



City Council Committee on Finance

Intro 1722: Information on Registration of Rent-Stabilized Units
and Housing Affordability on Real Property Tax Bills

Intro 1750: Provide New Homeowners Information about Real
Property Taxes and Exemptions

Pre-considered Intro: Eligible Funds Exemption for Veterans

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Good morning Chair Ferreras-Copeland and members of the Committee on Finance. I am Michael Hyman, First Deputy Commissioner at the NYC Department of Finance (DOF). I am joined by Sheelah Feinberg, Director of Intergovernmental Affairs at DOF. The Department of Finance is pleased to testify in support of the three bills before the committee. Two of the bills will increase transparency and customer service for many property owners; the other will provide an enhanced tax benefit to certain veterans.

Intro 1722

DOF is pleased to support legislation that requires DOF to include information regarding the registration of rent-stabilized units with the New York State Division of Housing and Community Renewal on Class 2 property tax bills due on January 1. There are currently 276,736 Class 2 properties in New York City that receive property tax bills. In addition, DOF will be required to include information regarding financing programs that are administered by the NYC Department of Housing Preservation and Development to help facilitate affordability. DOF supports efforts to promote affordable housing in New York City, as facilitated by this bill. This bill can also benefit the City's Rent Freeze programs, which are available to eligible individuals living in rent-stabilized apartments.

Intro 1750

DOF supports this bill and currently provides Property Tax Guides for Class 1 and 2 properties, which we make available by mail and which are posted on the DOF website. As part of our ongoing efforts to improve DOF customer service, we are working on a "welcome" information package to new homeowners to verify their contact information and to provide information about the property tax system. Current and future property tax guides will include information about tax rates, assessments, and property exemptions.

DOF records each deed and deed transfer and has information on property transfers in the City, except for Staten Island. DOF does not have oversight of the Richmond County Clerk, but we will work to obtain information from that office.

DOF will send through regular mail and if we have an owner email address on file provide an electronic copy of a property tax guide to new property owners of Class 1 or Class 2 properties specified in the bill.

Pre-considered Intro

Earlier this year, DOF extended the Alternative Veterans exemption to 53,000 property owners. Recently passed state legislation now extends the exemption of school taxes to Eligible Funds Veterans. Based on FY'18 recipients, DOF estimates this will have a positive impact for 3,300 veterans. These veterans will see an additional estimated benefit of \$502 in addition to their current \$360 benefit, bringing the total property tax savings to an estimated \$862 annually. DOF anticipates this bill will be effective in January and eligible veterans will receive the benefit for the second half of FY '18. Property owners who qualify will see the increase in their property exemption reflected on their April 2018 property tax bill.

While worthwhile initiatives, we would like to mention that Intro's 1722 and 1750 will create cost related to postage, materials and dedicated resources to help facilitate the seamless implementation of the initiatives. DOF will raise these costs as a future agency budget consideration.

Thank you for your time. I am now happy to take any questions.