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DEPARTMENT OF FINANCE PUBLISHES FISCAL YEAR 2021 TENTATIVE ASSESSMENT ROLL

Annual Roll Sets Tentative Values for All New York City Properties

Estimated Citywide Market Value Increases to \$1.378 trillion

NEW YORK, NY – New York City Department of Finance Commissioner Jacques Jiha today announced the publication of the tentative assessment roll for Fiscal Year 2021 (FY21). The roll demonstrates an increase in New York City property values and reflects a continued increase in new construction activity citywide.

The tentative roll shows the total market value of all New York City properties for FY21 is about \$1.378 trillion, an increase of \$62 billion, or 4.7 percent, from Fiscal Year 2020. Seventy six percent of the increase reflects market forces while the rest reflects new construction and apportionments. Citywide assessed values rose by 6.7 percent, to \$273.8 billion in FY21.

“New York City continues growing, and this year’s roll confirms that construction activity remains strong across the five boroughs,” said **Department of Finance Commissioner Jacques Jiha**.

The roll reflects total citywide construction activity surpassing a record \$14 billion in new market value, the highest level in the last 10 years. Rental apartments account for \$4.4 billion, or 31.6 percent, of citywide construction activity. Collectively, Manhattan, Brooklyn and Queens make up the vast majority of all construction activity for rental apartments, at 92.7 percent.

The Department of Finance determines market and assessed values for all properties in the city annually and the agency issues a tentative property assessment roll each year in January, per the New York City charter. DOF also mails a Notice of Property Value (NOPV) to property owners estimating their anticipated tax responsibility. The NOPV and assessment roll give property owners the opportunity to review their tentative assessments and file a challenge to their property’s assessment with the [New York City Tax Commission](#). The tentative assessment roll is [available online](#). Members of the public who do not have Internet access can view the roll on the public computer terminals at the City Register’s office in the Manhattan Business Center, located at 66 John Street.

The assessed values of properties are adjusted each fiscal year between the issuance of the tentative and final roll, which is published the last week of May. Adjustments can be made as a

result of challenges heard by the Tax Commission, new information about abatements, exemptions and other information gathered by the Department of Finance, or due to the modification of certain property values related to incomplete construction projects.

HIGHLIGHTS BY TAX CLASSES

- **Class 1 (Primarily 1-, 2-, and 3-family homes)**

The **total market value** for Class 1 properties rose by 4.3 percent citywide to \$657.8 billion. Of this increase, 98 percent is attributable to increasing sales prices for Class 1 homes.

Assessed values for Class 1 properties rose by 5.4 percent to \$22.2 billion. Class 1 homes in the Bronx had the greatest increase in market value, at 9.1 percent, while Queens had the greatest increase in assessed value, up 5.7 percent.

- **Class 2 (Primarily cooperatives, condominiums and rental apartment buildings)**

The **total market value** of Class 2 properties rose to \$349.3 billion in FY21, increasing by \$20.1 billion, or 6.1 percent. More than half of the increase – \$13.3 billion, or 66.2 percent – is due to market forces, while the remaining is due to other factors, including new construction and physical improvement.

The **total assessed value** for Class 2 properties increased 7.3 percent, to \$103.1 billion. Brooklyn saw the greatest increase in market value, up 10.4 percent, as well as the largest increase in assessed value, up 12.5 percent.

Class 2 rentals saw a **market value** increase of 6.4 percent. Of this increase, new construction and renovations of rental properties accounted for 58 percent of the increase, or \$4.4 billion. Class 2 cooperatives and condominiums saw a market value increase of 2.9 percent and 4.8 percent, respectively.

The **total assessed value** increased by 8.1 percent for Class 2 rental apartments. Brooklyn had the greatest increase in market and assessed values for rental apartments, totaling 13.4 percent and 13.7 percent, respectively. Class 2 cooperatives and condominiums registered 5.9 percent and 7.0 percent growth in total assessed values, respectively.

- **Class 4 (Commercial Properties)**

The **total market value** for Class 4 properties increased by 4.5 percent citywide to \$332.8 billion. The increase is mainly attributed to market forces, which accounted for 53.3 percent or \$7.7 billion. For Class 4, Brooklyn had the greatest increase in market value, up 6.5 percent.

Total assessed values for Class 4 properties rose by 7.2 percent, to \$131.7 billion. Class 4 office buildings and retail saw an assessed value increase of 8.1 percent and 9.7 percent, respectively.

Commercial properties in the Bronx saw the highest growth in assessed value, up 14.1 percent.

Market values for FY21 in Class 2 and 4 properties are generally based on Calendar Year 2018 income and expense data provided by property owners. The data is trended to reflect current market conditions; mortgage and bond interest rates are used to determine income capitalization rates.

The market value for Class 3 properties, which includes property with equipment owned by a gas, telephone, or electric company, is tentatively set by the New York State Office of real Property Tax Services at \$37.8 billion.

CHALLENGING ASSESSED VALUES

The release of the tentative assessment roll gives property owners the opportunity to examine and challenge these values before the assessment roll is finalized in May. All properties are valued by law according to the property's condition on the taxable status date of January 5. Owners who want to challenge their assessed values can do so with the NYC Tax Commission, an independent City agency. The deadline to challenge property values for Class 2, 3 and 4 properties is March 2; the deadline for Class 1 property owners is March 16. Forms and information are available on the Tax Commission's website.

Owners who believe that the Department of Finance has incorrect property information, such as the wrong number of units or square footage, may file a Request to Update with the Department of Finance. Filing a Request to Update with DOF is not a substitute for challenging the assessed value with the Tax Commission. The final assessment roll will include any changes based on the decisions made by the Tax Commission, as well as new information the Department of Finance gathers about abatements, exemptions and other adjustments. In June, the Department of Finance will use the final roll to generate property tax bills for FY 21.

PROPERTY TAX RELIEF AND ASSISTANCE PAYING TAXES

“We recognize that an increase in assessed values can create challenges in paying property taxes for some residents, which is why the Department of Finance has created several new programs to help property owners, including PT AID – a tax payment deferral program – and the introduction of monthly property payments,” said Jiha.

- **Property Tax and Interest Deferral (PT AID) Program**: Property owners who apply and qualify for PT AID can defer tax payments or pay a small percentage of their income until they sell their property. Under the agreement, the Department of Finance will collect the remaining tax balance when the property is sold. The program has a plan for low-income seniors, as well as property owners facing extenuating circumstances.
- **Monthly Payments**: Beginning this year, property owners who apply and qualify will be able to pay their tax bills in monthly installments. Registration for this new program will begin in January.

The Department of Finance also offers several abatement and exemption programs for qualifying homeowners, including the Senior Citizen, Veterans, Disabled, Clergy or STAR1 exemption programs. Homeowners are encouraged to submit applications by the March 16 deadline in order to have the benefit take effect for FY21. DOF also hosts numerous events to help homeowners understand their tax bills, including outreach sessions conducted jointly with the Tax Commission. A full calendar of events can be found on DOF's website.

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