



GLENN NEWMAN  
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THE CITY OF NEW YORK  
TAX COMMISSION

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March 1, 2005

Honorable Michael R. Bloomberg  
Mayor of the City of New York  
City Hall  
New York, New York 10007

Dear Mayor Bloomberg:

Pursuant to section 155 of the New York City Charter, I am pleased to submit the 2004 Annual Report of the Tax Commission.

The 2004 Annual Report contains information about the Tax Commission and its mission, functions, operations and resources, an overview of the agency's performance, and statistical profiles of its formal actions, during calendar year 2004. It also contains a statement of its accomplishments and improvements and a summary of plans for 2005.

The Tax Commission hears protests on more than 42,000 real property tax assessment-related claims. In administering this process our commitment is to the highest standards of performance and integrity. We take great pride in striving to provide fair, efficient, productive and courteous delivery of service to the taxpayers and professional representatives pursuing administrative assessment review in connection with some 137,000 tax lots citywide each year.

Of course, I am available to respond to any questions or observations you may have concerning the Annual Report as well as the operations of the Tax Commission.

Respectfully yours,

A handwritten signature in dark ink, appearing to read "Glenn Newman".

Glenn Newman

GN/smm  
Enclosure



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March 1, 2005

Honorable Gifford Miller  
Speaker  
The Council of the City of New York  
City Hall  
New York, New York 10007

Dear Speaker Miller:

Pursuant to section 155 of the New York City Charter, I am pleased to submit the 2004 Annual Report of the Tax Commission.

The 2004 Annual Report contains information about the Tax Commission and its mission, functions, operations and resources; an overview of the agency's performance, and statistical profiles of its formal actions, during calendar year 2004; a recapitulation of its accomplishments and improvements; and a summary of plans for 2005.

If you have any questions, please call.

Respectfully yours,

Glenn Newman

GN/smm  
Enclosure

## **MEMBERS OF THE TAX COMMISSION**

Glenn Newman, President

Ben Celaj

Richard Stabile

Aladar G. Gyimesi

Alice D. Olick

Kirk P. Tzanides

Vacant

## **MANAGERIAL STAFF**

General Counsel ..... Reed Schneider

Director of Operations ..... Myrna Hall

Director of Information Technology ..... Iftikhar Ahmad

Director of Appraisal & Hearings..... Carlo Silvestri

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## **Introduction**

The Tax Commission's 2004 Annual Report has been prepared for submission to the Mayor and the City Council in accordance with section 155 of the City Charter.

The report contains information about the Tax Commission and its mission, functions, operations and resources, an overview of the agency's performance and statistical profiles of its determinations during calendar year 2004. It also contains a statement of the Tax Commission's accomplishments and improvements and a summary of plans for 2005.

## **Mission & Functions**

The Tax Commission is the City of New York's independent forum for administrative review of real property tax assessments set by the Department of Finance. Pursuant to the New York City Charter and Administrative Code, the Tax Commission's mission is to ensure sound determinations and efficiently manage the City's real property tax assessment administrative review process.

Annual assessments are the means by which the real property tax levy, the City's largest source of revenue, is set. An "assessment" encompasses a tax lot's tax class designation, market value, and eligibility for full or partial exemption. The amount of a tax lot's assessment, or its "assessed value", is based upon the property's market value to which the assessment ratio for the tax class is applied, unless increases in the assessment are capped by law. The tax to be borne by the tax lot for a fiscal year is the product of its taxable assessed value and the overall tax rate applicable to its designated tax class as adopted by the City Council.

Each January, as required by law, tentative assessments are promulgated and published for tax lots citywide and individually printed on a notice mailed to the owner (or the designee of the owner) of each tax lot by the Department of Finance in connection with the property taxes to be levied for the City's ensuing fiscal year (July 1 through June 30). As also provided by law, assessment ratios for the four property tax classes are promulgated and

published. Individual assessments, and, in turn, the four tax class assessment ratios, are reevaluated annually by the Department of Finance in consideration of fluctuations in the real estate market, physical alterations and/or changes in taxable status.

Following publication of the final annual assessment roll by the Department of Finance on May 25th, the annual tax rates for the four property tax classes are promulgated by the City Council in accordance with statutory formulae involving the aggregate assessments in each of the four tax classes citywide; the portion of the City's budget to be sustained by the total property tax levy; and the proportion of the total property tax levy to be borne by each of the four property tax classes.

Controlling State and local laws provide the right and the means for taxpayers to obtain administrative review of individual real property tax assessments. The tax rates promulgated by the City Council are *not* subject to property-specific challenge. Given the nature and components of a property tax assessment in a special assessing unit, such as the City of New York, the claims which may be interposed at the Tax Commission—via an “application for correction of assessment”—are claims of: 1) misclassification (that is, the property is assessed in the wrong tax class for its type and use, under the four-tiered classification system); 2) excessiveness (principally, the property fails to receive all or a portion of an entitled partial exemption); 3) inequality (that is, the property's assessed value is set at a higher proportion of market value than the applicable proportion for other properties in the same tax class); and 4) unlawfulness (principally, the property fails to receive an entitled full exemption).

