

# **NFP** Exemption from Real Estate Taxation for Property Owned by Non-Profit Organizations

## ELIGIBILITY REQUIREMENTS AND INSTRUCTIONS

**These guidelines below are to help you determine if your non-profit organization may be eligible for a property exemption.**

- Legal title for the parcel(s) for which exemption benefits are being sought must be in the name of the applicant organization.
- The purpose(s) of the organization must be for one or more of the exemptible categories outlined in either Sections 420-a or 420-b, or a purpose set forth in 446, 452 and 462 of the New York State Real Property Tax Law (or two or more of those purposes) as follows:
  - 420-a: Charitable, Educational, Hospital, Moral or Mental Improvement of Men, Women or Children or Religious
  - 420-b: Benevolent, Bible, Enforcement of Law Relating to Children or Animals, Historical, Infirmary, Library, Literary, Missionary, Patriotic, Public Playground, Scientific, Supervised Youth Sportsmanship or Tract
  - 446: Cemetery
  - 452: American Legion, Veterans of Foreign War
  - 462: Parsonage or Manse
- The property for which an exemption is being sought must be used for the exemptible purposes of the organization. Portions of the property that have no exempt use and are not actively being contemplated for an exempt use, (or) as well as those portions leased to a commercial, non-exempt organization are not exemptible.
- Unimproved land and/or vacant buildings may be eligible if supporting documentation of contemplated use or construction in progress is supplied. If an exemption is granted, then a new "Application for Exemption" must be filed once the construction/alteration is completed and property is being used for an exempt purpose.
- A property may be eligible if all or a portion of the property is rented to a non-profit that qualifies in its own right, as long as the rent does not exceed the maintenance, depreciation and carrying costs of the property.
- Properties transferred from a currently property tax-exempt non-profit organization to another qualifying non-profit organization will maintain continuous benefits. The new organization must submit an application in its own name immediately after the transfer.
- If the submitted application is incomplete in any way, the applicant will be notified and given a short period of time to make any and all corrections.
- In addition to this application, you may be required to supply additional information. In such cases, either the attorney, agent or the contact person will be notified.

**Is your non-profit organization's property eligible for an NFP property exemption?**

Please answer the following questions BEFORE you submit your application:

- Yes     No    Is your organization federally tax-exempt?
- Yes     No    Do you own the property (borough/block/lot(s)) this application is for?
- Yes     No    Is the property (borough/block/lot(s)) primarily used for an exempt purpose?

**If you have answered NO to all of these questions,  
DO NOT submit this application.**

**You may be eligible for a partial exemption if you own the property and use the property primarily for an exempt purpose but:**

- Rent a portion to a nonprofit that qualifies for an exemption in its own right as long as the rent it pays does not exceed the maintenance, depreciation and carrying costs of the property.
- Rent a portion to a commercial (for-profit) or unaffiliated tenant. The space that is rented is subject to real estate taxes.
- Have vacant or unused space and no demonstrable plans to use the vacant/unused space. Vacant/unused space is subject to real estate taxes.

**BEFORE YOU SUBMIT YOUR APPLICATION, complete the items on the checklist below to ensure prompt processing. Incomplete applications will not be reviewed.**

**Mail your completed application to:**

New York City Department of Finance  
Commercial Exemptions – NFP  
59 Maiden Lane, 22nd Floor  
New York, NY 10038

Check off these tasks as you complete them to make sure you have completed all requirements.

- ✓ Complete Section 1 Property Information
  - ✓ Complete Section 2 Owner Information
  - ✓ Complete Section 3 Organizational Purpose
  - ✓ Complete Section 4 Federal Income Tax Status of Organization
  - ✓ Complete Sections 5–7 Property Use
  - ✓ Complete Affidavit (sign and notarize)
  - ✓ Attach Articles of Incorporation
  - ✓ Attach by-laws
  - ✓ Attach deed (if parcel is in Staten Island or not recorded in ACRIS)
  - ✓ Attach a Certificate of Occupancy
  - ✓ If you are leasing any part of the parcel to a not-for-profit, attach that organization's Articles and By-laws
  - ✓ If leasing, attach the lease
  - ✓ If applying for a parsonage, attach ordination document
  - ✓ If applying for contemplated use, attach building plans/architect's drawing or Department of Buildings permit or evidence of building fund
  - ✓ Review application and attachments for completeness before mailing to DOF
- Prior to exemption determination, inspection may be required by Department of Finance.
  - If exemption is granted, the organization will be required to file an annual renewal form prescribed by the Department of Finance.

