



TAX COMMISSION OF THE CITY OF NEW YORK
1 Centre Street, Room 2400, New York, NY 10007

TC106INS
2017

APPLICATION FOR CORRECTION OF ASSESSMENT
EXEMPTION OR CLASSIFICATION CLAIMS

FORM TC106 INSTRUCTIONS FOR 2017

Before you start to complete the form, read TC600 How to Appeal a Tentative Assessment.

Who should use this form? Use this form to apply to the Tax Commission for correction of the tentative real property tax assessment set by the Finance Department for the tax year that will begin on July 1, 2017 if you are making claims relating to: (a) classification, (b) eligibility for full or partial exemption, (c) unlawful assessment procedure, or (d) the calculation of a partial exemption. Use only one application form for each parcel. Form TC106 may be used for all types of property, including condominiums and utility property.

DO NOT use Form TC106 to apply for Tax Commission review of Finance's denial of a personal exemption such as STAR, Senior Citizen, Disabled, Veteran or Clergy exemptions. See Exemptions and classification appeals, below.

DO NOT use Form TC106 if you are claiming only that the assessment is unequal or excessive because the assessment exceeds the full value of the property or statutory limitation on the permissible annual increases, (including erroneous calculation of the transition assessment). If your claim is based on these grounds alone, use Form TC101 for property in classes two or four or Form TC109 for class two or four condominium property. If the property is in class one, use Form TC108. An application on Form TC106 may include a claim of unequal or excessive valuation only if a classification or exemption claim also is asserted.

DO NOT use Form TC106 if you only intend to object to the assessed valuation of the land or physical increases due to construction or alteration work. Those claims should be made on the form for valuation claims, even if the valuation may affect the calculation of a partial exemption or the limitations on assessment increases. See TC600 How to Appeal a Tentative Assessment.

DO NOT use Form TC106 if you claim that the limits on increases in assessment for properties in tax class 1 and 2A/2B/2C subclass (up to ten residential units) have not been correctly applied or that the transitional assessments for other class two and class four properties have not been correctly calculated. Use the appropriate valuation form, Form TC101, TC108, or TC109, to request review by the Tax Commission of your claim.

Exemption and classification appeals. The Finance Department determines an annual assessment for every parcel of real property for tax purposes. The assessment includes a determination of the property's taxable status, i.e., whether it is subject to taxation and whether it is entitled to a full or partial exemption. If the property is partially exempt, the assessment includes a determination of the taxable value. All real property is taxable unless exempt by law.

The assessment also includes a determination of the property's classification for tax purposes, i.e., whether the property is in tax class one, two, three or four. The classification will determine which tax rate applies to the assessed value to calculate the tax. The classification may also affect the assessment ratio, which is the fraction of full market value at which the assessment is set, and the application of limitations on annual increases. TC600 How to Appeal a Tentative Assessment.

Exemption. If you own property that you believe is entitled to an exemption, you FIRST must apply to the Department of Finance on the appropriate form by January 5 for the tax year beginning on July 1, unless the law governing the exemption provides for another application date. More information is available from the Department of Finance website at <http://www1.nyc.gov/site/finance/taxes/property.page> or the Department of Housing Preservation and Development at: <http://www1.nyc.gov/site/hpd/index> or call 3-1-1. DO NOT file Form TC106 if you have NOT received a notice from the Finance Department revoking or denying an exemption in whole or in part for your property for the 2016/17 or 2017/18 tax year.

Some exemptions continue from one year to the next but you should check the tentative assessment roll for your property between January 15 and March 1 each year to see if your exemption has been continued. Use Form TC106 to apply for Tax Commission review of a Finance Department denial or revocation of your exemption in whole or in part.

Classification. Section 1802 of the Real Property Tax Law establishes the following classes for purposes of taxation:

- Class one: (a) all one-, two- and three- family residential real property, including such dwellings used in part for nonresidential purposes but which are used primarily for residential purposes, except such property held in cooperative or condominium forms of ownership other than (i) property defined in subparagraphs (b) and (c) hereof and (ii) property that contains no more than three dwelling units held in condominium form of ownership and that was classified within class one on a previous assessment roll; and provided that, notwithstanding the provisions of Real Property Tax Law section 102(12)(g), a mobile home or a trailer is not classified within class one unless it is owner-occupied and separately assessed;
- (b) residential real property not more than three stories in height held in condominium form of ownership, provided no dwelling unit therein previously was on an assessment roll as a dwelling unit in other than condominium form of ownership;

- (c) residential real property consisting of one-family house structures owned by the occupant, situated on land held in cooperative ownership by owner-occupiers, provided that; (i) such house structures and land constituted bungalow colonies in existence prior to 1940; and (ii) the land is held in cooperative ownership for the sole purpose of maintaining one family residences for members' own use; and
- (d) all vacant land, other than such land in the borough of Manhattan south of or adjacent to the south side of 110th street, provided that any such vacant land which is not zoned residential must be situated immediately adjacent to property improved with a residential structure as defined in subparagraph (a) and (b) of this paragraph, be owned by the same owner as such immediately adjacent residential property immediately prior to and since January 1, 1989 and have a total area not exceeding 10,000 square feet.
- Class two: all other residential real property which is not designated as class one, except hotels and motels and other similar commercial property.
- Class three: utility real property and property subject to former Real Property Tax Law section 470.
- Class four: all other real property which is not designated as class one, class two, or class three.