The typical application filed with the Tax Commission seeks a reduction in the amount of the property's assessment based on a claim of inequality. Since the assessment ratio set and published by the Department of Finance for each of the four property tax classes effectively may be challenged only by resort to a proceeding in State Supreme Court, inequality claims before the Tax Commission are essentially reduced to a dispute over the fair market value as determined by the Department of Finance.

The valuation of real estate uses alternative methodologies including comparable sales, capitalization of income or reproduction cost. Disputes over individual assessments are an inevitable feature of ad valorem property taxation, even in a well-administered system

such as the City of New York's.

The Tax Commission is an accessible forum that expeditiously resolves assessment disputes, and orders remedial action where appropriate, in accordance with applicable law and appraisal concepts. The existence, mission and authority of the Tax Commission—as an administrative tribunal for the City of New York—are required pursuant to the New York State Real Property Tax Law and the New York City Charter and Administrative Code. The fair and effective operation of the Tax Commission in discharging its functions is an integral part of tax administration in the City.

In executing its core business of rendering determinations on annual applications for correction of assessment, the Tax Commission also helps the City maintain the integrity of the property tax assessment rolls, the sound and equitable allocation of the property tax burden and public confidence in government and the tax system.

A well-administered review process is essential to reducing the litigation of assessment disputes. Appropriate action by the Tax Commission brings closure to many claims that might otherwise be further contested. Moreover, taxpayers may be inclined to moderate their demands when met with the genuine prospect of timely relief from the Tax Commission—in lieu of overpaying taxes for a number of years, while pursuing relief in an Article 7 proceeding defended by the Law Department subject to the approval of the Comptroller or expensive, risk-laden trial and related proceedings in court. Also, to the extent taxpayers are awarded appropriate relief by the Tax Commission prior to publication of the final annual assessment roll in May, the City avoids refunding tax overpayments and the heavy administrative burdens entailed in issuing them, and instead may make relatively minor adjustments in setting the applicable tax rates so as to compensate for the aggregate assessment reductions in each tax class.

Another feature of the Tax Commission's operations—the longstanding practice of employing a standard “acceptance agreement” which conditions any offer of remedial assessment relief for the current and/or preceding year on the discontinuance of all pending judicial proceedings with respect to prior years—benefits the City by eliminating thousands of pending Article 7 proceedings.

In sum, though it is a “small” agency in the context of staffing and expense budget

allotments, the Tax Commission is an integral component of the City's tax system.

### **Historical Context**

The creation of the Tax Commission was authorized by State legislation in 1857.

The Tax Commission supervised the agency responsible for setting property tax assessments, formerly known as the Tax Department and later the Real Property Assessment Department, until 1968, when the assessing function was transferred to the Department of Finance as part of a reorganization of City government. The bifurcation of the assessment administration and formal assessment review functions was completed in 1984, when original jurisdiction to determine applications for exemption was assigned to the Department of Finance. Since 1984, the Tax Commission has served exclusively as an autonomous review body.

### **Structure & Resources**

Pursuant to the New York City Charter, the Tax Commission proper consists of a President and six Commissioners appointed by the Mayor, with advice and consent of the Council, to staggered, six-year terms. The President, as the head of the agency, serves full-time, while the six Commissioners serve part-time. Each member of the Commission must have at least three years of business experience in real estate or real estate law. Additionally, the Commission must include at least one resident of each borough.

Like many City agencies, the Tax Commission continued striving to meet the challenge to do more with less—that is, maintain the essential features of the agency's operations, and make targeted improvements in productivity, efficiency and quality of customer service delivery, with fewer resources than in the past. In 2004, the Tax Commission had a staff of 26 full-time employees and an operating budget of just over two million dollars. The Tax Commission's structure and its managerial personnel are presented



in the organization chart attached.

### **Administrative Review of Property Tax Assessment**

Each year, upon the Department of Finance's publication of the tentative assessment roll on or about January 15, an owner of, or other party with legal standing in relation to, a given property who believes it to be incorrectly assessed may seek review before the Tax Commission by filing an application for correction.

The Tax Commission designs and prints application forms each year for use in conducting the administrative review process. The applicant files the form(s), completed in accordance with printed instructions and signed before a notary public (for property in tax classes two, three and four) or with a certification (for property in tax class one), at the Tax Commission's offices in the Manhattan Municipal Building or at any of the Business Centers of the Department of Finance in each borough. The property's designated tax class and use, the amount of the assessment and the nature of the claim(s) govern the particular forms that must be filed. Financial statements for income-producing properties assessed at \$1 million or more must, by law, be audited by a certified public accountant. In addition to affording applicants and/or their designated representatives the means to specify the nature and amount of claimed errors in assessments, the application forms are designed to elicit information and documents fundamental to the Tax Commission's proper determination of the claims at issue.

