

**PRECONSIDERED**

**RESOLUTION NO. \_\_\_\_\_**

**By Council Member Weprin**

**RESOLUTION AMENDING AND RESTATING THE RESOLUTION COMPUTING AND CERTIFYING ADJUSTED BASE PROPORTION OF EACH CLASS OF REAL PROPERTY FOR FISCAL 2010 TO THE STATE BOARD OF REAL PROPERTY SERVICES PURSUANT TO SECTION 1803-a, REAL PROPERTY TAX LAW**

**Whereas**, on May 29, 2009, pursuant to Section 1514 of the Charter of the City of New York, the Commissioner of the Department of Finance delivered to the Council the certified assessment rolls for all real property assessable for taxation in the City in each borough thereof for the fiscal year beginning on July 1, 2009 and ending on June 30, 2010 ("Fiscal 2010"), a certified copy of which is in the Office of the Clerk of the City pursuant to Section 516, Real Property Tax Law (the "Fiscal 2010 Assessment Rolls"); and

**Whereas**, Section 1803-a (5), Real Property Tax Law, requires the Council subsequent to the filing of the final Fiscal 2010 Assessment Rolls, to adjust current base proportions computed pursuant to the Current Base Proportion Resolution to reflect additions to and removals from the Fiscal 2010 Assessment Rolls as described therein (each such current base proportion so adjusted to be known as an "Adjusted Base Proportion"); and

**Whereas**, within five (5) days upon determination of the Adjusted Base Proportions, Section 1803-a (6), Real Property Tax Law, requires the Council to certify, to the State Board of Real Property Services ("SBRPS"), the Adjusted Base Proportion for each class of real property applicable to the City, the assessed value of all property in each class of real property, the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from the additions to or removals from the Fiscal 2010 Assessment Rolls as described above, and the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from changes other than those referred to above; and

**Whereas**, on June 19, 2009, the Council adopted a resolution in which the Council computed and certified the current base proportion, the current percentage and the base percentage of each class of real property in the City for Fiscal 2010 pursuant to Section 1803-a (1), Real Property Tax Law (the "Current Base Proportion Resolution"); and

**Whereas**, after the June 19<sup>th</sup> adoption of the Current Base Proportion Resolution, Section 1803-a, Real Property Tax Law, was amended to lower the percent of increase in the current base proportion as compared with the previous year's adjusted base proportion to 0.0 percent; and

**Whereas**, pursuant to the amendment to Section 1803-a, Real Property Tax Law, on November 16, 2009, the Council adopted a resolution computing and certifying the base percentage, current percentage and current base proportion of each class of real property for Fiscal 2010 to the SBRPS pursuant to Section 1803-a, Real Property Tax Law;

**NOW, THEREFORE**, be it resolved by The Council of The City of New York as follows:

**Section 1. Computation and Certification of Adjusted Base Proportions and Related Information for Fiscal 2010.** (a) The Council hereby computes and certifies the Adjusted Base Proportion for each class of real property applicable to the City, the assessed value of all property in each class of real property, the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from the additions to or removals from the Fiscal 2010 Assessment Rolls as described in Section 1803-a (5), Real Property Tax Law, and the net change in assessed value for each class on the Fiscal 2010 Assessment Rolls resulting from changes other than those described in Section 1803-A (5), Real Property Tax Law, as shown on SBRPS Form RP-6702, attached hereto as Exhibit A and incorporated herein by reference (the "ABP Certificate").

(b) The Clerk of the Council is hereby authorized and directed to execute the ABP Certificate and to file it with the SBRPS no later than five (5) days after the date hereof.