Fee for Certain Applications.

A \$175 fee is required for all applications where the assessed value on the notice of property value for 2017/18 is \$2 million or more. No fee is due if the applicant or representative waives review of the application before it is scheduled for review. If any fee is unpaid, review of your application may be denied and any offer of correction revoked. The fee will be included on the real property tax bill. Do not pay the fee with this application.

What other forms and instructions are needed?

TC200 Addendum. Form TC200 may have to be attached when TC106 is filed. **If TC200 is not filed when necessary, the application will not receive Tax Commission review. See TC200 Instructions for complete information on when to file TC200.**

One or more of the following also may be required as an attachment to the application:

- TC201 Income and Expense Schedule for Rent Producing Property
- TC203 Income and Expense Schedule for Cooperatives and Condominiums
- TC208 Income and Expense Schedule for a Hotel
- TC214 Income and Expense Schedule for Stores, Theaters, and Parking Sites (where the applicant or a related person operates the business).

- TC230 Sale Statement
- TC244 Agent's Statement of Authority and Knowledge (for applications signed by an agent. See "Who may sign the application?").
- TC309 Accountant's Certification (attachment to Form TC201 for properties assessed at \$1,000,000 or more).

When is an income and expense schedule required? For most properties, an income and expense schedule must be attached to the application:

- Use Form TC201 if the property produced rental income in 2016.
- Use Form TC203 for residential and commercial cooperatives and condominiums.
- Use Form TC208 for hotels and motels.
- Use Form TC214 for department stores, public parking garages and lots, and theaters where the applicant is the business operator or a related person. If the applicant operates its business in part of the property, and rents part of the property, attach both Form TC201 and Form TC214. Form TC214 is not required for department stores with less than 10,000 gross square feet of retail space.

An income and expense schedule is not required in the following circumstances:

- The property produced no rental income in 2016;
- Applicant's operation began after July 1, 2016, unless the prior operator was a related person;
- Property is exclusively residential with six or fewer apartments; or
- Property is owner-occupied and used by a business for which Form TC214 is not required, such as a factory, bank, club, nursing home or office.

Where to get additional forms and information. Copies of Tax Commission forms may be obtained at <http://www.nyc.gov/html/taxcomm>, at the Tax Commission's main office, and at Finance Department Business Centers in each borough. If you have questions about the application procedure, contact the Tax Commission by e-mailing tcinfo@oata.nyc.gov or calling 311. Contact the Finance Department for questions about how your assessment or exemption was determined or general questions about real property tax assessments or exemptions at http://www1.nyc.gov/site/finance/taxes/property_page or by calling 311.

When and where to file. Your application must be received by 5:00 p.m. on March 1, 2017 (or March 15, 2017 if property is in class 1.) If you disagree with the tentative classification that your property is assigned, your application must be received by March 1, regardless of the current or requested tax class of your property. The deadlines are set by law and cannot be waived or extended for any reason. **Exception:** If you received a notice from the Finance Department denying or revoking an exemption for your property you can file form TC106 within 20 days after the date of the Finance Department notice to request Tax Commission review of denial or revocation of the exemption.

Late applications are void. Note: the 20-day filing deadline does not apply if you are claiming a full (100%) exemption for the property. You should bring the completed application forms to the Tax Commission's office in Manhattan or a Finance Department Business Center in any borough before the deadline.

Make two copies. File an original plus one complete copy. Keep a second copy for your records and to use at your hearing.

Filing by mail. Mail the completed Form TC106 to the Tax Commission at 1 Centre Street, Room 2400, New York, NY 10007. Applications received after the deadline will not be reviewed even if they were mailed before that date.

Applications may not be filed by fax or e-mail.

Obtain a receipt (Form TC10), which is the only acceptable proof of timely filing. Proof of mailing, or a return-receipt from the post office or an express company, is not adequate proof of receipt by the Tax Commission.

Which parts are to be completed? All applicants must complete Parts 1, 2, 3, 6, 7, 9 and 11. You must also complete Part 8 unless you claim unlawfulness. If you have a claim relating to exemption or a claim that the assessment is unlawful or excessive for reasons other than overvaluation, you must also complete Part 4. If you claim that the Finance Department placed the property in the wrong tax class you must also complete Parts 5 and 10. If, in connection with a claim of misclassification you seek to show that Finance Department records of gross floor area are incorrect, you must submit an architect's or engineer's calculations or other suitable proof.

Representation/contact information. Applicants may designate themselves or any other person as the authorized representative to be contacted by the Tax Commission about the application and to appear at the hearing by stating the person's name, address and telephone number on the application form. Only the designated representative may contact the Tax Commission about the application and the Tax Commission will only contact the designated representative about the application. To change the designated representative, you must file Form TC155.

Supporting your claim. Attach copies of the documents specified in the form; if they are omitted without sufficient explanation, your application will not be reviewed. When you claim misclassification, a Finance Department assessor will contact the named representative to arrange access for inspection of the property. If Finance has not arranged an inspection before April 25, contact the Tax Commission immediately by e-mailing tcinfo@oata.nyc.gov, or risk denial of review. If a personal hearing is scheduled, a person having direct personal knowledge about the use of the property should attend.

Certificate of occupancy. You may submit a copy of the certificate of occupancy issued by the Department of Buildings as evidence. Generally buildings constructed or altered after 1939 are required to have a certificate of

occupancy. Attach a certificate of occupancy when you file your application, or submit it at your hearing, attached to Form TC159.

Who may sign the application? Applications are not valid unless signed by: (i) the Applicant identified on the application; (ii) the Applicant's fiduciary; or (iii) an authorized agent. Unless the property is in tax class one, the person who signs also must acknowledge the signature in person before a notary public. If the Applicant is a corporation, an officer authorized to act for the corporation may sign and must state his or her title, such as president or treasurer. A general partner may sign for a partnership. A member or manager of a limited liability company may sign for the company. Any other agents, including but not limited to attorneys, directors, organization members, corporate employees, and tax or property managers, may sign only if the agent: i) has personal knowledge of the facts about the property shown on the application. Knowledge based on conversations with the owner of the property does not constitute personal knowledge; and ii) attaches both a notarized power of attorney **and** Form TC244 Agent's Statement of Authority and Knowledge.

Documentation of fiduciary's authority to sign. When a fiduciary such as an executor, administrator, trustee, guardian, or conservator, signs the application, the fiduciary must attach documentation of his or her authority. For example, executors must attach a photocopy of a certificate of letters testamentary with the court seal visible. Letters testamentary must either be issued within the past five years or a certificate that such letters still are in effect must be provided. In the case of a trustee, unless the trust itself holds title, the trustee must attach a copy of the trust agreement (or the pertinent portions thereof if the document is voluminous.)

Supplemental affidavits. Use a supplemental affidavit, Form TC159, to provide additional information, to correct any information that is misstated in the application or attachments, or to furnish required information omitted from the application. See Forms TC600 and TC159.

Judicial review of your assessment. If you have filed Form TC106 but received no offer or did not accept an offer, you may commence a proceeding pursuant to Article 7 of the Real Property Tax Law on or before October 24. For more information refer to TC707 Judicial Review of Assessments. Alternatively, If you claim a complete exemption for a nonprofit organization under section 420-a of the Real Property Tax Law, you may commence a proceeding pursuant to Article 78 of the Civil Practice Law and Rules within four months of May 25, when the assessment is deemed final.

As a condition of accepting any offer to reduce the taxable valuation or otherwise change the assessment, you must agree not to commence or continue litigation to further change the assessment, including litigation seeking exemption or reclassification.

Definitions:

Owner. An individual or entity having legal title to the property assessed.

Related persons. When used in this form the word person includes a corporation or other business entity. Related persons include individuals related by blood, marriage or adoption, individuals and the business entities they control, business entities under common control, and fiduciaries and the beneficiaries for whom they act.

Construction or major alteration. Construction or major alteration work includes any work that (a) increases the enclosed floor area or cubic content of a building, (b) renovates a substantially vacant building (c) converts the use of one or more floors of a building, such as from office to residential use, (d) completes renovation, or tenant installations affecting at least 25% of a building's area, (e) installs or replaces HVAC, elevators, electric wiring or plumbing, (f) replaces at least one of the exterior faces of the

building, or (g) costs or is expected to cost an amount that equals or exceeds the tentative total actual assessment under review.

Demolition. Demolition is any work involving the dismantling, razing or removal of all of a building or structure, or the dismantling, razing or removal of structural members, floors, interior bearing walls, and/or exterior walls or portions thereof.

Floor area. Where floor area is called for, state the approximate gross floor area to the best of your knowledge and ability. The measurement should be from exterior wall to exterior wall for each floor.

