



21-03 September 15, 2021

## FINANCE MEMORANDUM

### Penalty Relief for Victims of Hurricane Ida

The New York City Department of Finance recognizes that taxpayers and return preparers in the presidentially declared disaster areas affected by the remnants of Hurricane Ida may be unable to meet certain New York City filing and payment deadlines. As a result, Department of Finance Commissioner Sherif Soliman is exercising his authority under the Administrative Code of the City of New York to allow for the waiver or abatement of penalties for certain DOF-administered taxes due between September 15, 2021, and October 2, 2021. Taxpayers may request to have the penalties waived or abated as follows:

**Business Corporation Tax, General Corporation Tax, Unincorporated Business Tax, and Banking Corporation Tax:** Qualified taxpayers whose Business Corporation Tax ("BCT"), General Corporation Tax ("GCT"), Unincorporated Business Tax ("UBT"), or Banking Corporation Tax ("Bank Tax") returns are due on or after September 15, 2021, and on or before October 2, 2021, and who cannot meet that deadline due to Hurricane Ida, may file and pay any tax due on or before December 14, 2021. Any filings made on or before December 14, 2021, will be considered timely and no late filing or late payment penalties will be imposed. This includes taxpayers who previously received extensions and whose extended due dates fall within the period commencing September 15, 2021, and ending on October 2, 2021.

**Commercial Rent Tax ("CRT") and Hotel Room Occupancy Tax ("HROT"):** Qualified taxpayers whose quarterly CRT or HROT returns are due on or after September 15, 2021, and on or before October 2, 2021, and who are unable to file on time due to Hurricane Ida, may file and pay on or before December 14, 2021, and no late filing or late payment penalties will be imposed.

**Real Property Transfer Tax:** Qualified taxpayers whose Real Property Transfer Tax returns were due or are due on or after September 15, 2021, and on or before October 2, 2021, and who are or were unable to file on time due to Hurricane Ida, may file and pay on or before December 14, 2021, and no late filing or late payment penalties will be imposed.

**Utility Tax:** Qualified taxpayers whose monthly Utility Tax returns are due on or after September 15, 2021, and on or before October 2, 2021, and who are unable to file on time due to Hurricane Ida, may file on or before December 14, 2021, and such filings will be considered timely.

**Penalty Relief Provided Does Not Apply to Interest:** For purposes of the above filings, while late filing and late payment penalties are waived, the Administrative Code requires that interest, where applicable, at the appropriate underpayment rate, must be paid on all tax payments received after the original due date calculated from the original due date to the date of payment.

**Qualified Taxpayers:** The relief provided for in this Finance Memorandum applies to those taxpayers who have filing or payment deadlines relating to taxes administered by the New York City Department of Finance and who were directly affected by the storm in counties specified by FEMA as eligible for individual assistance. As of September 14, 2021, the counties in New York State that were so specified include Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Sullivan and Westchester. In addition, the relief will also apply to taxpayers directly affected by the storm located in any additional counties in New York State that are declared disaster areas eligible for individual assistance and federal tax relief after this notice is issued. The relief will also apply to taxpayers directly affected by the storm in counties in other states meeting the above criteria.

Taxpayers who are deemed to be directly affected by the storm and are therefore eligible for this relief include:

- victims of the storm who reside in or have a principal place of business in the designated counties;
- all workers assisting in the relief activities in the designated counties;
- any taxpayer whose records necessary to meet tax filing, payment, or other deadlines were maintained in the designated counties and are not available due to the storm;
- taxpayers who have difficulty in meeting tax filing and payment deadlines because of disruptions in the designated counties in the transportation and delivery of documents by mail or private delivery services, or due to disruptions in the designated counties in communications services (for example, telephone, facsimile, or electronic mail), resulting from the storm; and
- taxpayers whose tax practitioners reside in or have their principal places of business in the designated counties and were unable to complete work to meet tax filing, payment, and other deadlines on behalf of their clients due to the storm.

**Requests for Penalty Abatement:**

Taxpayers or practitioners may request to have the penalties waived (abated) in several ways:

- You may use our portal at [www.nyc.gov/eservices](http://www.nyc.gov/eservices) to file a return or extension and request that any penalties be waived. Enter the special condition code “ID” in the space indicated near the top of the online form.
- You can request a penalty abatement by sending an email to [Penalty\\_Abatements@finance.nyc.gov](mailto:Penalty_Abatements@finance.nyc.gov).
- If you are filing a paper return or extension request, please write “HURRICANE IDA” on the top center of the front page.
- You may also request an abatement by writing to:  
NYC Department of Finance, P.O. Box 5564, Binghamton, NY 13902-5564

Note that Real Property Transfer Tax filers should request an abatement by:

- Writing to NYC Department of Finance, RPTT Billing Unit, 66 John Street – 13th Floor, New York, NY 10038; or
- Sending an email to [RPTTPenaltyInterest@finance.nyc.gov](mailto:RPTTPenaltyInterest@finance.nyc.gov).

Please include the letter identification on your notice, or your EIN.