

New York City Council
Hon. Adrienne Adams, Speaker of the Council
Hon. Justin Brannan, Chair Finance Committee

**Report on the Fiscal 2026 Executive Plan for the
Department of Finance**

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Fiscal 2026 Executive Plan

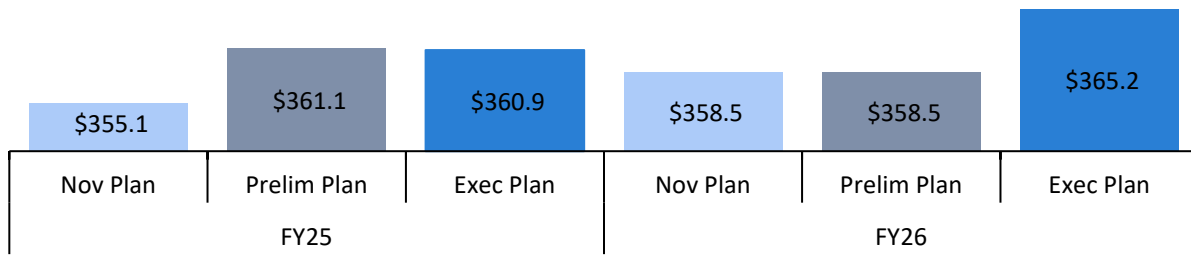
Department of Finance Budget Overview

The Department of Finance (DOF or the Department) is responsible for the administration and collection of taxes in New York City. They are also responsible for the collection of fines and fees throughout the City as well as overseeing illegal marijuana shops through the Sheriff's Office.

The Executive Financial Plan for Fiscal 2025-2029 (Executive Plan) includes a proposed Fiscal 2026 budget of \$365.2 million for DOF. DOF's Fiscal 2025 budget in the Executive Plan is \$200,000 (0.1 percent) less than its \$361.1 million Fiscal 2025 budget in the Preliminary Plan. The Fiscal 2026 budget in the Executive Plan is \$6.7 million (1.9 percent) more than its \$358.5 million Fiscal 2026 budget in the Preliminary Plan. The current Fiscal 2026 budget is \$13.2 million more than the \$352.0 million included in the Fiscal 2025 budget at adoption. For additional information on DOF's Preliminary Budget, please refer to the Fiscal 2026 Preliminary Budget report.¹

¹ New York City Council, "[Report on the Fiscal 2025 Preliminary Plan and the Fiscal 2024 Preliminary Mayor's Management Report for the Department of Stuff](#)", as of March 2025.