Application forms, instructions, and informational summaries of applicable procedures are published by the Tax Commission, and may be obtained in person at the Tax Commission's offices as well as the Department of Finance Business Centers and its Taxpayer Assistance Office. Forms are also available on the Tax Commission's web pages at <http://nyc.gov/html/taxcomm>; or received by mail from the Tax Commission upon request.

The filing deadline for applications for review of assessments of one, two and three-family homes and other properties designated by law as tax class one, is March 15; the deadline for filing applications in relation to the assessments of all other properties is March

1. To be considered timely, an application must be received at the Tax Commission or a borough office of the Department of Finance by the applicable deadline for the filing. The agency has no authority to waive or extend the deadline. There is no filing or other user fee.

All applicants who duly complete and sign the required application forms, and timely file same, receive substantive review of their claims by the Tax Commission, including a personal hearing if requested. The Tax Commission conducts hearings at its offices in Manhattan, as well as in the Bronx, Brooklyn, Queens and Staten Island borough offices of the Department of Finance's Property Division. When a hearing is not requested, the application is subject to consideration and determination on the papers submitted.

Pursuant to case law, the assessment set by the Department of Finance is presumed correct, and the burden is on the applicant first to offer substantial evidence to overcome the presumption, and then to prove by a preponderance of the evidence that the assessment should be reduced or otherwise corrected. To the extent the Tax Commission concludes an error has been proved, it offers a reduction, class change or exemption as appropriate. Though not required, applicants customarily are represented a lawyer or other, non-attorney professional, with the exception of tax class one applicants, who typically appear *pro se*. The Department of Finance is permitted to appear at hearings personally through an authorized representative, and/or offer written submissions, in defense of assessments under review, but it generally elects to rely on the legal presumption that the published assessment is correct.

A personal hearing affords the taxpayer, attorney or other designated representative an opportunity to present its application and otherwise advocate for the relief sought. A substantial majority of applicants request a hearing. The duration of a hearing may be a few minutes in straightforward cases, up to an hour in some particularly complex or unique cases at the Tax Commission's discretion, but usually is concluded in under 10 minutes. While allowing flexibility where warranted, the agency's general policy is to allot up to 15 minutes per hearing—a reasonable time frame which both reflects the practical realities of the agency's mission, workload and resources and affords applicants or their representatives an opportunity to present their claims and evidence in support in a typical case. Preparation for a hearing generally includes examination of the application and noting salient facts and potential issues. At the applicant's request, the Tax Commission will entertain sworn oral

testimony by the owner (or another person with relevant knowledge) in support of the claim. Tax Commission hearing officers are authorized by law to administer oaths and receive sworn testimony. Neither stenographic minutes nor recordings are made. The Tax Commission generates by computer a primary control document with pre-printed, property-specific information on which the hearing officer notes a summary of the argument presented and any testimony offered at the hearing, along with his/her own observations, analysis and determination. Formal rules of evidence do not apply. Any relevant information and documents presented will be considered, along with any submissions from the Department of Finance and any facts of which the Tax Commission properly may take administrative notice.

Applications are reviewed, a hearing (if any) conducted, and a determination rendered on behalf of the Tax Commission by the President, a part-time Commissioner, General Counsel, Deputy Counsel or another hearing officer who may be a member of the Appraisal & Hearings Group's professional staff or, as designated by the President, an Administrative Law Judge or the General Counsel of the New York City Tax Appeals Tribunal.

In 2004, the President, General Counsel, Deputy Counsel, Director and Deputy Director of the Appraisal & Hearings Group heard cases involving properties with assessments at \$40 million or more, and select cases presenting novel or difficult legal, policy or appraisal issues. In cases involving utility properties, upon request by the applicant the Tax Commission proper will convene and act en banc as provided by law. Utility applicants are also given the option of a hearing before and determination by General Counsel. Cases presenting exemption claims are heard and determined by General Counsel. The rest of the cases are assigned to hearing officers on a random basis.

The President sets policies and guidelines, and, with the assistance of General Counsel, offers direction and critical input to hearing officers. Market research and monitoring are performed on an ongoing basis, and intra-agency reference manuals are compiled and supplemented accordingly. Exterior and/or interior field inspections of subject properties are performed when deemed necessary for the proper evaluation of claims.

In the course of considering a claim posed by an application eligible for substantive review in relation to a property's current-year assessment, the Tax Commission is also

authorized by law to reconsider and act in relation to the assessment for the most recent preceding year, over the past five years, for which a valid judicial review proceeding is pending.

In determining an assessment-related claim eligible for review on the merits, the Tax Commission may confirm the original assessment as set by the Department of Finance or offer remedial relief; it has no authority to increase the assessment.

The Tax Commission generally mails its notice of determination to the applicant or designated representative within 30 days after the hearing is conducted, or, in cases presented for review on papers, before the annual assessment roll becomes final.