9. VALUATION CLAIM – Complete this Part to request a reduction in the total actual assessment in the total actual assessment (before any exemption)

- a. Tentative actual assessed value of entire property from Notice of Property Value a. \$ _____
- b. Applicant's estimate of market value of entire property b. \$ _____
- c. Requested assessment = line b x 6% (.06) or 45% (.45) assessment ratio c. \$ _____
(The assessment ratios are 6% for tax class 1 and 45% for tax classes 2, 3 and 4.)
- d. Market value of land as if unimproved (if relevant) d. \$ _____
- e. Market value added by construction or alteration during past two years e. \$ _____

Information in support of market value estimate _____
 The Applicant reserves the right to allege an assessment ratio lower than 6% for tax class 1 or 45% for tax class 2, 3 or 4 and seek a lower assessment in a proceeding for judicial review.

10. PROPERTY DESCRIPTION AS OF JANUARY 5, 2017

NUMBER OF BUILDINGS	NUMBER OF STORIES ABOVE GRADE	YEAR OF CONSTRUCTION	YEAR OF PURCHASE
NUMBER OF DWELLING UNITS	NUMBER OF RETAIL UNITS	NUMBER OF VEHICLE PARKING SPACES Indoor: _____ Outdoor: _____	

11. PROPERTY USE AS OF JANUARY 5, 2017 – Describe all uses of the property (See instructions)

- ◆ Describe occupancy on January 5, 2017:
 - Applicant or related person(s) occupies the entire property.
 - Applicant or related person(s) occupies the following location in building/condo unit(s): _____
 - Property is rented to other persons. If rented to unrelated person(s) in whole or in part, file Form TC201.
 - Property is 100% vacant
 - ◆ DESCRIBE ALL USES (residential, office, retail, house of worship, storage, garage, theater, etc. Include all exempt and non-exempt uses of the property. Specify whether use is by Applicant or others. Attach additional sheets if necessary.)
- FLOORS 3 - _____
- SECOND FLOOR _____
- FIRST FLOOR** _____
- BASEMENT _____
- OUTDOOR/OTHER SPACE (e.g., cell tower/telecom equipment; signage, generators) _____

◆ Does the building have a certificate of occupancy? _____. If **YES**, attach a copy of most recent certificate of occupancy.

12. APPROXIMATE GROSS FLOOR AREA AS OF JANUARY 5, 2017.

Floor	All uses (above grade)	Residential	Retail	Offices	Other (describe for each floor)
FLOOR 3 - _____	sq.ft.	sq.ft.	sq.ft.	sq.ft.	sq.ft.
SECOND FLOOR	sq.ft.	sq.ft.	sq.ft.	sq.ft.	sq.ft.
FIRST FLOOR	sq.ft.	sq.ft.	sq.ft.	sq.ft.	sq.ft.
BASEMENTS	sq.ft.	sq.ft.	sq.ft.	sq.ft.	sq.ft.
TOTAL AREA	sq.ft.	sq.ft.	sq.ft.	sq.ft.	sq.ft.

13. SIGNATURE (must be notarized unless property is in tax class 1)

This application must be signed by an individual having personal knowledge of the facts who is: the Applicant, a fiduciary, an agent, or an officer of a corporation, a general partner of a partnership, or a member or manager of a limited liability company (LLC), which legal entity either is the Applicant, or a general partner or member or manager of the Applicant. See Instructions.

Print clearly the name of person signing _____ and check one of boxes (i) – (vii) below.

- Signer is:**
- (i) Applicant named in Part 2.
 - (ii) Officer of corporate Applicant named in Part 2.
 - (iii) General partner of partnership Applicant named in Part 2.
 - (iv) Member or manager of, or individual officer authorized to act for, LLC Applicant named in Part 2.
 - (v) An attorney, employee, property manager or other agent for the Applicant. **(If this box (v) is checked, a notarized Power of Attorney AND Form TC244 must be attached to this application or your application will be dismissed.)**
 - (vi) Fiduciary. Describe fiduciary relationship to Applicant _____
(See TC600 for when documentation of authority must be attached.)
If signing as fiduciary for a corporation, partnership or LLC, enter name of entity: _____
 - (vii) An officer, general partner, or member or manager of an entity that is the general partner or manager of the Applicant.
Enter name of entity, relationship to Applicant and signer's title: Name of entity _____
Relationship to Applicant _____ Signer's Title _____

OATH I have read this entire application before signing below, including all relevant instructions, whether on this form or on another. I am personally responsible for the accuracy of the information provided on this application and on any attachments, and I certify that all such information is true and correct to the best of my knowledge and belief. I also understand that such information is subject to verification, is being relied upon by the City of New York and that the making of any willfully false statement of material fact on this application or any attachments will subject me to the provisions of the penal law relevant to the making and filing of false statements.

Signature of Signer: _____ Date: _____
 Unless the property is in tax class 1, the signer must appear and acknowledge the signature before a notary.

Sworn to before me:
 Signature of person administering oath: _____
 County: _____ State: _____ Date: _____