Comparison of the Last Three Financial Plans

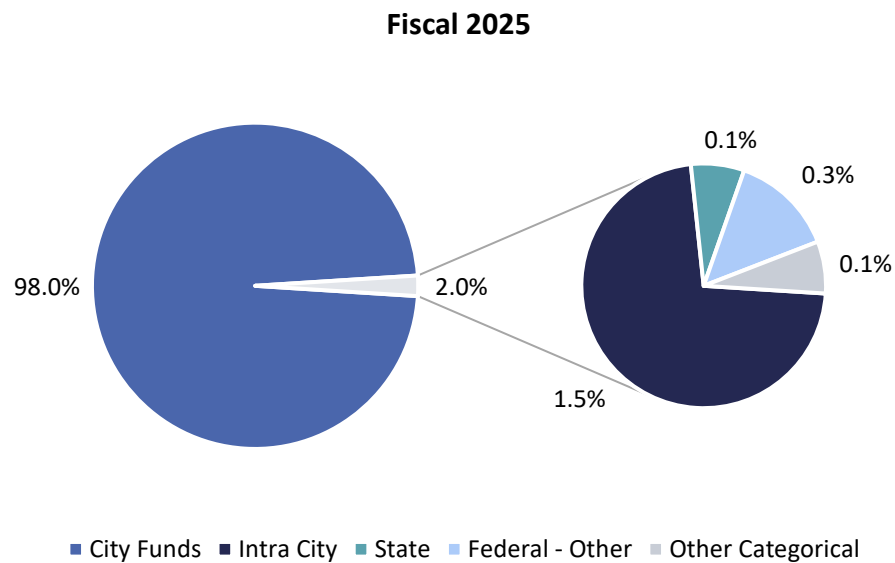


Dollars in Millions

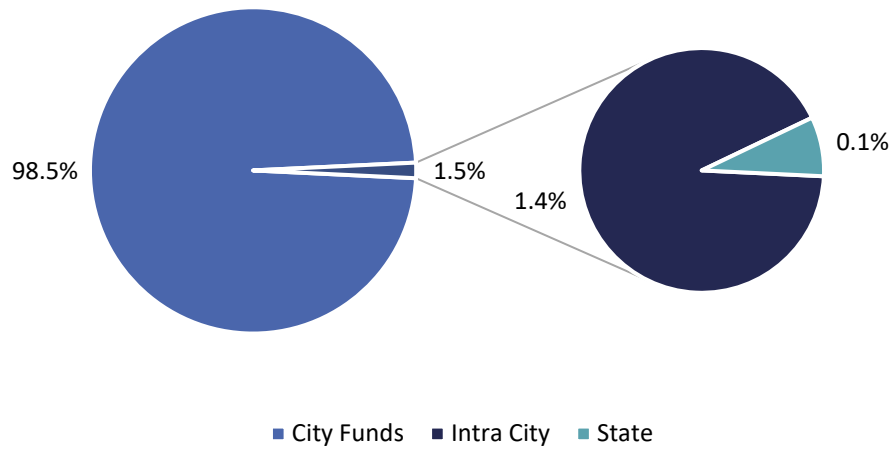
Source: New York City Office of Management and Budget

