



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

TC109INS  
2018/19

**2018/19 INSTRUCTIONS FOR FORM TC109  
APPLICATION FOR CORRECTION OF ASSESSED VALUE OF  
TAX CLASS TWO OR FOUR CONDOMINIUM PROPERTY**

**FEE FOR CERTAIN PROPERTIES**

A \$175 fee is required for all applications where the assessed value on the notice of property value for 2018/19 is \$2 million or more. If multiple condominium units file on a single application, the fee will apply if the aggregate assessed value 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.**

**Who should use this form?** Condominium owners, or a condominium board of managers acting as the agent of the condominium owners, should use this form to claim a reduction of the 2018/19 tentative assessed value of condominium property classified on the assessment roll in tax class two or four (including two-unit condominiums and condominiums owned by cooperative apartment corporations). A single form may include reduction claims for one unit, multiple units or all units of a condominium, provided all units are on one tax map block.

**Do not use this form to claim (a) an exemption or a change in tax class (use Form TC106), or (b) a reduction in the assessment of a tax class one property (use Form TC108).**

**What authorizes a condominium board of managers to be an agent?** The authority of the condominium board of managers to file Form TC109 as the agent of the unit owner may be contained in (a) the condominium's by-laws, (b) a power-of-attorney, or (c) an individual authorization, valid under applicable law. The Tax Commission will review only one Form TC109 for any given unit. If the unit owner and the board each files separately for the same unit, they each will be notified that one of the applications must be withdrawn.

**When and where to file.** The Tax Commission must receive Form TC109 on or before 5:00 p.m. on March 1, 2018. The deadline for filing cannot be extended for any reason. To be certain the Form TC109 is filed on

time, hand deliver it to the Tax Commission in Room 2400 on the 24<sup>th</sup> floor of One Centre Street in Manhattan or to a Department of Finance Business Center located in each borough at addresses found in Tax Commission Form TC600 and on the Department of Finance website at <http://www1.nyc.gov/site/finance/taxes/property.page>, or by calling 3-1-1.

If filing the form by mail, deposit the Form TC109 in the mail at least ten (10) days before the filing deadline. Mail it to the Tax Commission, Room 2400, One Centre Street, New York, NY 10007. **Applications received after the deadline are not valid even if they were mailed before that date.** Keep a copy of the application for reference. Applications may not be filed by fax or e-mail.

**Use TC10 as proof the application was filed on time.** Tax Commission Receipt Form TC10 is the **only** acceptable proof the application was received by the Tax Commission on time. If filing by hand, bring a completed Form TC10 and present it when submitting Form TC109. The Tax Commission will date stamp Form TC10 and return it to you. If mailing your Form TC109, include a **stamped self-addressed** Form TC10 and the Tax Commission will date stamp and return Form TC10 by mail. **A post office or express company receipt is not proof.**

**Additional forms may be required to be submitted with the application in particular cases.** These are the additional forms most commonly required:

TC200. Addendum to application for correction. Applicants for a single residential unit, regardless of the value of the entire condominium, must also file an Addendum to Application for Correction Form TC200. Claims must be based on factors specific to the unit, such as unit rent, potential unit rent, or the unit's percentage of common interest. TC200 must accompany application forms as directed by those forms' instructions.

TC201. Income schedule – rent-producing properties. Applicants filing for only one or two rented residential units instead may submit copies of the leases.

TC203. Income schedule – cooperative or condominium. **But if the condominium began operation after July 1, 2017, or if it is exclusively residential with six or fewer units, it need not file Form TC203.**

Applicants for condominium units owned by a cooperative apartment corporation must also file an Income and Expense Schedule for Cooperatives and Condominiums Form TC203. TC208. Income schedule – hotel or motel. If the units are partially rented Form TC201 also must be filed.

TC214. Income schedule – stores, theaters and parking sites. If the units are partially rented Form TC201 also must be filed.

TC230. Sale statement – sale, transfer or sale contract.

TC244. All applicants whose Form TC109 is signed by an agent must also file an Agent's Statement of Authority and Knowledge Form TC244

TC309. Accountant's certification – attach to Form TC201 if the assessed value of the unit or units is \$1,000,000 or more.

**Specific line-by-line instructions.** (Additional instructions are provided on Form TC109 itself)

**Part 1: Identify the property.** List all lots on one tax map block covered by the application in the boxes and on the lines provided. Use a separate form for lots on a different tax map block. Unless (a) only a single lot is covered, or (b) all lots are covered, list the covered lots on the range lines provided. A range is a sequence of consecutively numbered lots, with no omissions other than those that actually are omitted on the assessment roll itself. If one of the lots in a range is not included in the application, skip over it by ending the range at the preceding lot and start another range at the next covered lot. If more space is needed, attach additional sheets that use a similar format.

