



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

**INCOME AND EXPENSE SCHEDULE FOR
COOPERATIVE AND CONDOMINIUM PROPERTY**

FORM TC203 INSTRUCTIONS FOR 2017

**TC203INS
2017**

Attachment to application. The income and expense schedule, Form TC203, is an attachment to an application for correction. It is not valid if submitted separately. The application must be filed by March 1. If the assessed value is \$750,000 or more and Form TC203 is not available in time to attach to the original application, it must be attached to a supplemental application, Form TC150, and filed between March 2 and 24, 2017.

Who should use this form? Use Form TC203 to report income and expenses from operation of a residential or commercial cooperative or a condominium. A cooperative is a property operated by a corporation whose shareholders are entitled to occupy a portion of the premises by virtue of their stock ownership. Form TC203 should be used for residential, commercial and mixed-use condominium properties and cooperatives.

A corporation that operates the residential portion of a condominium as a cooperative should use Form TC203.

Form TC203 should not be used by a sponsor of a cooperative or condominium conversion who still holds all the units. If the applicant operated the property as a rental last year, use Form TC201.

What income and expenses are to be reported. Report all operating income received or accrued by the cooperative or condominium entity in connection with the property. Report only actual operating expenses. Do not report projections or reserves. Income from unit owners must be segregated from outside income. Income from master leases of commercial space and leases with the sponsor or a related person must be itemized in Part 8. Income and expenses should be reported to the nearest whole dollar amount.

The Tax Commission will accept income and expense data from the year covered by the cooperative corporation's or condominium's most recently available financial statement as of January 15.

The data must be presented on Form TC203; a copy of the financial statement is not an acceptable substitute.

The form has space for figures for the year prior to the reporting year. The Tax Commission requests that applicants provide this information, if available, for the full year prior to the most current year.

Units owned by the coop or condo. If the coop or condo owns units other than a superintendent's apartment, specify the number of occupied and vacant residential units and the number of occupied and vacant commercial units. Any income from renting these units must be reported in Part 8. They should not be counted as unsold units in Part 4.

Sponsor information. Part 4 calls for information about units held by the sponsor or other holder of unsold units. This information must be provided to the best of the applicant's knowledge and must be the most recent information available from the sponsor. If the information is not available by March 1, Part 4 may be completed and submitted at the hearing, attached to Form TC159. The information must be more recent than September 30, 2016. By restating the information on the Tax Commission form, the applicant attests, based on personal knowledge, only that the source of the information is appropriate and is not contradicted by any other information in the applicant's possession. When

available, a detailed rent roll of the unsold units may help support the applicant's claim. Sources may include filings with the Attorney General or DHCR, information supplied in connection with mortgage applications or information disclosed in litigation against the sponsor. However, an applicant who shows that the sponsor information cannot be obtained and is not material may be granted review. For example, the sponsor holds fewer than 10% of the units in a condominium or cooperative, or the sponsor's units are in a different tax class from the condominium units under review. **In any event, the applicant must state the number of units held by the sponsor.**

Shares allocated to professional/non-residential space. If information regarding the number of shares allocated to professional or nonresidential units requested in Part 5 is not available by March 1, it may be submitted at the hearing, attached to Form TC159.

Itemizing rental and other income. In Part 8, rental income from commercial and residential space must be itemized by area, use and by master or sponsor lease or direct lease. In Part 9, other non-rental income must be itemized. Total rental and non-rental income must be stated in Part 6 when TC203 is filed. Parts 8 and 9 may be completed and submitted at the hearing, attached to Form TC159.

If it is shown at a hearing that the information required in Part 8 or 9 is not available and, even if available, would not be material, review may be granted although the information is generally required. For example, the information does not matter because of the small amount of space or rent or proportion of value attributable to the commercial space. Be ready to support an estimate of market rental value for such space; in the absence of itemization, an adverse inference will be made on its valuation.

Do not straight-line lease rent. In reporting rental income in Part 6 on the accrual basis, if the reporting entity's leases provide scheduled increases in rent, do not straight-line rental income as may be required by Financial Accounting Standard No. 13.

Amortization. Amortized costs of common area improvements having a useful life of more than one year may be included as other expenses in Part 7, if you itemize these amortized costs on an attachment and the amount is amortized over the useful life of the item. Common area improvements include replacements of the existing building components, major repairs, and installation of safety and health systems. Examples of replacement costs are replacements of boilers, roofs, elevators, and residential kitchen appliances and cabinets. Examples of safety and health systems are brick pointing, fire safety systems, and environmental remediation.

DEFINITIONS

Related persons. 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. A person includes a corporation or other business entity.

Floor area. Where gross floor area is called for in Part 8, 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.



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TC203
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ATTACH TO AN APPLICATION. TC203 IS NOT VALID IF FILED SEPARATELY. READ INSTRUCTIONS BEFORE YOU BEGIN.
 COMPLETE ALL PARTS OF THE FORM. ANSWER YES OR NO TO QUESTIONS MARKED ◆.
ALL INCOME FROM THE PROPERTY, WHATEVER ITS SOURCE, MUST BE REPORTED.

1a. PROPERTY IDENTIFICATION - Cooperative property.

BOROUGH (Bronx, Brooklyn, Manhattan, Queens or Staten Island)	BLOCK	LOT	REP. TC GROUP NUMBER	ASSESSMENT YEAR 2017/18
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◆ Does this schedule cover more than one tax lot? _____. If yes, state total number of lots _____, and list block and lot numbers:
 Block _____ Lots _____ Block _____ Lots _____
 Block _____ Lots _____ Block _____ Lots _____

Check if applicable: Additional lots are listed on page _____ All lots are contiguous All lots are operated by same corporation.

