



**FINANCE
NEW • YORK**
THE CITY OF NEW YORK
DEPARTMENT OF FINANCE

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**FINANCE DEPARTMENT'S FY06 TENTATIVE PROPERTY ASSESSMENT
ROLL REFLECTS FIVE-BOROUGH ECONOMIC RECOVERY POST-9/11**

Total Market Value Grows 14%, Stands at \$616 Billion

**Finance Takes Steps to Promote Tax Equity
For Owners of Homes and Rental Apartment Buildings,
Make Valuation Process Easier to Understand**

The Department of Finance today published the tentative property assessment roll for fiscal year 2006, showing an overall market value increase of 14 percent that reflects the City's strong economic recovery across every borough and every type of property since 9/11. The total market value of City property is \$616 billion, up from the final FY2005 market value of \$540.4 billion published in May 2004.

For owners of small homes and other class 1 properties, Finance has lowered the assessment ratio from 8 percent to 6 percent, giving about 30,000 homeowners who had been assessed above 6 percent as much as a 25 percent reduction in their assessment. An additional 60,000 homeowners whose assessments would have increased, did not. These homeowners, most of whom purchased newly constructed properties or live in neighborhoods where market value has not increased as rapidly as the citywide average, had been assessed at a higher rate than similarly valued homes in other neighborhoods.

"The growth in market value shows that New York City's economy is on the rise, with residential and commercial properties flourishing in every borough," Finance Commissioner Martha E. Stark said. "Since 9/11, we've now seen three years of growth in the market, which means more people want to live and work in New York City."

With the publication of the tentative roll, Finance has taken steps to continue making the property tax more equitable and more transparent.

Finance also has achieved fairer values for rental buildings by differentiating between market rate and regulated rentals, which generate less rental income.

In its ongoing effort to make the property tax more transparent, Finance has added several pieces of information to the Notices of Property Value that it sends to homeowners, showing exactly what facts were used to determine their market values.

Finance also has made it easier for owners of residential and commercial properties to correct errors in the descriptive data used to determine their market value. Next week, Finance will make a detailed form available that allows homeowners to submit corrections on everything from the square footage of their homes to the year built to the condition of their exterior walls -- all the data that is factored into Finance's estimate of market value.

At the same time, Finance will update a form that allows owners of Class 2 coops, condos and apartment buildings and Class 4 commercial properties to correct the agency's classification, gross income, gross expense and gross square footage information.

If Finance receives and verifies corrections on these forms that are significant enough to change the assessed value of a property, the agency will make the correction before the final assessment roll is published on May 25.

The final roll also will include changes based on decisions made by the New York City Tax Commission, an independent City agency, as well as new information Finance gathers about abatements, exemptions and other adjustments. In June, Finance will use the final roll and new tax rates adopted by the City Council to generate property tax bills for fiscal year 2006 beginning July 1.

Class 1 owners who wish to file an application for correction with the Tax Commission must do so by March 15; owners of all other properties must apply by March 1.

Finance urges owners to carefully review their Notices of Property Value for possible errors and to make sure they are receiving any exemptions or abatements to which they are entitled. The deadline to apply for exemptions for seniors, veterans and people with disabilities is March 15.

The tentative roll, along with summary material and answers to commonly asked questions, is available on the web at nyc.gov/finance. Members of the public who do not have access to the Internet may view the roll on public computer terminals at our borough business centers. The entire tentative roll can be purchased on CD-ROM for \$250 by contacting Sam Miller at (212) 669-4763.

For the second year, assessors will conduct joint outreach sessions in each borough in the month of February with the Tax Commission to answer questions from the public about how we valued their properties. The schedule for the outreach sessions is:

- ✓ February 9th - 350 Saint Marks Place, Room #400, Staten Island - 10:00 AM
- ✓ February 10th - One Centre Street, Room #923, Manhattan - 10:00 AM
- ✓ February 16th - 144-06 94th Avenue, Second Floor, Queens - 10:00 AM
- ✓ February 17th - 210 Joralemon Street, Room #201, Brooklyn - 10:00 AM
- ✓ February 23rd - 1932 Arthur Avenue, Room #701, Bronx - 10:00 AM

Market Value Growth By Borough Since September 11, 2001

Fiscal Year	Staten Island	Manhattan	Brooklyn	Bronx	Queens
2003	13.9%	7.3%	10.8%	9.3%	10.6%
2004	12.8%	5.1%	10.5%	6.5%	11.1%
2005	17.7%	7.8%	23.9%	11.1%	20.5%
2006	14.5%	15.1%	12.9%	13.5%	13.6%

Market Value Growth By Tax Class Since September 11, 2001

Fiscal Year	Class 1	Class 2	Class 3	Class 4
2003	13.5%	9.4%	4.7%	3.9%
2004	13.6%	3.6%	2.7%	4.5%
2005	21.7%	18.9%	6.6%	3.0%

2006	14.7%	14.2%	4.1%	13.5%
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Market Value by Tax Class

- Class 1 properties, which include one-, two- and three-family homes as well as some condominiums, rose by almost 15 percent, to a total of \$325 billion. However, due to State-mandated limits on growth of assessed value, as opposed to market value, the value that class 1 properties can actually be taxed on only increased by 5.4 percent.
- Class 2 properties, which include rental buildings and most cooperatives and condominiums, rose by 14.24 percent, to a total of \$132 billion. However, due to State-mandated limits on growth of assessed value, and because most changes are phased-in over five years, class 2 properties will be taxed on an increase of 8.8 percent. The market value of regulated rental properties rose by 8.8 percent and market rentals by 17.5%, however, their assessed value rose 7.02 percent and 12.74 percent respectively.
- Class 3 properties, which includes utilities equipment and special franchisees such as cable operators, increased by 4.12 percent, to a total of \$17 billion.
- Class 4 properties, which include office buildings, hotels, factories and garages, grew by 13.48 percent, to a total of \$616 billion. This includes a 10 percent increase in the market value of hotels, spurred by the record number of tourists who are visiting the Big Apple.

Market Value by Borough

- Staten Island increased by 14.47 percent. The borough's total value is \$52 billion.
- The Bronx increased by 13.53 percent. The borough's total value is nearly \$40 billion.
- Queens increased by 13.64 percent. Total value for the borough is \$174 billion.
- Brooklyn increased by 12.85 percent. The borough's total value is \$141.5 billion.
- Manhattan increased by 15 percent. Total value for the borough is \$208 billion.