#### **Part 5: Hearing request**

You can ask to have an in-person hearing at the Tax Commission's main office in Manhattan, or you can ask to have the application reviewed based only on the papers submitted with Form TC108. Check the box to the left of your choice. **Check only one box.** If no box is checked, the application will be reviewed on the papers submitted without an in-person hearing.

#### **Part 7:**

**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.

Applications should be complete in all respects at the time of filing. Review may be denied if material information is omitted. However, omissions can be cured and corrections or additions can be made by submitting an Affidavit in Support of the Application Form TC159 at the hearing.



APPLICATION ON FORM TC109 FOR 2018/19  
SUPPLEMENTAL INSTRUCTIONS FOR CONDOMINIUM  
UNIT OWNERS REPRESENTING THEMSELVES

**FEE FOR CERTAIN PROPERTIES**

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**Understanding your assessment.** The Finance Department is in the best position to explain your assessment and to consider the circumstances both of your property and those of your neighbors for the following year. Information about assessments is available on the Finance Department website at <http://www1.nyc.gov/site/finance/taxes/property.page>

**The criteria for granting a reduction in the assessment.** The law governing the assessment of condominiums requires that they be valued as if the whole building were operated as rental property. This is not a simple task. It is preferable for the board of managers to apply to correct the assessment of the entire condominium, but you may apply for your own unit by the filing deadline regardless of whether the board has applied. If both you and the board apply, you and your board will receive a notice that one of the applications must be withdrawn. Otherwise neither application will be reviewed. Check with your board before the filing deadline.

You have the burden of showing that the assessed value of your unit is too high. You cannot prove that you are entitled to a reduction in the assessed value of your unit by showing that assessments of other units in your building are lower or that your neighbors' units are assessed at a lower percentage of Finance's estimated market value than yours is. We cannot change Finance's estimated market value; we review only the assessed value.

**Income method of valuation.** To prove your claim, it is important to understand the income method of valuation as it applies to your property. Under the law, condominium units in class two and four must be valued using the income method as if they were rental property. The income method of valuation is based on the rental

income the property generates or could reasonably generate on the open market. Therefore, we do not rely on sales prices for condominium units to establish their value for assessment purposes.

To calculate the value for assessment purposes, an estimate of the net income of the whole building is divided by the appropriate rate of return demanded by the market, according to the formula of "Yearly income minus operating expenses divided by Rate of Return = Value". When the Tax Commission reviews your application, we determine whether the entire building's value is less than the value indicated by the total assessed value of the building. A review of your unit's assessed value may also consider specific factors affecting your unit's value, such as differences in size, location or amenities.

**Evidence of total rental income and expenses for comparable rental buildings is necessary to establish value.** You must submit proof of the market rental value of your unit as of January 5, 2018 using income and expenses of comparable rental buildings. Those rental buildings should be comparable to yours in age, number and mix of apartments, number of floors, and location. Because proof of comparable rental value is not readily available to most individuals, unit owners are advised to join in a single application by their board of managers.

**Unit specific claims.** If you claim that the assessment of your unit is substantially out of line with most other units in your building because of the percentage of common interest assigned to your unit by the condominium declaration or the Finance Department allocation of value, provide a copy of the relevant portions of the condominium declaration describing the property, including your unit. In addition to evidence of rental value of your building and/or unit, the declaration may support your claim. However, the Tax Commission cannot direct the Finance Department to change its allocation formula. We only can review and adjust the assessment for the year covered by your application.

Unit owners who rent their unit must provide documentary proof of rent income, such as the signed lease and a copy of a rent check. Owners who rent three or more units may file Form TC201 instead of providing leases.

**Potential sources of information.** The Tax Commission cannot advise you as to where to get rental information or advice or representation. You may

choose to consult a local real estate broker, appraiser, property tax advisor or attorney for information. There are also commercial services that obtain income and expense data from the Finance Department. Information about rental income for some buildings may be available from the Finance Department or Tax Commission, if the owner filed an income and expense

schedule with an application for correction of its assessment.

**Evaluate your claim.** Look at your Notice of Property Value from the Finance Department and use the worksheet below to see if you should file an application with the Tax Commission.

### WORKSHEET FOR CONDOMINIUM UNIT VALUATION FOR ASSESSMENT PURPOSES

Look at your Notice of Value from the Finance Department. Find the "tentative assessment" and "estimated market value" and write them on Lines 1 and 2 below.