**How to Appeal Decisions**

If the Department of Finance (DOF) denies your application or grants only a partial exemption, you may appeal the decision with the New York City Tax Commission. Use Tax Commission form TC106, available at [www.nyc.gov/html/taxcomm](http://www.nyc.gov/html/taxcomm). Be sure to attach a copy of the DOF notice to your application. Please note: Appeals for partial exemption must be received within twenty (20) calendar days of the mailing date of the DOF letter. Appeals for full exemptions may be submitted at any time.

**All submitted applications will be reviewed in accordance with the legal statutes cited below.**

The information in this form is in accordance with Article 4, Sections 420-a, 420-b, 446, 452 and 462 of the New York State Real Property Tax Law, which provides for real estate tax exemption for certain properties owned and used by nonprofit organizations that qualify under the provisions of these sections.

**NFP** Application for Exemption from Real Estate Taxation for  
Property Owned by Non-Profit Organizations

DATE OF APPLICATION
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**1. PROPERTY INFORMATION**

<b>1. BOROUGH (CHECK ONE)</b> <input type="checkbox"/> Manhattan <input type="checkbox"/> Bronx <input type="checkbox"/> Brooklyn <input type="checkbox"/> Queens <input type="checkbox"/> Staten Island				<b>2. BLOCK</b>		<b>LOT</b>	
<b>3.</b> <input type="checkbox"/> Yes <input type="checkbox"/> No    Is this application for more than one lot?		IF YES, HOW MANY? <i>(List additional blocks and lots below)</i>					
BLOCK		LOT		BLOCK		LOT	
BLOCK		LOT		BLOCK		LOT	
<b>4. PROPERTY ADDRESS</b> <i>(if more than one lot, list only one address here.)</i>						<input type="checkbox"/> Lot is vacant; has no address	
CITY (IF QUEENS, ENTER NEIGHBORHOOD)				STATE		ZIP	

**2. OWNER INFORMATION**

<b>5. OWNER NAME</b>	
<b>6. FEDERAL EMPLOYER IDENTIFICATION NUMBER</b>	<b>7. DATE OF ACQUISITION AS SHOWN ON DEED</b>

Check if mailing address is same as property address listed above. If not, please indicate mailing address:

<b>8. OWNER'S MAILING ADDRESS</b>		APT.
CITY	STATE	ZIP

<b>9. OWNER'S CONTACT, AGENT OR ATTORNEY</b>		
<b>10. OWNER'S CONTACT MAILING ADDRESS</b>		
CITY	STATE	ZIP
<b>11. OWNER'S CONTACT TELEPHONE</b>		<b>12. OWNER'S CONTACT EMAIL ADDRESS</b>

**2. OWNER INFORMATION (CONTINUED)**

13.  Yes  No Has the owner ever previously filed an application for exemption on this or any other parcel?  
*If yes for this or any other parcel, list below the borough, block and lot of all parcels for which application was made.*

*If yes for this specific parcel, state what action(s) was taken either by the Department of Finance or the NYC Tax Commission.*

14.  Yes  No Was the property acquired from anyone who has any interest in the owning organization (e.g., officer, director, employee, member, etc.)? *If yes, explain relationship and circumstances of sale below (include purchase price and terms of sale).*

15.  Yes  No Does any person or organization have a reversionary interest in this property?  
*If yes, indicate name and address of such person and state terms of right of reverter below.*

16.  Yes  No **a.** Is the property mortgaged?  
 Yes  No **b.** If the property is mortgaged, does the mortgage holder presently or formerly have any interest in the owning organization?  
*If yes, explain the relationship and details of mortgage(s), original principal amount, principal currently outstanding, interest rate, original term of mortgage, and term remaining:*

17.  Yes  No **a.** Has any part of this property been conveyed to another person or organization?  
 Yes  No **b.** Is the property or any part thereof under contract for sale?  
 Yes  No **c.** Is the property or any part thereof for sale?  
*If the answer to any of the three questions above is yes, give full details below:*

**3. ORGANIZATION PURPOSE**

18. CHECK THE PURPOSE(S) OF THE ORGANIZATION FROM THE LISTING BELOW:

- |   |   |  |                                     |
|---|---|--|-------------------------------------|
| <input type="checkbox"/> Benevolent   | <input type="checkbox"/> Bible  | <input type="checkbox"/> Cemetery          | <input type="checkbox"/> Charitable |
| <input type="checkbox"/> Educational  | <input type="checkbox"/> Historical   | <input type="checkbox"/> Hospital          | <input type="checkbox"/> Infirmary  |
| <input type="checkbox"/> Library  | <input type="checkbox"/> Literary   | <input type="checkbox"/> Public playground | <input type="checkbox"/> Missionary |
| <input type="checkbox"/> Parsonage or Manse                                 | <input type="checkbox"/> Patriotic  | <input type="checkbox"/> Tract (religious) | <input type="checkbox"/> Religious  |
| <input type="checkbox"/> Scientific   | <input type="checkbox"/> Supervised youth sportsmanship of men, women or children |  |                                     |
| <input type="checkbox"/> Enforcement of law relating to children or animals | <input type="checkbox"/> Moral or mental improvement                              |  |                                     |

19. STATE BRIEFLY THE SPECIFIC ACTIVITIES RELATED TO EACH PURPOSE CHECKED ABOVE.

**4. FEDERAL INCOME TAX STATUS OF ORGANIZATION**

20.  Yes  No Is the owner exempt from federal income tax?  
*If yes, attach a copy of exemption determination or ruling letter. If applicable, complete sections 5 and 6 and attach a copy of each return filed for the organization for the last fiscal year.*

21. IF EXEMPT, INDICATE SECTION, SUBSECTION AND PARAGRAPH OF THE INTERNAL REVENUE CODE (IRC).

22. IF EXEMPTION WAS RECOGNIZED BY AN ADVANCE RULING, INDICATE EXPIRATION DATE OF RULING.

23. IF EXEMPTION WAS RECOGNIZED BY A GROUP EXEMPTION LETTER, PROVIDE NAME AND ADDRESS OF ORGANIZATION RECEIVING GROUP EXEMPTION.

24.  Yes  No If the owner is not currently exempt from federal income tax, has it applied for exemption?  
*If the application has been made but not approved, indicate section, subsection and paragraph of the IRC below. Attach a copy of the application, request or statement and attachments.*

25.  Yes  No For the last fiscal year, did the organization file IRS Form 990-T (Exempt Organization Business Income Tax Return)?  
*If yes, attach copy of Form 990-T.*

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## 5. PROPERTY USE

Complete Sections 5 and 6 (property has a building) OR Sections 5 and 7 (lot is vacant or building needs to be changed to be used for an exempt purpose). *Attach a Certificate of Occupancy for each lot. Attach additional sheets as necessary.*

<b>26.</b> BOROUGH	<b>27.</b> BLOCK	LOT
<p><b>28.</b> <input type="checkbox"/> Yes    <input type="checkbox"/> No    Is the property or any portion thereof {occasionally} used even if only occasionally by persons or organizations other than the applicant? <i>If yes, state use and indicate specific portion of the property used, frequency of use, and fee charged or contributions received for use:</i></p>		
<p><b>29.</b> <input type="checkbox"/> Yes    <input type="checkbox"/> No    Are there buildings or other improvements on this lot? <i>If No, go to Section 7.</i></p>		