An offer to reduce or otherwise adjust an assessment is implemented only if accepted by the applicant or authorized representative by duly executing and returning the Tax Commission's standard written agreement subject to the terms and conditions therein. The terms and conditions include a withdrawal of protests involving the parcel including any administrative or judicial protest and the discontinuance of all judicial proceedings pending with respect to assessments for prior years. All offers are subject to review and approval by the President of the Tax Commission.

The Tax Commission also employs a quality control auditing process. Cases flagged as circumstances warrant, cases systematically identified under predetermined factors and a statistically significant number of other cases selected via stratified random sample, are subject to reexamination and the potential issuance of a revised determination.

In any case where an offer of remedial relief is made but not accepted, or, in conjunction with the quality control auditing process, the offer is withdrawn or an acceptance agreement revoked, the assessment at issue is then confirmed.

Tax Commission offers of remedial relief which are accepted by approximately May 21 appear as adjustments on the final annual assessment roll published by the Department of Finance on or about May 25, and thus should be reflected on the corresponding tax bills subsequently mailed by the Department of Finance for the coming fiscal year. Offers of relief for current-year assessments accepted after the roll becomes final as well as all accepted offers of relief with respect to prior-year assessments under the Tax Commission's two-year jurisdiction are implemented by remission. In such cases, the Department of

Finance recalculates the property's tax liability based on the assessment as corrected by the Tax Commission, and issues a refund and/or credit to the affected taxpayer for the overpayment.

Applicants may seek de novo judicial review of assessments confirmed by the Tax Commission by filing a petition in the New York State Supreme Court in the appropriate county by October 24 and serving the petition on the Tax Commission. An optional special small claims procedure is available for owner-occupied one, two and three-family homes. The Tax Commission disseminates information on how to commence judicial review and small claims proceedings to all applicants.

In addition to accepting service of process, the Tax Commission maintains records of all judicial proceedings relating to property tax assessments from commencement to disposition. The City's Corporation Counsel represents the Department of Finance and the Tax Commission in court as the respondents named in these proceedings. The Tax Commission and the Tax and Bankruptcy Division of the New York City Law Department maintain ongoing communications accordingly.

### **Operations & Performance**

The Tax Commission's core function of ruling on annual applications for correction of assessment is a great responsibility and integral part of the City's tax system. Application forms—along with associated instructions and informational summaries—issued by the Tax Commission for use in administering the formal administrative review process are revised annually. The number of applications filed each year, and the multitude of functions necessary to handle them, are imposing. These functions include: intake and stratified sorting of forms and documents; creating and maintaining case files and records; calendaring; allocating internal assignments; scheduling, preparing for and conducting hearings; performing legal, appraisal and factual research and analyses; rendering determinations; generating and mailing disposition notices; processing remedial relief, and communications with the Department of Finance and the Law Department; auditing;

compiling statistics; computer programming; clerical tasks; and responding to customer inquiries.

In 2004 the Tax Commission received 42,884 applications, covering more than 137,000 separately assessed tax lots, encompassing \$78.3 billion, or 76%, of actual taxable assessments citywide (net of exemptions). This corresponds to roughly \$8.4 billion of the City's 2004/2005 real estate tax levy, 32% of the City's anticipated 2004/2005 overall tax revenue and about 18% of the City's entire 2004/2005 expense budget.

The Tax Commission conducted 20,911 substantive hearings in 2004. In exercising its two-year jurisdiction, the Tax Commission took remedial actions in 2004 that, in the aggregate, granted \$254 million in actual relief to aggrieved taxpayers. In conjunction with its disposition of applications protesting 2004 assessments, the Tax Commission also brought closure to 19,769 pending judicial review proceedings claiming errors in assessments for prior years totaling \$56.7 billion.

The Tax Commission's performance in 2004 also included processing 375 requests for access to or copies of agency records under the Freedom of Information Law.

### **Planned or Implemented Improvements or Modifications**

Over the past year, the Tax Commission continued the integration of five attorneys employed at the New York City Tax Appeals Tribunal into the process of hearing Tax Commission cases. This enabled the Tax Commission to include fewer cases on its daily hearing calendars and thereby provide closer attention to the cases heard.

The Tax Commission continued to expand its use of technology for information gathering and has found a wealth of material on the Internet. Property sales prices, as well as income and expense data, have been found and used in determining property values. In addition, members of the Appraisal & Hearings Group continue to perform inspections and field visits to enhance their knowledge of neighborhoods and the use of specific properties. The Tax Commission has used digital cameras to enhance its ability to record and exchange information on physical changes and descriptions of properties.

The Tax Commission together with the Law Department, the Office of Court Administration, and the Real Estate Tax Review Bar Association worked to expand a program for electronic filing of pleadings for Article 7 court proceedings. In 2004, the program expanded from New York County to cover the five counties in the City. This provided a highly efficient system for filing and tracking more than 18,000 Article 7 petitions, nearly 60% of all petitions commenced this year.