- 1. Tentative 2018/19 Assessment: \_\_\_\_\_
- 2. Estimated market value: \_\_\_\_\_

You must prove that your unit's value for assessment purposes is less than line 2 to get a reduction in the assessment. Complete Lines 3 through 8 to calculate the approximate value of your unit for assessment purposes.

- 3. The amount of rent you earn or would earn from a tenant on the open market each month: \_\_\_\_\_
- 4. Monthly common charges (do not include interest, depreciation or real estate taxes): \_\_\_\_\_
- 5. Net monthly income (Line 3 minus Line 4): \_\_\_\_\_
- 6. Net annual income - Multiply Line 5 by 12 (months in a year): \_\_\_\_\_
- 7. Divide Line 6 by .14297\* = the approximate market value of your unit for assessment purposes \_\_\_\_\_
- 8. Compare the amount on Line 2 with the amount on Line 7  
If Line 7 is more than Line 2, an application would not be productive.  
If Line 7 is less than Line 2 go to the next step.
- 9. Multiply Line 7 by 45% (.45)\*\*: \_\_\_\_\_

The amount on line 9 is what you claim the assessed value of your property should be.

\* This amount reflects a reasonable rate of return plus a factor for real estate taxes on class 2 properties.

\*\* The assessment ratio for class two properties is 45%, meaning that the assessed value is 45% of Finance's estimated market value.



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**1 Centre Street, Room 2400, New York, NY 10007**

**TC109**  
**2018/19**

**APPLICATION FOR CORRECTION OF ASSESSED VALUE  
 OF TAX CLASS TWO OR FOUR CONDOMINIUM PROPERTY**

READ THE SEPARATE INSTRUCTIONS (TC109 INS) BEFORE YOU BEGIN. COMPLETE ALL PARTS OF THE FORM. Answer "Yes" or "No" to questions marked ◆.

NOTE: A \$175 FEE IS REQUIRED FOR APPLICATIONS WHERE THE 2018/19 ASSESSED VALUE ON THE NOTICE OF PROPERTY VALUE IS \$2 MILLION OR MORE. IF MULTIPLE CONDOMINIUM UNITS FILE ON A SINGLE APPLICATION, THE FEE WILL APPLY IF THE AGGREGATE ASSESSED VALUE IS \$2 MILLION OR MORE. DO NOT PAY THE FEE WITH THIS APPLICATION. SEE TC600 FOR MORE INFORMATION.

<b>1. PROPERTY IDENTIFICATION - Describe covered lots accurately. Lots cannot be added later.</b>				<b>9</b>	
BOROUGH (Bronx, Brooklyn, Manhattan, Queens or Staten Island)	BLOCK	LOW LOT COVERED	HIGH LOT COVERED	YEAR 2018/19	
ASSESSMENT YEAR <b>2018/19</b>					
FULL ADDRESS OF PROPERTY (WITH ZIP CODE)					
NAME OF CONDOMINIUM				BOROUGH	
CONDOMINIUM NO.				BLOCK	
This application covers: 1. <input type="checkbox"/> A single lot only. 2. <input type="checkbox"/> The entire condominium. 3. <input type="checkbox"/> All of the lots within a single range of lots.					
4. <input type="checkbox"/> All of the lots within two or more ranges of lots; list ranges in numerical order across the page. 5. <input type="checkbox"/> Additional ranges listed on pages ____					
From lot	To lot	From lot	To lot		From lot
1	-	2	-	3	
4	-	5	-	6	
7	-	8	-	9	
10	-	11	-	12	
<b>2. APPLICANT - Complete Section A or B. An agent other than the board of managers cannot be the applicant.</b>					
A. <input type="checkbox"/> Board of managers designated as agent for owners of covered lots for purposes of contesting the assessment.					
Type of designation: <input type="checkbox"/> A by-law <input type="checkbox"/> Individual authorizations.					
◆ If designated by individual authorizations, does the board hold a valid, signed authorization for each owner of covered lots? _____					
◆ Have any unit owners requested that the board not file for their units? _____. If yes, how many? _____					
B. <input type="checkbox"/> Other applicant: <input type="checkbox"/> An owner of one or more condo units. <input type="checkbox"/> A cooperative apartment corporation. <input type="checkbox"/> Other; specify _____					
Name: _____					
Describe location of unit(s) in building and type of occupancy _____					
Approximate floor area of nonresidential space _____ sq.ft., of which ground floor _____, basement _____					
If application is filed after March 1, applicant claims eligibility for review because filing is within 20 calendar days of:					
<input type="checkbox"/> Apportionment notice. <input type="checkbox"/> Notice of increase by the Department of Finance. You must attach a copy of the notice.					
<b>3. REPRESENTATION - Complete this section even if you will represent yourself.</b>					
PHONE NO. _____		FAX NO. _____			
NAME OF INDIVIDUAL OR FIRM TO BE CONTACTED				GROUP #	
GROUP #, IF ANY					
MAILING ADDRESS			EMAIL ADDRESS		
The person listed is: <input type="checkbox"/> The applicant <input type="checkbox"/> An attorney <input type="checkbox"/> Other representative <input type="checkbox"/> Employee or officer of owner legal entity named in Pt. 2B					
<b>4. ATTACHMENTS - List all schedules and documents attached. Number the pages.</b>					
If the applicant is the board of managers of the condominium or a cooperative apartment corporation, submit Form TC203. See instructions for Form TC109 as to necessary income schedules and attachments. You may also attach a statement of facts or other documents or submit them at your hearing.					
Last page number _____					
<b>5. HEARING REQUEST - Check only one box.</b>					
<input type="checkbox"/> Review on papers submitted without a personal hearing <input type="checkbox"/> Personal hearing					
Personal hearings for class two and four condominiums are conducted in the Tax Commission's main office.					
				TC109	
				DATE RECEIVED	

Signer's initials \_\_\_\_\_ You must initial this page if you do not use a two-sided application form.

**6. CLAIMS OF UNEQUAL OR EXCESSIVE ASSESSMENT**

Applicant objects to the assessment on the grounds that it is (a) unequal or (b) excessive because the assessment exceeds the full value of the property or statutory limits on increases, as follows:

	Condominium as a whole	Units covered by application
a. Tentative actual assessment	\$ _____	\$ _____
b. Applicant's estimate of market value	\$ _____	\$ _____
c. Requested assessment = line b x 45% assessment ratio	\$ _____	\$ _____
d. Number of tax lots	_____	_____

The applicant reserves the right to allege an assessment ratio lower than 45% and seek a lower assessment in a proceeding for judicial review. Do not use this form to claim unlawful assessment, misclassification, or full or partial exemption; use Form TC106 with TC200.

**7. PROPERTY DESCRIPTION - Describe the entire condominium.**

NUMBER OF BUILDINGS _____	NUMBER OF STORIES ABOVE GRADE _____	YEAR OF CONSTRUCTION _____
USES (residential, office, retail, hotel, loft, factory, warehouse, storage, garage, theater, etc.): _____		Lot Numbers _____
FLOORS 3 - _____	_____	_____
SECOND FLOOR _____	_____	_____
<b>FIRST FLOOR</b> _____	_____	_____
BASEMENTS _____	_____	_____
OUTDOOR SPACE (e.g. cell tower/telecom equipment, signage, generators) _____		

- ◆ Is any part of the condominium used for vehicle parking? \_\_\_\_\_ If yes, number of: indoor spaces \_\_\_\_\_; outdoor spaces \_\_\_\_\_.
- ◆ Is any part of the condominium used for other nonresidential purposes? \_\_\_\_\_ If yes, number of retail units \_\_\_\_\_.
- ◆ Has any construction or major alteration work been done during the past two years? \_\_\_\_\_ If yes, submit Form TC200.

**8. APPROXIMATE GROSS FLOOR AREA AS OF JANUARY 5, 2018.**

Floor	All uses (above grade)	Retail	Garage	Offices
FLOOR 3 - _____	sq.ft. _____	sq.ft. _____	sq.ft. _____	sq.ft. _____
SECOND FLOOR	sq.ft. _____	sq.ft. _____	sq.ft. _____	sq.ft. _____
FIRST FLOOR	sq.ft. _____	sq.ft. _____	sq.ft. _____	sq.ft. _____
BASEMENTS	_____	sq.ft. _____	sq.ft. _____	sq.ft. _____
TOTAL AREA	sq.ft. _____	sq.ft. _____	sq.ft. _____	sq.ft. _____

**9. OATH**

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 name of person signing \_\_\_\_\_ **AND** check one of boxes **i-vii** below:

**Signer is:**

- i.  The Applicant named in Part 2.
- ii.  Officer of corporate Applicant, or Board of Managers, named in Part 2. Signer's Title \_\_\_\_\_
- 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. Signer's Title \_\_\_\_\_
- v.  An attorney, employee, property manager or other agent for the Applicant named in Part 2. **(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. Specify 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.**

Signed: \_\_\_\_\_ Date \_\_\_\_\_

The signer must appear and acknowledge the signature before a notary.

Sworn to before me:

Signature of person administering oath \_\_\_\_\_

County \_\_\_\_\_ State \_\_\_\_\_ Date \_\_\_\_\_

