



**TAX COMMISSION OF THE CITY OF NEW YORK**  
**1 Centre Street, Room 936, New York, NY 10007**

**TC109INS**  
**2009**

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

**FORM TC109 INSTRUCTIONS FOR 2009**

**Who should use this form?** Use this form to apply to the Tax Commission for correction of the tentative real property tax assessed valuation set by the Department of Finance for the tax year that will begin July 1, 2009 for any property designated as a tax class two or class four condominium on the assessment roll, including two-unit condominiums and condominiums owned by cooperative apartment corporations or leased to commercial tenants. Use Form TC109 whether the application covers one unit, multiple units or the entire condominium. Use TC108 if the condominium is in tax class one. Use TC109 if you object to valuation alone; if you also have a classification or exemption claim, use Form TC106 with TC200. Use only one type of application form for each parcel.

**Authorization.** A condominium's board of managers may file a single application for all unit owners who have authorized the board to act for them. In some condominiums this authorization is contained in a power-of-attorney or the by-laws to which all owners subscribe when they purchase their units. Inquire about your board's plans to appeal before deciding to file your own application. If you and your board file duplicate applications, both will receive a notice that one of the applications must be withdrawn for either to receive review.

**What other forms and instructions are needed.** Before you start to complete the form, read:

TC600 *How to Appeal a Tentative Assessment.*

TC109 *Supplemental Instructions for Unit Owners.*

Also obtain Form TC10 Receipt.

One or more of the following may also be required as an attachment to the application:

- TC200 Addendum to Application for Correction.
- TC201 Income and Expense Schedule for Rent Producing Property
- TC203 Income and Expense Schedule for Cooperatives and Condominiums
- TC208 Income and Expense Schedule for a Hotel
- TC214 Income and Expense Schedule for Stores, Theaters, and Parking Sites (where applicant or a related person operates the business).

- TC230 Sale Statement (for properties recently bought, sold or transferred). If a unit has been transferred after January 5, 2007, the unit owner applicant must report the transfer on TC230.
- TC244 Agent's Statement of Authority and Knowledge (for applications signed by an agent).
- TC309 Accountant's Certification (attachment to Form TC201 for properties assessed at \$1,000,000 or more).

**When and where to file.** We must receive your application by 5:00 p.m. on March 2, 2009. When March 1 falls on Saturday or Sunday, applications filed by the following Monday are timely. The City Charter sets this deadline; the filing deadline cannot be waived or extended for any reason. Late applications will not be reviewed. You should bring the completed application forms to the Tax Commission's office in Manhattan or a Finance Department Business Center in your borough by the deadline. Use the Tax Commission receipt (Form TC10) as proof of timely filing.

File an original and keep one copy for your records and to use at your hearing.

If you mail your application, send it to the Tax Commission's main office in Manhattan at least ten days before March 2 and enclose a self-addressed, stamped Tax Commission receipt (Form TC10). Mailing does not ensure timely filing. A returned receipt from the post office or an express company is not sufficient proof. Applications may not be filed by fax or e-mail.

**When Form TC200 is required.** Form TC200 must be attached to Form TC109 for a claim that an individual residential or owner-occupied commercial unit is overvalued when that claim stands independent of the correctness of the valuation of the condominium as a whole. For example, a unit's assessed value is claimed to exceed its rental value, as indicated in the rent actually paid to the owner or which the unit would earn if rented, based on open-market rents of comparable units. This claim may be asserted irrespective of the value of the entire condominium because of specific factors affecting a single unit. TC200 is not required for owners of nonresidential units who complete Form TC201, TC208 or TC214.

A cooperative apartment corporation that owns a condominium unit should file Form TC203, and not TC200.

See Form TC200 Instructions for further information.

**When an income and expense schedule for the entire condominium on Form TC203 is required.** An income and expense schedule on Form TC203 must be attached to the Form TC109 application when the applicant is the board of managers or a cooperative apartment corporation.

An income and expense schedule for the entire condominium is not required in the following cases: (a) The condominium began operation after July 1, 2008 or (b) the condominium is exclusively residential and has six or fewer apartments.

**When an income and expense schedule for a condominium unit is required.** Applicants filing Form TC109 must use Form TC201 if the unit produces nonresidential rental income. A cooperative apartment corporation that owns a condominium unit should use Form TC203 to report its operating income and expenses. Use Form TC208 for units operated as hotels and motels. Use Form TC214 for department stores, public parking sites and theatres where the applicant is the business operator or a related person. If part of the property is so used by the applicant and part is rented, attach both Form TC201 and Form TC214.

Owners of one or two residential units which they rent should not file TC201 and should submit a copy of the lease on the unit(s). Owners of three or more residential units which they rent may file TC201 instead of submitting copies of leases on the units.