The Tax Commission continues its emphasis on the efficient delivery of service to applicants by:

- Maintaining the dialogue with various professional and industry organizations on the practices, procedures and policies employed in administering the annual assessment review process.

- Frequently speaking at programs and events hosted by professional, industry and community organizations.

- Maintaining the opportunity for taxpayers to have hearings outside the Tax Commission's offices in Manhattan, i.e., in the Bronx, Brooklyn, Queens and Staten Island borough offices of the Tax Commission located within the Department of Finance's Property Division offices. All applicants appearing *pro se* were able to opt for a hearing in the borough in which they resided *or* the subject property was located. Applicants and representatives could request that a hearing be held at the Tax Commission's offices in Manhattan, irrespective of the property's location or applicant's residence.

- The Tax Commission conducted 58 one-step/one-stop "walk-in" hearings, on pre-set, publicized dates, in the Tax Commission's Manhattan offices and in the Staten Island borough office of the Department of Finance's Property Division, predominantly for private homeowners. This program affords individual taxpayers the convenience of filing an application for correction of assessment, and receiving a personal hearing, at the same time, in the same place.

- The Tax Commission conducted a briefing on policies and practices for representatives who regularly appear at the agency before the deadline for filing applications to inform them of changes to be introduced in 2004 and of the agency's expectations of professional integrity and to help representatives avoid common mistakes that deny their clients'

applications consideration on the merits of their claims for correction of the assessments at issue. About 200 people attended the briefing including representatives filing most of the applications received in 2004.

- The Tax Commission's efforts to hear and determine applications before the final assessment roll continued. In 2004, about 13,000 or 30% of all applications, covering about 60% of the total assessed value under review, were determined before the roll became final.

In 2005, Tax Commission plans include:

- Seek to impose a fee for applications for which review on the merits is sought for certain properties in Tax Classes 2, 3 and 4.

- Continue working with the agency's landlord, the Department of Citywide Administrative Services (DCAS), on the planned renovations of the agency's offices on the 9<sup>th</sup> and 11<sup>th</sup> floors of the Municipal Building. In view of the poor conditions of the existing space, the Tax Commission received limited funding for urgent repairs to the ceiling and carpeting of the offices. The major renovation planned for the 9<sup>th</sup> and 11<sup>th</sup> floors will take place over the next two years. The plans have been drafted and at completion of the project the Tax Commission will have appropriate reception and hearing space for the public and proper facilities for the staff. It is vital to the agency that the project is completed expeditiously. The Tax Commission is grateful to the staff of DCAS and the consultants for their efforts.

- Expand public outreach and information briefings for taxpayers interested in learning more about the assessment system and protest process and to provide additional information for representatives practicing before the Tax Commission.

- Continue improvement of the agency's computer systems that are integrated with the Department of Finance's mainframe systems.

- Continue to improve the quality and the efficiency of the annual assessment review hearings and determinations and expand quality control procedures to protect against potential corruption and ensure consistency and accuracy of determinations.

- Apply the resources available to maximize the number of determinations made and



conveyed prior to publication of the corresponding final annual assessment roll.

- Expand the information gathering efforts of the Appraisal & Hearings Group in order to ensure the most reliable information is available to value properties.

- Continue participation in the City's "311" telephone system to greatly reduce the substantial amount of staff time spent responding to misdirected inquiries regarding federal, state and local business taxes so that the Tax Commission can focus on answering the public's inquiries on the assessment protest process.

- Continue updating and upgrading the agency's computer software and hardware to improve technological functions and further enhance efficiency, productivity and customer service.

- Continue to explore the feasibility and efficacy of acquiring and deploying electronic filing technology to enhance agency operations and to improve coordination with the Department of Finance.

- Continue the effort to redraft the Tax Commission's outdated "Practice and Procedures" as published in Title 21 of the Rules of the City of New York to reflect the agency's current operations, policies and procedures.

- Afford managerial and support personnel the opportunity to attend educational seminars to enhance their work-related capabilities.

- Work with New York City-based law schools and institutions of higher learning to develop an internship program in which students would be placed with the Tax Commission to learn from and contribute to the work of the agency's General Counsel, Information Technology Group, and Appraisal & Hearings Group, in exchange for academic credits.

## NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

<b>PROCEDURAL DELINEATION OF 2004 ASSESSMENT REVIEW APPLICATIONS</b>	<b>APPLICATIONS FILED</b>	<b>TAX LOTS COVERED</b>
<b>COUNT</b>	42,884	137,769
<b>NOT ELIGIBLE FOR SUBSTANTIVE REVIEW</b>	9,441	16,506
LATE FILING	66	65
INCOMPLETE FILING	2,701	7,265
NOT EXECUTED BY PARTY WITH KNOWLEDGE / OTHER LEGALLY FATAL DEFECTS IN EXECUTION	351	429
MOOT (More favorable than Applicant's Claimed Assessment, or Remedial Action taken by Department of Finance before Tax Commission consideration)	273	278
APPLICANT'S STANDING TO PROTEST NOT ESTABLISHED	34	34
REQUIRED DEPT. OF FINANCE INCOME AND EXPENSE STATEMENT ("RPIE") NOT FILED, LATE OR IMPROPER	2,045	2,048
REQUIRED TAX COMMISSION INCOME AND EXPENSE FORM ("TCIE") NOT FILED, LATE OR IMPROPER	3,320	5,720
UNRESOLVED MULTIPLE APPLICATIONS FOR SAME TAX LOT	127	324
UNEXCUSED NON-APPEARANCE BY APPLICANT OR REPRESENTATIVE AT SCHEDULED HEARING	160	224
WITHDRAWN BY APPLICANT	364	119
<b>ELIGIBLE FOR SUBSTANTIVE REVIEW</b>	33,443	121,263
CALENDARED HEARINGS CONDUCTED IN PERSON	20,454	85,067
CALENDARED HEARINGS CONDUCTED BY TELEPHONE	35	35
CALENDARED HEARINGS – SUBSTANTIVE CLAIMS NOT PURSUED	12,536	35,743
HEARINGS CONDUCTED PER ONE-STEP / ONE-STOP "WALK-IN" PROGRAM	58	58
AS SUBMITTED – REVIEWED ON PAPERS / NO HEARING REQUESTED	360	360

# NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

## 2004 ASSESSMENT REVIEW APPLICATIONS AND OUTCOMES

APPLICATIONS				ASSESSMENT REDUCTION OFFERS			ACCEPTED ASSESSMENT REDUCTION OFFERS		
REAL PROPERTY DESIGNATION	COUNT	TAX LOTS COVERED	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS RECEIVING	TAX LOTS COVERED	COLLECTIVE AMOUNT	APPLICATIONS	TAX LOTS COVERED	COLLECTIVE AMOUNT
TAX CLASS 1	2,794	5,735	\$165,542,388	58	58	\$535,535	52	52	\$470,717
TAX CLASS 2	20,874	106,348	\$37,223,013,758	3,381	24,042	\$937,526,070	2,695	19,205	\$762,822,814
TAX CLASS 3	90	90	\$1,759,733,018	5	5	\$361,557,450	4	4	\$262,346,850
TAX CLASS 4	19,126	25,596	\$50,962,932,077	2,245	3,401	\$1,652,433,947	1,921	2,926	\$1,390,334,285
TOTAL	42,884	137,769	\$90,111,221,241	5,689	27,506	\$2,952,053,002	4,672	22,187	\$2,415,974,666

# NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

## 2004 ASSESSMENT REVIEW APPLICATIONS AND OUTCOMES – BY BOROUGH

APPLICATIONS				ASSESSMENT REDUCTION OFFERS			ACCEPTED ASSESSMENT REDUCTION OFFERS		
BOROUGH	COUNT	TAX LOTS COVERED	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS RECEIVING	TAX LOTS COVERED	COLLECTIVE AMOUNT	APPLICATIONS	TAX LOTS COVERED	COLLECTIVE AMOUNT
BRONX	4,880	18,293	\$3,414,952,646	455	684	\$41,020,445	365	391	\$32,608,684
BROOKLYN	9,207	16,292	\$6,456,508,423	983	1,314	\$205,072,201	833	1,132	\$181,252,155
MANHATTAN	18,092	76,396	\$70,114,934,132	2,849	20,405	\$1,997,482,901	2,298	16,658	\$1,635,125,161
QUEENS	9,176	22,822	\$9,031,900,945	1,272	4,496	\$539,781,796	1,058	3,659	\$499,986,413
STATEN ISLAND	1,529	3,966	\$1,092,925,095	130	607	\$168,695,659	118	347	\$67,002,253
TOTAL	42,884	137,769	\$90,111,221,241	5,689	27,506	\$2,952,053,002	4,672	22,187	\$2,415,974,666

# NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

## 2004 ASSESSMENT REVIEW APPLICATIONS AND OUTCOMES – BY PROPERTY TYPE

APPLICATIONS				ASSESSMENT REDUCTION OFFERS			ACCEPTED ASSESSMENT REDUCTION OFFERS		
REAL PROPERTY DESIGNATION	COUNT	TAX LOTS COVERED	COLLECTIVE AMOUNT OF ASSESSMENTS	APPLICATIONS RECEIVING	TAX LOTS COVERED	COLLECTIVE AMOUNT	APPLICATIONS	TAX LOTS COVERED	COLLECTIVE AMOUNT
<b>TAX CLASS 1</b>	2,794	5,735	\$165,542,388	58	58	\$535,535	52	52	\$470,717
CONDOMINIUMS	87	3,034	\$45,833,238	1	1	\$1,764	1	1	\$1,764
1, 2 & 3 FAMILY	2,303	2,298	\$101,438,059	41	41	\$344,776	38	38	\$330,812
VACANT LAND	204	204	\$5,716,990	10	10	\$79,292	10	10	\$79,292
OTHER	200	199	\$12,554,101	6	6	\$109,703	3	3	\$58,849
<b>TAX CLASS 2</b>	20,874	106,348	\$37,223,013,758	3,381	24,042	\$937,526,070	2,695	19,205	\$762,822,814
CONDOMINIUMS	1,145	86,692	\$6,432,665,670	331	20,992	\$231,017,194	263	16,773	\$188,769,508
2 - 10 FAMILY	3,199	3,195	\$823,370,590	322	322	\$7,734,809	286	286	\$6,724,099
COOPERATIVES	3,900	3,896	\$11,919,411,450	1,025	1,025	\$388,562,000	800	800	\$320,636,850
RENTAL APTS	12,630	12,565	\$18,047,566,048	1,703	1,703	\$310,212,067	1,346	1,346	\$246,692,357
<b>TAX CLASS 3</b>	90	90	\$1,759,733,018	5	5	\$361,557,450	4	4	\$262,346,850
UTILITY PROPERTY	90	90	\$1,759,733,018	5	5	\$361,557,450	4	4	\$262,346,850
<b>TAX CLASS 4</b>	19,126	25,596	\$50,962,932,077	2,245	3,401	\$1,652,433,947	1,921	2,926	\$1,390,334,285
CONDOMINIUMS	1,299	8,023	\$5,758,152,751	235	1,391	\$238,040,215	188	1,193	\$146,560,303
OFFICES/LOFTS	3,710	3,674	\$31,329,855,840	630	630	\$1,016,683,625	514	514	\$873,501,875
STORES	6,105	5,982	\$5,161,979,830	599	599	\$62,577,925	507	507	\$45,793,295
INDUSTRIAL	3,080	3,070	\$1,637,934,220	303	303	\$48,192,714	272	272	\$45,924,024
HOTELS	379	376	\$3,228,455,476	67	67	\$111,516,988	62	62	\$105,890,488
VACANT LAND	846	838	\$261,245,835	82	82	\$3,928,645	75	75	\$3,542,565
UTILITY PROPERTY	84	84	\$839,294,898	12	12	\$141,396,300	12	12	\$141,396,300
OTHER	3,623	3,549	\$2,746,013,227	317	317	\$30,097,535	291	291	\$27,725,435
<b>TOTAL</b>	<b>42,884</b>	<b>137,769</b>	<b>\$90,111,221,241</b>	<b>5,689</b>	<b>27,506</b>	<b>\$2,952,053,002</b>	<b>4,672</b>	<b>22,187</b>	<b>\$2,415,974,666</b>

## NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

### 2004 ASSESSMENT REVIEW APPLICATIONS AND OUTCOMES – BY REDUCTION RANGE

ASSESSMENT REDUCTION OFFERS				ACCEPTED ASSESSMENT REDUCTION OFFERS		
RANGE OF OFFER AMOUNTS	APPLICATIONS RECEIVING	TAX LOTS COVERED	COLLECTIVE AMOUNT	APPLICATIONS	TAX LOTS COVERED	COLLECTIVE AMOUNT
<b>UNDER \$50,000</b>	2,197	2,595	\$48,587,652	1,838	2,197	\$39,698,258
<b>\$50,000 - \$249,999</b>	2,123	6,172	\$260,214,270	1,714	4,837	\$211,569,431
<b>\$250,000 AND OVER</b>	1,369	18,739	\$2,643,251,080	1,120	15,153	\$2,164,706,977
<b>TOTAL</b>	<b>5,689</b>	<b>27,506</b>	<b>\$2,952,053,002</b>	<b>4,672</b>	<b>22,187</b>	<b>\$2,415,974,666</b>

## NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

2004 EXEMPTION CLAIMS & OUTCOMES	APPLICATIONS FILED	TAX LOTS COVERED	COLLECTIVE ASSESSMENT AMOUNT
EXEMPTION CLAIMS	113	113	\$47,476,458
EXEMPTION CLAIMS GRANTED	33	33	\$3,584,193
FULL EXEMPTIONS GRANTED	0	0	0
PARTIAL EXEMPTIONS GRANTED	33	33	\$3,584,193

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2004 CHANGE OF PROPERTY TAX CLASS DESIGNATION CLAIMS & OUTCOMES	APPLICATIONS FILED	TAX LOTS COVERED
MISCLASSIFICATION CLAIMS	265	524
MISCLASSIFICATION CLAIMS GRANTED	20	20