**Section 2. Effective Date.** This resolution shall take effect as of the date hereof.



**REPORT OF THE  
COMMITTEE ON FINANCE**

**FINANCE DIVISION  
PRESTON NIBLACK, DIRECTOR**

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**RESOLUTION AMENDING AND RESTATING THE RESOLUTION  
COMPUTING AND CERTIFYING ADJUSTED BASE  
PROPORTION OF EACH CLASS OF REAL PROPERTY FOR  
FISCAL 2010 TO THE STATE BOARD OF REAL PROPERTY  
SERVICES PURSUANT TO SECTION 1803-a, REAL PROPERTY  
TAX LAW**

**Introduction.** The above-captioned resolution completes the certification procedure required by Section 1803-a, Real Property Tax Law, to establish the class shares used in levying the real property taxes for the adopted Fiscal 2010 budget.

On June 19, 2009, the Council adopted a resolution computing and certifying the current base proportions for Fiscal 2010 (the "CBP Resolution"). After the adoption of the CBP Resolution, Section 1803-a, Real Property Tax Law, was amended to lower the percent of increase in the current base proportion as compared with the previous year's adjusted base proportion from 5.0 percent to 0.0 percent, which altered the calculations contained in the CBP Resolution. Pursuant to this amendment to state law, the Council adopted a resolution on November 16, 2009, restating the CBP Resolution. On June 19, 2009, the Council also adopted a resolution computing and certifying the adjusted base proportion of each class of real property for Fiscal 2010 (the "ABP Resolution"). The above-captioned resolution amends and restates the ABP Resolution to reflect the changes in the November 16, 2009 CBP Resolution.

The current base proportion for each class of real property takes into account the market value changes in the class occurring between the assessment roll for the base period, 1989, and the latest roll for which the State Board of Real Property Services ("SBRPS") has established class equalization rates, 2008. The CBP Resolution modified the class shares for the Fiscal 2010 property tax levy accordingly. The remaining step, to be taken in the above-captioned resolution, adjusts these current base proportions to take account of the various physical changes (such as demolitions, new construction, changes in exempt status and transfers among classes) that are reflected in the new final assessment roll. The computations called for in the SBRPS procedure are designed to separate the effects of these physical changes from equalization changes made by local assessors.

**Analysis.** The calculations shown on the SBRPS Form RP-6702 attached to the above-captioned resolution modify the share for each class to reflect physical changes. For Fiscal 2010, all classes show

modest physical increases, except for class three, which has a small decrease. These physical adjustments result in the following changes to the Fiscal 2010 current base proportions. The Fiscal 2010 adjusted base proportions for Classes 1 and 4 decrease by nearly one percent from their respective Fiscal 2010 current base proportions. The adjusted base proportion for Class 2 increases by slightly less than one percent and Class 3 by nearly three and one-half percent from their respective current base proportions.

Pursuant to Section 1803-a(1)(u) of the Real Property Tax Law which was enacted during the 2009 legislative session (limiting the increase in Fiscal 2010 current base proportions to the Fiscal 2009 adjusted base proportions), the Fiscal 2009 adjusted base proportions become the Fiscal 2010 current base proportions for all four classes. Therefore, the changes from the adjusted base proportions from Fiscal 2009 to Fiscal 2010, as reported in the table below, reflect the same changes to the Fiscal 2010 current base proportions discussed above. (Last year's increase in class shares was also capped at 0.0 percent.)

Comparison of Class Shares for Fiscal 2009 and Fiscal 2010			
Class	Fiscal 2009	Fiscal 2010	Percent Change
1	14.9557	14.8231	-0.89
2	37.2143	37.4672	+0.68
3	7.3186	7.5717	+3.46
4	40.5114	40.1380	-0.92
Total	100.0000	100.0000	

The tax rates resulting from the use of class shares shown above for Fiscal 2010 are compared to the Fiscal 2009 tax rates in the following table. The Fiscal 2009 tax rates are the rates effective for the second half of Fiscal 2009, as adopted on December 18, 2008, and reflect the rescinding of the 7 percent reduction adopted on June 29, 2008.

Comparison of Tax Rates for Fiscal 2009 and Fiscal 2010 (Per \$100 Assessed Value)			
Class	Fiscal 2009	Fiscal 2010	\$ Difference
1	16.787	17.088	+0.301
2	13.053	13.241	+0.188
3	12.577	12.743	+0.166
4	10.612	10.426	-0.186

