six, a credit shall be allowed against the tax imposed by this chapter, such credit to be determined in accordance with the following table:

<p>If the tenant's annualized base rent for such period is:</p>	<p>The credit shall be an amount equal to the following percentage of the tax imposed on such annualized base rent for such period:</p>															
<table border="0"> <tr> <td style="padding-right: 20px;">At least:</td> <td>But not over:</td> <td></td> </tr> <tr> <td>\$40,000</td> <td>\$44,999</td> <td style="text-align: right;">80%</td> </tr> <tr> <td>\$45,000</td> <td>\$49,999</td> <td style="text-align: right;">60%</td> </tr> <tr> <td>\$50,000</td> <td>\$54,999</td> <td style="text-align: right;">40%</td> </tr> <tr> <td>\$55,000</td> <td>\$59,999</td> <td style="text-align: right;">20%</td> </tr> </table>	At least:	But not over:		\$40,000	\$44,999	80%	\$45,000	\$49,999	60%	\$50,000	\$54,999	40%	\$55,000	\$59,999	20%	
At least:	But not over:															
\$40,000	\$44,999	80%														
\$45,000	\$49,999	60%														
\$50,000	\$54,999	40%														
\$55,000	\$59,999	20%														

If the tenant's annualized base rent for such period is over fifty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this [subdivision] paragraph.

(2) For the tax year beginning June first, nineteen hundred ninety-six and ending May thirty-first, nineteen hundred ninety-seven, a credit shall be allowed against the tax

imposed by this chapter, such credit to be determined in accordance with the following table:

If the tenant's base rent is:		The credit shall be an amount equal to the following percentage of the tax imposed on such base rent for the tax year:
At least:	But not over:	
\$40,000	\$44,999	80%
\$45,000	\$49,999	60%
\$50,000	\$54,999	40%
\$55,000	\$59,999	20%

If the tenant's base rent is over fifty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this [subdivision] *paragraph*.

(3) For each tax year beginning on or after June first, nineteen hundred ninety-seven and ending on or before May thirty-first, two thousand, a credit shall be allowed against the tax imposed by this chapter, such credit to be determined in accordance with the following table:

If the tenant's base rent is:		The credit shall be an amount equal to the following percentage of the tax imposed by this chapter for the tax year:
At least:	But not over:	
\$100,000	\$109,999	80%
\$110,000	\$119,999	60%
\$120,000	\$129,999	40%
\$130,000	\$139,999	20%

If the tenant's base rent is over one hundred thirty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this [subdivision] *paragraph*. For purposes of this [subdivision] *paragraph*, 'base rent' shall be calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of [this] section 11-704 of this chapter.

(4) For the period beginning June first, two thousand and ending November thirtieth, two thousand, a credit shall be allowed against the tax imposed by this chapter, such credit to be determined in accordance with the following table:

If the tenant's annualized base rent for such period is:		The credit shall be an amount equal to the following percentage of the tax imposed on such annualized base rent for such period:
At least:	But not over:	
\$100,000	\$109,999	80%
\$110,000	\$119,999	60%
\$120,000	\$129,999	40%
\$130,000	\$139,999	20%

If the tenant's annualized base rent for such period is over one hundred thirty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this paragraph. For purposes of this paragraph 'base rent' shall be calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of section 11-704 of this chapter.

(5) For the period beginning December first, two thousand and ending May thirty-first, two thousand one, a credit shall be allowed against the tax imposed by this chapter, such credit to be determined in accordance with the following table:

If the tenant's annualized base rent for such period is:		The credit shall be an amount equal to the following percentage of the tax imposed on such annualized base rent for such period:
At least:	But not over:	
\$150,000	\$159,999	80%
\$160,000	\$169,999	60%
\$170,000	\$179,999	40%
\$180,000	\$189,999	20%

If the tenant's annualized base rent for such period is over one hundred eighty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this paragraph. For purposes of this paragraph, 'base rent' shall be calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of section 11-704 of this chapter.

(6) For each tax year beginning on or after June first, two thousand one, a credit shall be allowed against the tax imposed by this chapter, such credit to be determined in accordance with the following table:

If the tenant's base rent is:		The credit shall be an amount equal to the following percentage of the tax imposed by this chapter for the tax year:
At least:	But not over:	
\$150,000	\$159,999	80%
\$160,000	\$169,999	60%
\$170,000	\$179,999	40%
\$180,000	\$189,999	20%

If the tenant's base rent is over one hundred eighty-nine thousand nine hundred ninety-nine dollars, no credit shall be allowed under this paragraph. For purposes of this paragraph, 'base rent' shall be calculated without regard to any reduction in base rent allowed by paragraph two of subdivision h of section 11-704 of this chapter.

(b) (1) Where the base rent of a tenant is for a period of less than one year, such base rent shall, for purposes of this section, be determined as if it had been on an equivalent basis for the entire year. The [credit] credits allowed under this section shall be deducted prior to the deduction of any credit allowable under section 11-704.1 of this chapter.

(2) For purposes of paragraphs four and five of subdivision (a) of this section, base rent for the period specified in each of such paragraphs shall be separately annualized

as if it had been on an equivalent basis for an entire year, irrespective of the actual base rent for the tax year including the period specified in such paragraph.

§3. This local law shall take effect immediately and shall be retroactive to and deemed to have been in full force and effect as of December 1, 2000.

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 January 24, 2001, and approved by the Mayor on February 2, 2001.

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 6 of 2001, Council Int. No. 863) contains the correct text and:

Received the following vote at the meeting of the New York City Council on January 24, 2001:
44 for, 0 against, 0 not voting.

Was signed by the Mayor on February 2, 2001.

Was returned to the City Clerk on February 2, 2001.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel