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**CITY OF NEW YORK  
DEPARTMENT OF FINANCE**

**Regulatory Agenda for Fiscal Year 2014**

In compliance with section 1042 of the New York City Charter, the following is the regulatory agenda for rules that the New York City Department of Finance anticipates that it may promulgate during the fiscal year beginning July 1, 2013 and ending June 30, 2014.

An approximate schedule for adopting the proposed rules and the name and telephone number of a Department of Finance official knowledgeable about each subject area involved are listed below each section.

**1. AMENDMENTS TO GENERAL CORPORATION TAX RULES**

Pursuant to chapter 6, subchapter 2 of title 11 of the Administrative Code, the General Corporation Tax is imposed on every domestic or foreign corporation for the privilege of doing business, employing capital, owning or leasing property, or maintaining an office in the City of New York. Corporations subject to the tax will be subject to these rules. The Department intends to amend these rules to reflect legislative changes, court decisions and existing departmental policies not presently addressed by the rules and to eliminate obsolete provisions. The Department anticipates that due to the scope of this project, the rules will be amended in stages, some of which may not be completed during the coming fiscal year.

Second half of fiscal year 2014  
Andrew Eisner (718) 403-3600

## **2. AMENDMENTS TO UNINCORPORATED BUSINESS TAX RULES**

Pursuant to chapter 5 of title 11 of the Administrative Code, the Unincorporated Business Tax is imposed on unincorporated businesses carried on in the City of New York. Individuals and unincorporated entities are subject to these rules. The Department intends to amend these rules to reflect legislative changes and existing departmental policies not presently addressed by the rules and to eliminate obsolete provisions. The Department anticipates that due to the scope of this project, the rules will be amended in stages, some of which may not be completed during the coming fiscal year.

Second half of fiscal year 2014

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## **3. AMENDMENTS TO REAL PROPERTY TRANSFER TAX RULES**

Sections 302 through 307 of chapter 170 of the Laws of 1994 amended the State enabling law authorizing the imposition of the Real Property Transfer Tax and chapter 21 of the Administrative Code to provide for temporary tax rate relief for qualifying real estate investment trust transfers. Chapter 309 of the Laws of 1996 further amended the State enabling law and the Administrative Code to make tax rate relief for qualifying real estate investment trust transfers permanent. Chapter 85 of the Laws of 2002 made technical corrections to those provisions. The Department intends to amend all those sections of the Rules Relating to the Real Property Transfer Tax that are affected by the enactment of the real estate investment trust transfer provisions. The Department also intends to amend the rules to conform with any other legislative changes made since the last amendment of the rules.

Second half of fiscal year 2014

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## **4. AMENDMENTS TO REAP RULES**

Pursuant to chapter 6-B of Title 22 of the Administrative Code, the Relocation and Employment Assistance Program provides for credits against the GCT, UBT, Bank Tax and Utility Tax for eligible businesses that relocate to eligible premises in New York City in areas other than Manhattan south of 96th Street. The Department intends to amend these rules to reflect legislative changes.

First half of fiscal year 2014

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## **5. LMREAP RULES**

Pursuant to chapter 6-C of Title 22 of the Administrative Code, the Lower Manhattan Relocation and Employment Assistance Program provides for credits against the GCT, UBT, Bank Tax and Utility Tax for eligible businesses that relocate to eligible premises

in lower Manhattan. The Department intends to promulgate rules to provide guidance to taxpayers with respect to this program.

First half of fiscal year 2014  
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**6. PROMULGATE RULES RELATING TO THE PARTIAL TAX ABATEMENT FOR RESIDENTIAL REAL PROPERTY HELD IN THE COOPERATIVE OR CONDOMINIUM FORM OF OWNERSHIP**

Chapter 4 of the Laws of 2013 amended section 467-a of the Real Property Tax Law which authorizes an abatement from real property for qualifying real property held in the cooperative or condominium form of ownership. The Department intends to promulgate rules to provide guidance regarding the abatement including criteria for eligibility, the procedure relating to applications, and the method of calculation of the abatement.

First half of fiscal year 2014  
Robert Dauman (718) 403-3674

**7. AMENDMENTS TO RULES RELATING TO PARKING VIOLATIONS**

The Department intends to amend the provisions of these rules regarding the provisions that concern its voluntary parking violations programs, including the Fleet Program, a voluntary program through which companies with commercial vehicles used for the delivery of goods or services manage their parking summonses. The Department also intends to amend these rules to enact fines for violations relating to intercity buses, in conjunction with rules being promulgated by the Department of Transportation pursuant to the authority granted by section 1642-a of the Vehicle and Traffic Law, which was enacted in November, 2012.

First half of fiscal year 2014  
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**8. UPDATE OF OUTDATED REFERENCES IN AGENCY RULES**

The Department plans to review all its rules to revise outdated references, which include changes to agency unit names and addresses.

Second half of fiscal year 2014  
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**9. RULES RELATING TO THE INDUSTRIAL AND COMMERCIAL ABATEMENT PROGRAM**

The Industrial and Commercial Abatement Program (“ICAP”) was enacted by Local Law 47 of 2008 to replace the Industrial and Commercial Incentive Program (“ICIP”). ICAP provides abatements from real property taxes for construction, alteration, or improvement

of eligible industrial or commercial properties in the City of New York. The Department intends to promulgate rules to provide guidance as to eligibility for the program.

