



**NEW YORK
CITY BAR**

Contact: Maria Cilenti - Director of Legislative Affairs - mcilenti@nycbar.org - (212) 382-6655

**REPORT OF THE COMMITTEE ON CONDEMNATION & TAX CERTIORARI
ON PROPOSED AMENDMENTS TO SECTION § 11-216 OF THE
NEW YORK CITY ADMINISTRATIVE CODE**

This report is respectfully submitted by the Committee on Condemnation and Tax Certiorari (the “Committee”) of the New York City Bar Association. The Committee addresses issues relating to the statutory procedures for review and correction of assessed valuation of real property and condemnation of property in New York City.

§ 11-216 of the New York City Administrative Code states in part: No reduction shall be granted for an income-producing property unless there is submitted to the tax commission a statement of income and expenses in the form prescribed by the tax commission and which shall be, in the case of property valued at one million dollars or more certified by a certified public accountant. This local law was adopted in 1968.

According to the Consumer Price Index (CPI), in 2009, the current relative worth of \$1,000,000 from 1968 is \$6,160,000. In 1968, buildings with an actual assessed value of \$1,000,000 or more were sizable residential and commercial properties. In 2011, many side street six story walkup properties are assessed at over a million dollars. In addition, the cost of obtaining a certified statement by a certified public accountant has increased significantly since 1968 precluding many building owners from seeking an administrative review.

We are therefore proposing that the actual assessed value of properties that are required to submit certified income and expense statements be increased from “one million dollars or more” to “three million dollars or more”. Our proposed amendment is attached in Appendix A.

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APPENDIX A
PROPOSED AMENDMENT

§ 11-216 Reduction in assessments; publication. a. There shall be published annually in the City Record a list of all reductions in real property assessments granted by the tax commission identifying the name of the property owner, the address and the amount of reduction.

- b. No reduction shall be granted for an income-producing property unless there is submitted to the tax commission a statement of income and expenses in the form prescribed by the tax commission and which shall be, in the case of property [valued at one million] with an actual assessed value of three million dollars or more certified by a certified public accountant. The commissioner granting such reduction in assessment shall state in a short memorandum the basis upon which the reduction is granted.
- c. In all cases where the reduction in assessment for the current year is for fifty thousand dollars or more, the concurrence of the president of the tax commission shall be required.