## 6. IF THE PROPERTY CONTAINS A BUILDING

**30.** Describe in detail the use(s) of the building, floor by floor. (Attach additional pages, if necessary.)

BASEMENT	1ST FLOOR
2ND FLOOR	3RD FLOOR
4TH FLOOR	5TH FLOOR
ADDITIONAL FLOOR	ADDITIONAL FLOOR
COMMENTS	

# NFP Exemption from Real Estate Taxation for Property Owned by Non-Profit Organizations

31.  Yes  No Is the property or any portion thereof occupied by persons or organizations other than the applicant? *If yes, indicate the following:*

a. NAME OF OCCUPANT(S)

b. TYPE OF USE

c. PORTIONS OF THE PROPERTY SO OCCUPIED

d. TERM(S) OF OCCUPANCY (LENGTH OF LEASE), ETC.

e. AMOUNT OF RENT PAID

32.  Yes  No Are there unoccupied/vacant buildings, portions of buildings or other improvements on the property? *If yes, describe the future contemplated use(s) of the unoccupied/vacant areas:*

## 7. IF THERE ARE NO BUILDINGS OR OTHER IMPROVEMENTS

33. DESCRIBE THE USE OF THIS LOT

34.  Yes  No Are buildings or improvements being contemplated?  
*If yes, indicate anticipated construction start date:*

35. IF BUILDINGS OR OTHER IMPROVEMENTS ARE CONTEMPLATED, GIVE FULL DETAILS OF PROPOSED USE(S)

36.  Yes  No Do the minutes of the organization contain a resolution(s) authorizing the contemplated building or other improvement?  
*If yes, attach a copy of resolution(s).*

37. STATE DETAILED FINANCIAL RESOURCES FOR CONTEMPLATED BUILDINGS OR OTHER IMPROVEMENTS

**AFFIDAVIT**

STATE OF _____	
COUNTY _____	DATE _____
<p>_____, being duly sworn, says under penalty of perjury that s/he is the applicant or the _____ of the applicant, that the statements contained in this application, including any attachments to this application, are true to his/her knowledge.</p>	
SIGNATURE OF APPLICANT OR REPRESENTATIVE	AFFIX OFFICIAL STAMP OR SEAL OF THE NOTARY HERE
Subscribed and sworn to before me this _____ day of _____, 20_____	
NOTARY PUBLIC OR COMMISSIONER OF DEEDS SIGNATURE	

**Did you...**

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> Read the eligibility requirements and instructions to be sure that you are qualified?</li> <li><input type="checkbox"/> Complete all sections and individual questions on the attached application?</li> <li><input type="checkbox"/> Submit separate Sections 5–7 Property Use for each individual lot for which you are applying for exemption?</li> <li><input type="checkbox"/> Attach a copy of your organization’s Articles of Incorporation?</li> <li><input type="checkbox"/> Attach a copy of your organization’s By-Laws or Constitution?</li> <li><input type="checkbox"/> Attach a copy of your deed if not in ACRIS or parcel is in Staten Island?</li> <li><input type="checkbox"/> Attach a copy of your Certificate of Occupancy?</li> <li><input type="checkbox"/> If all or a portion of the property is leased to and used by another nonprofit organization, attach that organization’s Articles of Incorporation, By-Laws or Constitution, IRS Returns, IRS Form 990-T, IRS exemption letter or IRS exemption application?</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Attach a copy of the lease, if leasing?</li> <li><input type="checkbox"/> If applying for contemplated use, attach building plans/architect’s drawing or Department of Buildings permit or evidence of building fund?</li> <li><input type="checkbox"/> Attach ordination document, if all or a portion of the property is used as a parsonage or manse? The statement should include the following information: names of all officiating clergy; documentation of ordination; if no formal training and/or ordination was received, please explain why; if clergy has an employment contract with the owning organization, please submit most recent copy.</li> <li><input type="checkbox"/> Sign the affidavit and have it notarized where indicated?</li> </ul> |
|--|--|

**Submit your application:**

New York City Department of Finance  
 Commercial Exemptions – NFP  
 59 Maiden Lane, 22nd Floor  
 New York, NY 10038