Second half of fiscal year 2014  
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**10. PROMULGATE RULES RELATING TO THE DISABILITY RENT INCREASE EXEMPTION (DRIE) PROGRAM**

Local Law 75 of 2005 enacted the DRIE program, under which qualifying disabled tenants receive an exemption from rent increases otherwise authorized on rent regulated properties, and the owners of affected properties receive an abatement of real property taxes in an amount equal to the rent increase exemption. These new rules will be promulgated to explain aspects of this program. The rules will include a definition of “aggregate household disposable income” with respect to the amount under which the combined income of the tenants in an apartment must fall if the apartment is to be eligible for the exemption.

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**11. PROMULGATE RULES RELATING TO THE SENIOR CITIZEN RENT INCREASE EXEMPTION (SCRIE) PROGRAM**

Local Law 44 of 2009 transferred administration of the Senior Citizen Rent Increase Exemption (SCRIE) Program from the New York City Department for the Aging to the Department of Finance. This program offers eligible senior citizen tenants an exemption from rent increases, while the owner of the building receives a corresponding abatement of the building’s real property taxes. The Department of Finance may promulgate rules to provide guidance to tenants and property owners with respect to eligibility under the program and applications for the rent exemption and tax abatement and renewals thereto.

Second half of fiscal year 2014  
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**12. AMENDMENTS TO REFUND PROVISIONS OF INCOME AND EXCISE TAX RULES**

The Department intends to review its rules that relate to application for refunds of overpayments of income and excise taxes in order to update them where necessary to reflect revisions intended to expedite the refund process.

Second half of fiscal year 2014  
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**13. AMENDMENTS TO RULES RELATING TO THE COMMERCIAL MOTOR VEHICLE TAX**

These rules apply to owners of commercial motor vehicles and motor vehicles operated for the transportation of passengers. Formerly, when the commercial motor vehicle tax was paid, the Department of Finance issued a stamp that was required to be displayed on the vehicle as evidence that the commercial motor vehicle tax applicable to the vehicle had been paid.

The legality of this requirement was under question due to a federal ruling that was appealed. The federal ruling was recently overturned. The Department plans to amend these rules to reflect the final federal decision and Departmental policy.

First half of fiscal year 2014  
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**14. AMENDMENTS TO RULES RELATING TO THE FILING OF INCOME AND EXPENSE STATEMENTS**

These rules pertain to the requirement of Administrative Code §11-208.1 that owners of income producing property annually file income and expense statements. If proposed legislation that would amend Administrative Code §11-208 is enacted, the Department intends to amend these rules to conform with the legislative amendments.

First half of fiscal year 2014  
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**15. AMENDMENT TO RULES RELATING TO FEES TO BE CHARGED BY THE COMMISSIONER OF FINANCE**

Section 11-105 of the New York City Administrative Code authorizes the City to accept credit cards as an alternate means of payment of fines, civil penalties, taxes, fees and other charges owed by a person to the City. Subdivision 3 of section 11-105 authorizes the City to charge and collect from any person offering a credit card as a means of payment a fee as a condition of accepting a credit card for payment. In furtherance of the Citywide Payments and Receivables Program, the Department intends to amend the Rules Relating to Fees to impose a uniform fee to be imposed by all City agencies that accept credit cards as payment for a fine, civil penalty, tax, fee or other charges.

First half of fiscal year 2014  
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**16. PROMULGATE RULES RELATING TO ELECTRONIC FILING OF TAX RETURNS AND ELECTRONIC PAYMENT OF TAX**

As authorized by Chapter 201 of the Laws of 2009, the Department intends to promulgate rules to expand the definition of "authorized documents" that are required to be filed electronically to include additional forms relating to the Unincorporated Business Tax, the estimated tax forms for the Banking Corporation Tax, the General Corporation Tax and the Unincorporated Business Tax, and all extension forms for business taxes in addition to those which are already required. Payments submitted with these forms will also be required to be submitted electronically. These rules will affect estimated tax returns for taxable years starting on or after January 1, 2013. These rules will affect tax return preparers who prepared more than one hundred returns during the calendar year beginning on or after January 1, 2009, and who in any succeeding calendar year use tax software to prepare returns. The rules will also affect taxpayers who prepared their own tax returns using tax software during any calendar year beginning on or after January 1, 2010.

First half of fiscal year 2014  
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**17. AMENDMENTS TO RULES RELATING TO CIGARETTE TAXES AND CIGARETTE DEALERS IF PENDING LEGISLATION IS ENACTED**

These rules would pertain to the new responsibilities and requirements for both retail cigarette dealers and the Department in pending local and state cigarette and tobacco products legislation, should this legislation be enacted. The Department would amend the rules to implement a new signage requirement in the pending local legislation for retail cigarette dealers requiring them to post a sign stating that cigarettes must be in packages bearing valid New York City/New York State cigarette tax stamps. The Department would also intend to amend the rules to activate and implement new authority in the pending state legislation authorizing the Commissioner to require stamping agents and cigarette dealers to submit reports and other data to the Department in electronic form. Additional amendments may address procedure with respect to hearings on the violations of the requirements in the pending local and state legislation, such as the designation of a tribunal for the hearing of violations and other matters.

First half of fiscal year 2014  
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David M. Frankel  
Commissioner of Finance