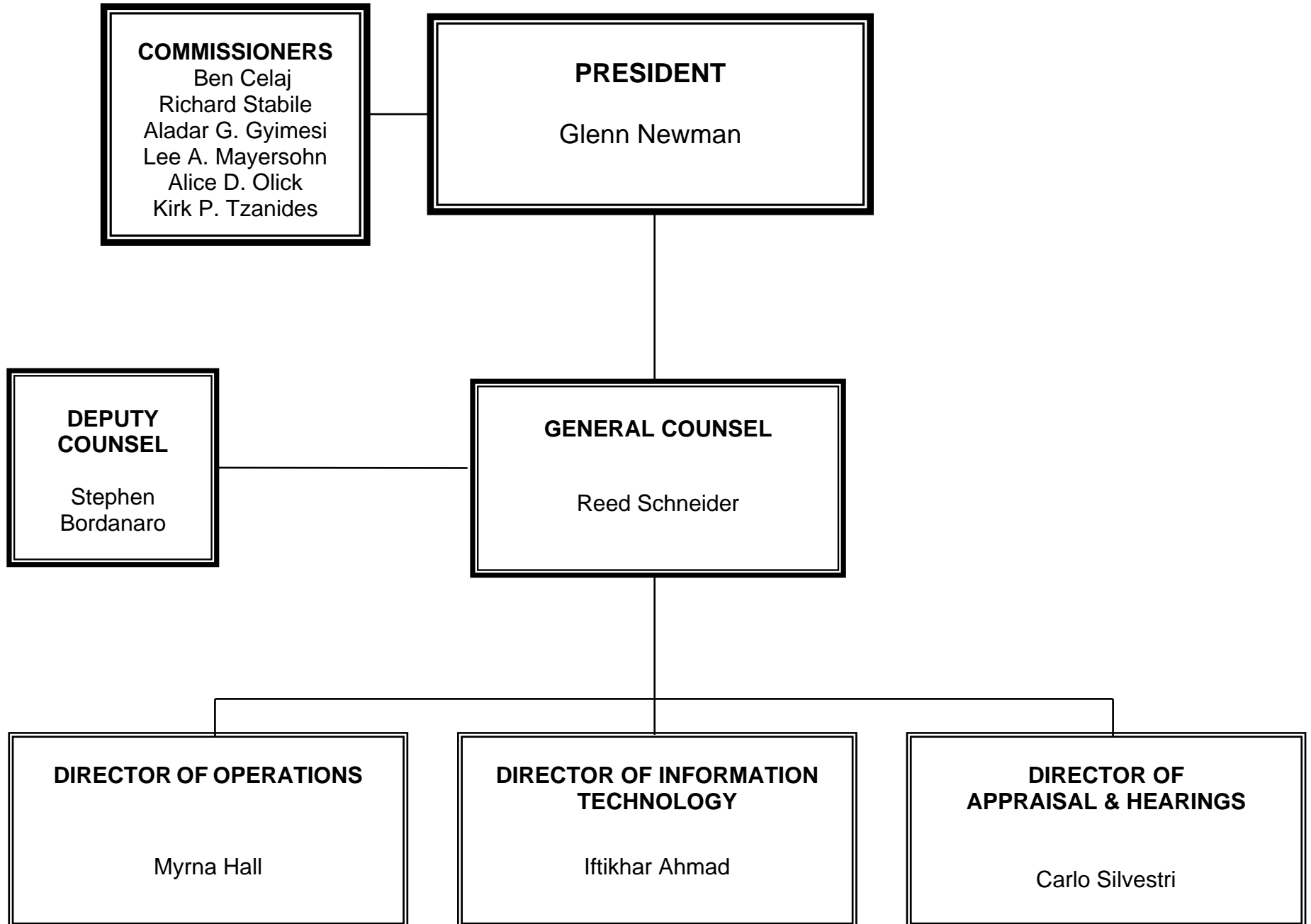


# NEW YORK CITY TAX COMMISSION 2004 ANNUAL REPORT

## REMEDIAL ACTIONS BY TAX COMMISSION IN 2004 FOR 2003 ASSESSMENTS COVERED BY PENDING JUDICIAL REVIEW PROCEEDINGS, PER TWO – YEAR JURISDICTION

PENDING JUDICIAL REVIEW PROCEEDINGS FOR 2003 ASSESSMENTS		OFFERS TO REDUCE 2003 ASSESSMENTS			2003 JUDICIAL REVIEW PROCEEDINGS DISCONTINUED IN CONJUNCTION WITH ACCEPTED OFFERS TO REDUCE 2003 ASSESSMENTS		
COUNT	COLLECTIVE AMOUNT OF ASSESSMENTS	COUNT	COLLECTIVE AMOUNT OF ASSESSMENTS AT ISSUE	COLLECTIVE AMOUNT OF ASSESSMENT REDUCTION OFFERS	COUNT	COLLECTIVE AMOUNT OF ACCEPTED ASSESSMENT REDUCTION OFFERS	COLLECTIVE AMOUNT OF ASSESSMENTS NO LONGER AT ISSUE
30,370	\$57,614,762,544	2,375	\$10,192,312,933	\$901,908,794	1,960	\$743,293,543	\$8,179,704,574

# THE TAX COMMISSION OF THE CITY OF NEW YORK





CITY OF NEW YORK  
Michael R. Bloomberg  
Mayor

TAX COMMISSION  
Glenn Newman  
President