◆ Does this schedule report occupancy and income for the entire tax lot (or lots)? _____. If no, describe portions not covered and reason for omission:

1b. PROPERTY IDENTIFICATION - Condominium property.

◆ Does this schedule report the condominium association's income and expenses for the entire condominium? _____. If no, explain _____

If the condominium has lots on other tax blocks, list block numbers _____

◆ Does any person own more than six nonresidential units? _____. If yes, specify:

Owner	Number of units	Type of occupancy
_____	_____	_____

2. CURRENT YEAR REPORTING PERIOD AND ACCOUNTING BASIS OF COOPERATIVE OR CONDOMINIUM

Current year reporting period: From ____/____/____ to ____/____/____ Accounting basis: Cash Accrual
 Has the accounting basis changed from the prior reporting period? Y N

3. COOPERATIVE OR CONDOMINIUM OPERATION

NUMBER OF APARTMENTS	TOTAL NUMBER OF COOP SHARES	YEAR OF FIRST CLOSING ON SALE OF UNITS TO PERSONS UNRELATED TO THE SPONSOR
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◆ Does the coop/condo own units other than a superintendent's apartment? _____. If yes, specify the number of residential units: Occupied _____. Vacant _____, and the number of commercial units: Occupied _____. Vacant _____. Report the income from renting these units in part 8. Do NOT include these units as unsold units in part 4.

◆ Does the cooperative or condominium provide residents with electricity? _____.

◆ Is the property subject to a program of restrictions on the income of residents or resale of units? _____.
 If yes, name of program: _____ and scheduled year of expiration of restrictions: _____.

◆ Are there any unsold units? _____. If yes, Part 4 must be completed.

4. INFORMATION OBTAINED FROM SPONSOR OR OTHER HOLDER OF UNSOLD UNITS

NUMBER OCCUPIED UNSOLD UNITS REGULATED:	NUMBER OCCUPIED UNSOLD UNITS UNREGULATED:	NUMBER OF VACANT UNSOLD UNITS	TOTAL NUMBER OF UNSOLD UNITS
MONTHLY RENT UNSOLD UNITS (REG)	MONTHLY RENT UNSOLD UNITS (UNREG)	TOTAL MONTHLY RENT PAYABLE (INCL VAC)	NUMBER OF UNSOLD (COOP) SHARES
\$ _____	\$ _____	\$ _____	

◆ Does the sponsor retain control of the board? _____
 SPECIFY SOURCE AND MONTH OF INFORMATION

5. NONRESIDENTIAL USES AS OF JANUARY 5, 2017

Complete this section if the cooperative or condominium has nonresidential space, such as professional offices, stores or a garage which is open to nonresidents. For cooperatives describe the entire property. For condominiums describe space in a common element or units owned by the association.

◆ Does the cooperative or condominium have any such nonresidential space? _____. If yes, answer the following questions, as of January 5, 2017. For questions answered "yes", you must provide details on the reverse page, as indicated.

Are cooperative shares allocated to professional offices or other nonresidential units? _____. If yes, number shares _____

Is any of the space leased (other than proprietary leases)? _____. If yes, complete Part 8 on reverse.

Is there a master lease for the commercial space? _____. If yes, complete Part 8 on reverse.

Is space leased to the sponsor or a related person? _____. If yes, complete Part 8 on reverse.

Was any of the commercial space vacant on January 5, 2017? _____. If yes, complete Part 11 on reverse.

6. INCOME FROM COOPERATIVE OR CONDOMINIUM OPERATION	BOROUGH/BLOCK/LOT
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Report income from unit owners, rental income, and other non-rental operating income here. For each category, include all escalations and other charges under the terms of any lease. You must itemize rental income in Part 8 according to use, floor, number of tenants, area and type of lease (master lease or sponsor lease, and direct leases between the cooperative or condominium and the occupants). You must itemize non-rental operating income in Part 9.

	PRIOR YEAR	CURRENT YEAR
INCOME FROM UNIT OWNERS (Maintenance/Common charges)		
TOTAL RENTAL INCOME (Itemize in Part 8 below)		
OTHER NON-RENTAL OPERATING INCOME (Itemize in Part 9 below)		
TOTAL OPERATING INCOME	\$	\$

7. EXPENSES
Do not include taxes, interest, depreciation, mortgage costs, capital improvements or contributions to reserves. Itemize miscellaneous operating expenses in Part 10 below.

Fuel		
Electricity		
Wages & payroll costs		
Repairs & maintenance		
Management		
Insurance		
Water & sewer		
Leasing commissions		
Miscellaneous operating expenses		
TOTAL OPERATING EXPENSES	\$	\$
Land or building rent (term of lease _____ to _____)		
Other expenses		
TOTAL EXPENSES	\$	\$

8. ITEMIZATION OF RENTAL INCOME - For the current year.

USE	FLOOR NUMBERS	NUMBER OF TENANTS	GROSS FLOOR AREA (APPROX. SQ.FT.)	MASTER OR SPONSOR LEASE	DIRECT LEASE	TOTAL RENTAL INCOME
Residential						
Retail						
Offices						
Other						
Signage/Billboard						
Cell tower/Tel. equip.						
Garage						
Laundry						
TOTALS				\$	\$	\$

9. ITEMIZATION OF OTHER NON-RENTAL OPERATING INCOME - For the current year.

ITEM	AMOUNT	ITEM	AMOUNT
TOTAL NON-RENTAL OPERATING INCOME			\$

10. ITEMIZATION OF MISCELLANEOUS OPERATING EXPENSES - For the current year.

ITEM	AMOUNT	ITEM	AMOUNT
TOTAL MISCELLANEOUS OPERATING EXPENSES			\$

11. VACANT COMMERCIAL SPACE AS OF JANUARY 5, 2017

Specify the area and use of vacant commercial space(s): _____