**List of lots.** A Form TC109 application may cover all of the lots in a condominium if the applicant is the owner of all the lots or is a board of managers with the requisite authorization. A TC109 application may also cover only a single lot or any group of two or more lots.

If the condominium has lots on more than one tax map block, file a separate application for each block number.

Describe the application as one for the "entire condominium" only if all lots are covered. Even if only one lot is omitted it should be described as an application covering a range or ranges of lots.

A range of lots is any number of lots, including a single lot, that are in numerical sequence without gaps, except gaps that exist in the sequence of tax lots listed on the assessment roll. If the application covers two or more ranges, list the first and last lots of each range in numerical order. List the ranges in numerical order across the page; if more space is needed, attach additional sheets that use a similar format.

Provide the condominium number if known. This is a number assigned when the declaration is filed. It appears on the assessment records and tax maps. Do not include lots from more than one condominium in a single application.

**Owners.** Owners are the individuals or entities having legal title to the real property assessed.

**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.

**Part 7 - Major alteration.** A major alteration is any work which increases the enclosed floor area or cubic content of a building, which renovates a building that had been predominately vacant or which changes the use of one or more floors of a building, such as from office to residential or from storage to office; renovation, interior demolition, or tenant installations affecting at least 25% of building area; other work not covered by repair or maintenance expense, including, but not limited to, new installations or replacement of any one of the following systems: HVAC, elevators, electric wiring or plumbing; or replacement of at least one of the exterior faces of the building; or any work which has or is expected to cost an amount that equals or exceeds the tentative total actual assessment under review.

**Part 8 - Floor area.** For over-all building value claims, state approximate gross floor area of the entire condominium, not just your unit, to the best of your knowledge and ability. The measurement should be from exterior wall to exterior wall for each floor. This section is optional for unit-specific claims.

**Completeness.** As a general rule, your application should be complete at the time of filing. Applicants may cure omissions at the hearing by submitting Form TC159 with the required information. If omissions are left uncured at the hearing, review will be denied. However, if a missing item is inconsequential to its determination, the Tax Commission will not deny review.

**Supplemental affidavits.** Use a supplemental affidavit, Form TC159, to provide additional information, to correct any information that is misstated in the application or attachments, or to furnish required information omitted from the application. See Form TC600 and TC159.

**Where to get additional forms and information.** Copies of Tax Commission forms may be obtained at <http://www.nyc.gov/html/taxcomm>, at the Tax Commission's main office and at Finance Business Centers in each borough. Address questions about how your assessment was determined or general questions about real property tax assessments to the Department of Finance at <http://www.nyc.gov/html/dof> or by calling 311. For questions about the application procedure, contact the Tax Commission at [tcinfo@taxcomm.nyc.gov](mailto:tcinfo@taxcomm.nyc.gov) or 311.



APPLICATION ON FORM TC109 FOR 2009

**SUPPLEMENTAL INSTRUCTIONS FOR CONDOMINIUM  
UNIT OWNERS REPRESENTING THEMSELVES**

**Assessment Inequality.** Showing us that assessments of other units in your building are lower, that units with a higher estimated market value by the Department of Finance have a lower assessment, or that your neighbors are assessed at a lower percentage of Finance's estimated market value than you are will not establish your right to a reduction.

Who can take care of neighborhood variations in assessment? It is worth speaking to the borough assessing office of the Department of Finance. Finance 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.

Underassessment of other properties does not establish a grievance since your property may not be paying more than its fair share of taxes. If we were to reduce an assessment below the average for all class two properties in the City, we would not be promoting the goal of uniformity of assessment.

**The criteria for granting your claim for 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, whether or not they have done so. If you both apply, you and your board will receive a notice that one of the applications must be withdrawn for either to receive review. Check with your board before the filing deadline.

We do not review Finance's estimated market value; we review just the assessed value. The ratio of assessment for class two is 45%. We will reduce the assessment if you can show that it is higher than 45% of the current market value of your property, according to the income approach to value.

To prove your claim, it is important to understand the income method of valuation that applies to your property. Under the law, condominium units in class two and four are regarded as rental property

which must be valued primarily by the income method, one of three recognized appraisal methods. The income method of valuation assumes that the real estate market looks to the stream of income the property generates or could reasonably generate on the open market.

Therefore, we do not rely on prices at which condominium units are purchased for owner-occupancy to establish their value for assessment purposes. To calculate value for assessment purposes, net income of the whole building is divided by the appropriate rate of return demanded by the market, according to the formula of "Income divided by Rate = Value". When the Tax Commission reviews your application, your unit's assessment will be offered a reduction if: (a) we determine the entire building's value is less than the value indicated by the total assessed value of the building, or (b) you show that your unit has specific factors affecting its value, such as differences in size, location or amenities.