Budget by Funding Source

Fiscal 2026 City Funds: 98.5 percent

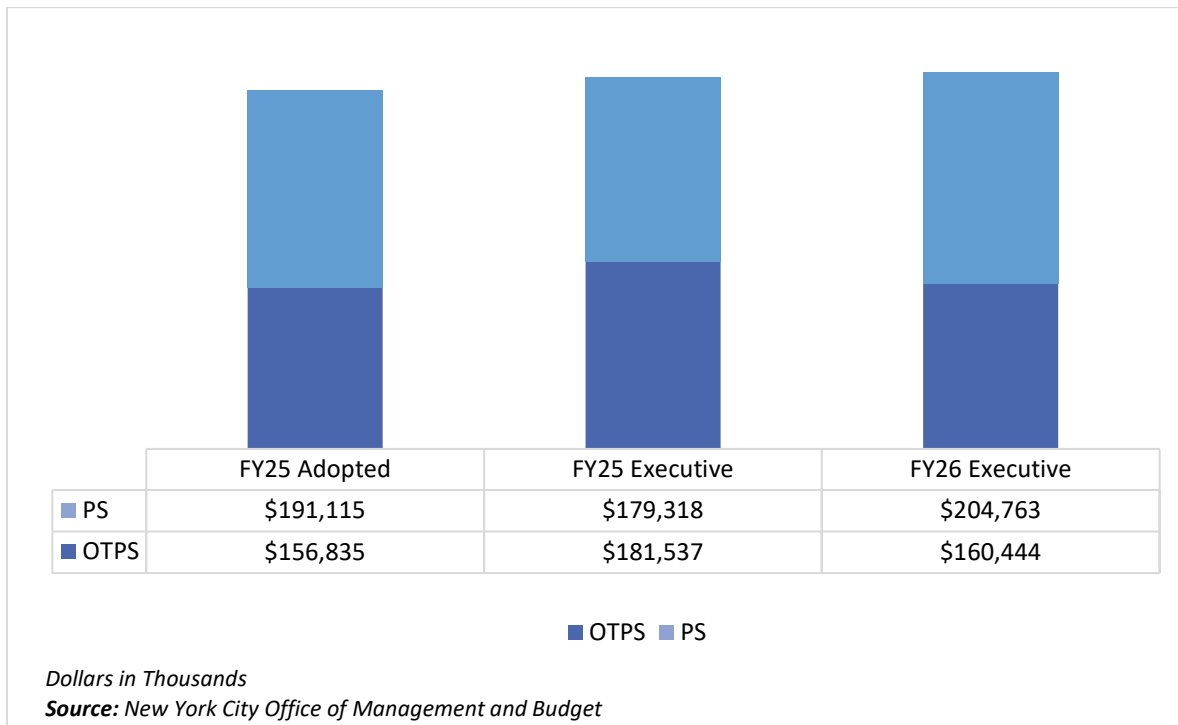


Fiscal 2026



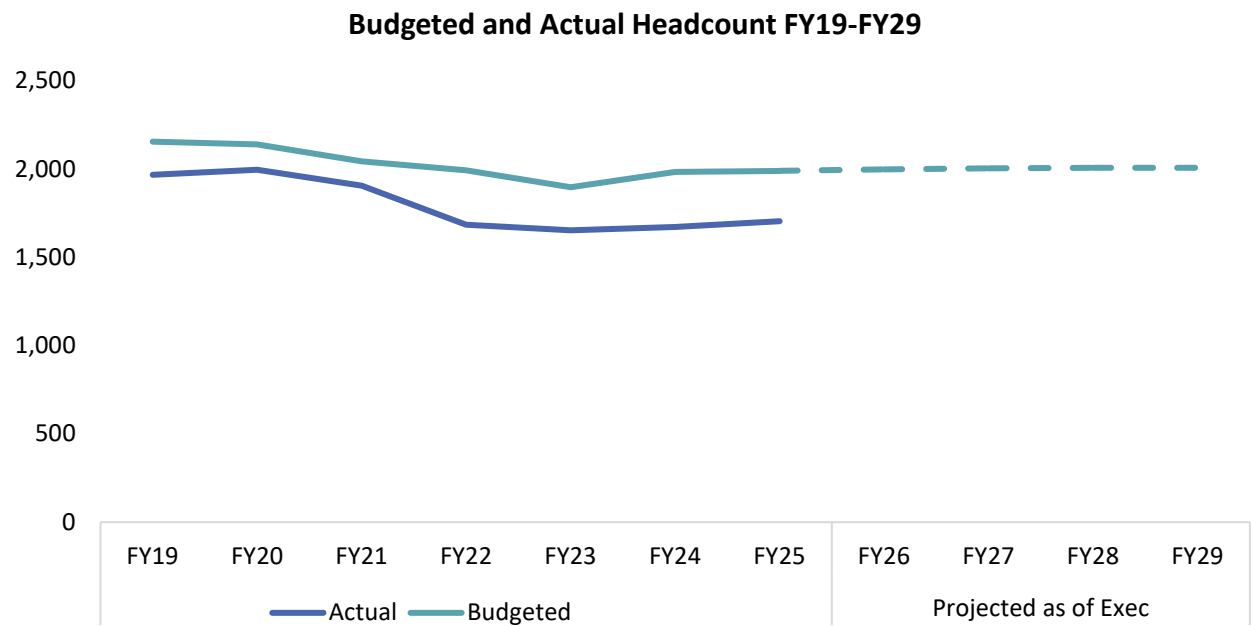
Source: New York City Office of Management and Budget

Personal Services (PS) and Other Than Personal Services (OTPS)



Headcount

Fiscal 2025 Budgeted Full-Time Positions: **1,990**
Actual Headcount as of March 2025: **1,705**
Vacancy Rate as of March 2025: **14.3 percent**



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for FY26 where budgeted headcount is as of the Executive Plan and actual headcount is as of March 2025.

Executive Plan Changes

<u>FY25 = (\$0.2)</u>	<u>FY26 = \$6.7</u>	<u>FY27 = \$7.0</u>	<u>FY28 = \$7.7</u>	<u>FY29 = \$9.5</u>
New Needs = \$1.0	New Needs = \$6.8	New Needs = \$7.5	New Needs = \$8.2	New Needs = \$9.9
Other Adjustments = (\$1.2)	Other Adjustments = (\$0.06)	Other Adjustments = (\$0.5)	Other Adjustments = (\$0.5)	Other Adjustments = (\$0.5)
Savings = \$0	Savings = \$0	Savings = \$0	Savings = \$0	Savings = \$0

Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

Significant Executive Plan Changes

New Needs

- **Auditor Pay Scale Adjustment.** The Executive Plan includes an additional \$936,000 in Fiscal 2025 and \$3.7 million in Fiscal 2026 and in the outyears for auditor pay scale adjustment. This adjustment will provide additional pay to all tax auditors and administrative tax auditors within DOF in order to address challenges with recruitment and retention of tax auditors. This pay increase is expected to help increase the pool of applicants and hopefully allow DOF to lower its attrition rate.
- **IT Upgrades.** The Executive Plan includes an additional \$93,000 in Fiscal 2025 and \$3.0 million in Fiscal 2026 with increasing amounts baselined in the outyears for IT upgrades. These funds will support an upgrade to the Summons Tracking Accounts Receivable System (STARS) which is more than 40 years old. The planned upgrade would likely be complicated due to the size and age of the system as well as the fact that it is used by many City agencies to track different fines, appeals, and outcomes.

Other Adjustments

- **Vape Adjustment.** The Executive Plan includes a reduction of \$1.0 million in Fiscal 2025 for the disposal of e-cigarettes and vapes which were confiscated by the Sheriff's Office. These funds are provided by the State and come from a settlement against the e-cigarette company JUUL, for its role in the youth vaping epidemic.

- **ACP Transfer.** The Executive Plan includes funding reduction of \$271,000 in Fiscal 2025 and \$462,000 in Fiscal 2026 and in the outyears for an Assigned Counsel Program (ACP) transfer. This transfer is a technical change which moved certain staffing lines between DOF and the Mayor's Office of Criminal Justice (MOCJ). According to DOF, there will be no reduction in services or outreach resulting from this transfer.

Budget Action Chart

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
DOF Budget as of the FY26 Preliminary Plan	\$352,783	\$8,281	\$361,064	\$352,920	\$5,569	\$358,489
Changes Introduced in the FY26 Executive Plan						
New Needs						
Auditor Pay Scale Adjustment	\$936	\$0	\$936	\$3,743	\$0	\$3,743
IT Upgrades	93	0	93	3,034	0	3,034
Subtotal, New Needs	\$1,029	\$0	\$1,029	\$6,777	\$0	\$6,777
Other Adjustments						
ACP Transfer	(\$271)	\$0	(\$271)	(\$462)	\$0	(\$462)
Asylum Seeker Adjustment	16	0	16	0	0	0
DC37 Collective Bargaining Adjustment	10	0	10	10	0	10
Heat, Light and Power	26	0	26	(31)	0	(31)
Lease Adjustment	0	0	0	425	0	425
VAPEADJUSTMENT	0	(1,017)	(1,017)	0	0	0
Subtotal, Other Adjustments	(\$219)	(\$1,017)	(\$1,236)	(\$58)	\$0	(\$58)
TOTAL, All Changes in the FY26 Executive Plan	\$810	(\$1,017)	(\$207)	\$6,719	\$0	\$6,719
DOF Budget as of the Executive Plan	\$353,592	\$7,264	\$360,856	\$359,639	\$5,569	\$365,208

Source: New York City Office of Management and Budget

Budget by Program Area

<i>Dollars in Thousands</i>	FY23	FY24	FY25	Executive Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26 - FY25
Budget by Program Area						
Administration	\$72,593	\$75,533	\$78,462	\$87,525	\$84,004	\$5,542
Audit	21,161	20,079	28,658	28,449	32,975	4,317
Civil Enforcement	45,624	50,280	50,576	54,441	50,423	(153)
Collections	18,646	18,306	22,995	23,088	23,152	157
Communications & Governmental Services	3,119	3,056	4,137	4,019	4,231	94
Financial Plan Savings	0	0	(15,275)	(27,038)	(14,873)	402
FIT (Finance Information Technology)	73,746	70,328	64,082	77,743	67,939	3,857
Legal & Adjudications	16,397	16,101	20,662	20,094	21,741	1,079
NYCSESV Contract Funding	3,779	3,110	3,337	3,129	3,337	0
Payment Ops & Application Processing	17,135	22,420	20,972	21,339	21,675	703
Property Records	5,565	6,101	6,311	6,135	6,858	548
Treasury	27,728	28,400	28,911	28,789	28,861	(50)
Valuing Property	26,585	28,095	34,122	33,141	34,884	762
TOTAL	\$332,077	\$341,809	\$347,949	\$360,855	\$365,207	\$17,258
Funding						
City Funds	\$330,849	\$337,746	\$342,385	\$353,592	\$359,639	\$17,254
Intra City	1,115	3,951	5,127	5,252	5,131	4
State	113	113	438	512	438	0
Federal - Other	0	0	0	999	0	0
Other Categorical	0	0	0	500	0	0
TOTAL	\$332,077	\$341,810	\$347,949	\$360,855	\$365,207	\$17,258
Budgeted Headcount						
Full-Time Positions - Civilian	1,653	1,672	1,983	1,990	1,998	15
TOTAL	1,653	1,672	1,983	1,990	1,998	15

*The difference between the Fiscal 2026 Executive Budget and the Fiscal 2025 Adopted Budget.

Source: New York City Office of Management and Budget