**How to win a reduction in your assessment.** You have the burden of proof to show that the assessment is too high. You can do that at the hearing with evidence of the open-market rental value as of January 5, 2009 of your building and/or unit. Formal rules of evidence do not apply; any relevant information can be offered orally or in writing and will be considered.

**Evidence of total rental income and expenses for comparable rental buildings is necessary to establish value.** Without proof of income and expenses from comparable rental buildings, we cannot consider offering a reduction in assessment. The 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 owners who rent their unit, in addition, 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 leases.

**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 Department of Finance's 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 Finance to change its allocation formula. We review just the assessment for the year at issue.

**Sources of information.** Consult a local real estate broker, appraiser, property tax advisor or

attorney for information. There are also commercial services that obtain computer tapes of income and expense data from the Department of Finance. The Tax Commission cannot advise you on whom you should rely for information, advice or representation. Information about rental income for some buildings may be available from the Department of Finance or Tax Commission, if the owner filed an income and expense schedule with an application for correction of its assessment.

**Evaluate your own claim.** The first step is to look at your Notice of Value from Finance 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 Department of Finance. Find these two items:

"tentative assessment" and "estimated market value".

Write them on Line 1 and 2 below.

1. Tentative 2009/10 Assessment \_\_\_\_\_

2. Estimated market value. \_\_\_\_\_

You must prove that your unit's value for assessment purposes is less than line 2 to win an appeal of 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 real estate taxes) \_\_\_\_\_

5. Net monthly income (Line 3 minus Line 4) \_\_\_\_\_

6. Annual income (Multiply Line 5 by 12 months in a year) \_\_\_\_\_

7. Multiply Line 6 by 7 \_\_\_\_\_

**X 7**

This formula reflects a reasonable rate of return plus a factor for real estate taxes (8.91% plus 5.37%=14.28%)

8. Line 6 multiplied by 7 = the approximate value of your unit for assessment purposes \_\_\_\_\_

9. Compare the amount on Line 2 with the amount on Line 8

If Line 8 is more than Line 2, an application would not be productive.

If Line 8 is less than Line 2 go to the next step.

10. Multiply Line 8 by 45% \_\_\_\_\_

**X 0.45**

11. Line 10 times 45% = approximately what you claim the correct assessment should be at the 45% tax class two assessment ratio \_\_\_\_\_



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 OF TAX CLASS TWO OR FOUR CONDOMINIUM PROPERTY**

READ THE INSTRUCTIONS BEFORE YOU BEGIN. COMPLETE ALL PARTS OF THE FORM. ANSWER YES OR NO TO QUESTIONS MARKED ♦.

<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	ASSESSMENT YEAR <b>2009/10</b>	YEAR 2009
FULL ADDRESS OF PROPERTY (WITH ZIP CODE)					
NAME OF CONDOMINIUM				CONDOMINIUM NO.	
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	To 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 2, 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 PERSON OR FIRM TO BE CONTACTED				GROUP #, IF ANY	
MAILING ADDRESS					
The person listed is: <input type="checkbox"/> The applicant <input type="checkbox"/> An attorney <input type="checkbox"/> Other representative <input type="checkbox"/> Employee of owner corporation					
<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.					
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">           _____            _____            _____         </div> <div style="width: 35%;">           Last page number _____         </div> </div>					
<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.					
					<b>DATE RECEIVED</b>

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 of the assessment the applicant may commence.

Do not use this form to claim unlawful assessment, misclassification, or error in determining the amount of the 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 _____	_____	_____

- ◆ 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, 2009**

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 or a fiduciary or an agent or an officer of a corporation or a general partner of a partnership or a member or manager of a limited liability company, which legal entity is the applicant or is a general partner or member or manager of the applicant. If an agent signs, attach a notarized power of attorney signed by the applicant and Tax Commission Form TC244, *Agent's Statement of Authority and Knowledge*. If a fiduciary, see Form TC600 for instructions on documentation of authority.

Print name of person signing \_\_\_\_\_ If signing as an officer, general partner or member or manager, specify name of entity and person's title.

Name of entity \_\_\_\_\_ Title \_\_\_\_\_

- Signer or entity is:  The applicant     General partner of partnership applicant     Member or manager of limited liability company applicant  
 Officer of the board of managers.     An attorney or other agent. A notarized power of attorney and Form TC244 must be attached.

If signing as fiduciary and applicant is a corporation, partnership, or LLC entity, specify name of entity and name and title of person for whom you are signing.

Name of entity \_\_\_\_\_ Name and title \_\_\_\_\_

**I, the person whose signature appears below, swear or affirm under penalty of perjury that the statements contained in this application, including attachments, are true to my personal knowledge, and understand that such information is subject to verification.**

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

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

Sworn to before me:

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

