

**SUPERSEDED BY
BUILDINGS BULLETIN 2014-027**



DEPARTMENT OF BUILDINGS

EXECUTIVE OFFICES
60 HUDSON STREET, NEW YORK, N.Y. 10013

RUDOLPH J. RINALDI, Commissioner

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ISSUANCE #389

ADMINISTRATION
POLICY AND PROCEDURE NOTICE #1/93

TO: PPN Distribution
FROM: Mary G. Carr
DATE: January 6, 1993
SUBJECT: Fee Exemption Determination and Acceptable Proof of Fee Exempt Status

Superseded: Administration PPN #8/91, Fee Exemption Determination and Acceptable Proof of Fee Exempt Status.

Purpose: To clarify guidelines and identify acceptable forms of proof for the exemption and deferral of fees charged by the Department of Buildings.

Effective: Immediately

*(new sections in bold)

Section I

Government Owned Property

Property owned by a Federal, State, City or foreign government is exempt from all Department of Buildings fees, except electrical fees for which City Agencies are not exempt. Any one of the following documents shall serve as acceptable proof that property is owned by a Federal, State, City or foreign government. Documentation submitted must be for the current year and must be placed in the folder.

1. The BIS Index Query of Finance information which indicates that the property is owned by the Federal, State, City or foreign government and that the property is 100% tax exempt;
2. A current printout of tax exempt properties prepared by the Department of Finance. The printout must list the property in question as 100% tax exempt;

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3. A current letter from the Department of Finance or a bill, application or printout with a tax exempt stamp or notation on the face that is signed and dated by the assessor in the Department of Finance's Real Property Assessment Bureau. (See Attachments A,B,C,D;)
4. A letter from the State Department indicating exemption by treaty;
5. A letter from the United Nations indicating exemption from the laws of the United States.

Non-Mayoral Agencies are exempt from all Department of Buildings fees except electrical fees and asbestos fees. Attachment E lists all non-mayoral agencies. The only exception is the Housing Authority which is exempt from all fees. Non-mayoral agencies must provide the documentation listed above.

Private for-profit organizations leasing space in government owned buildings, and City agencies leasing space in private for profit buildings are not exempt from any fees charged by the Department of Buildings.

Section II

Not-for-Profit Corporations

Property owned by a not-for-profit corporation and used exclusively, for educational, charitable and/or religious purposes, (as required by Section 26-210 of the New York City Building Code,) is exempt from fees for work permits, renewal permits, equipment use permits and place of assembly permits. These properties cannot be exempt from civil penalties, special fees for acknowledgements, copies of certificates of occupancy, certificates of pending violations, certified copies of licenses, microfilm, the preparation of copies of records, searches, after hour variances, annual illuminated sign permits, MEA acceptance applications and amendments, asbestos, and fees charged by the Bureau of Electrical Control and any special fee which may subsequently amend the code.

Residential buildings, owned by a not-for-profit entity that otherwise qualifies for fee exemption, shall be granted fee exemption status if the not-for-profit presents evidence that the residential tenants require social, religious, educational support services that are provided by the not-for-profit on site.

Any one of the following documents shall serve as acceptable proof that property is owned by a not-for-profit organization. Documentation submitted must be for the current year, or most recent billing period, and must be placed in the job folder:

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1. The BIS Index Query of Finance information which indicates that the property is 100% tax exempt. The total assessed value must be equal to the total exempt value;
2. A current printout of tax exempt properties prepared by the Department of Finance. The printout must list the property in question as fully tax exempt. The total assessed value must be exactly equal to the total exempt value;
3. The applicant presents a current letter from the Department of Finance or a bill, application or printout with a tax exempt stamp or notation on the face, that is signed and dated by the assessor in the Department of Finance's Real Property Assessment Bureau. (See Attachments A,B,C,D;)
4. A current Determination Letter or Exemption Letter issued by the Internal Revenue Service under Section 501(c) of the Internal Revenue Code;
5. A New York State Certificate of Incorporation filed with the Secretary of State listing the corporation as not-for-profit. This certificate must include a statement of the educational, charitable and/or religious purpose of the corporation.

A not for profit organization seeking exemption from periodically billed inspections and permit fees should submit proof of eligibility to the Central Billing Unit of the Department's Revenue Operations Division located at 60 Hudson Street, 14th Floor, New York, NY 10013. Acceptable proof is the same as that listed above in numbers 2, 4 and 5.

Section III

HPD

The following criteria govern the payment of fees by HPD when listed as owner:

1. All special fees (e.g., renewal TCO's) must be paid with no exceptions;
2. Fees for filings and permits are waived entirely if the building is owned by HPD at the time of filing and will be owned by HPD at the time of CO. Buildings held in rem will be considered as fee deferred when owned by HPD for the purpose of this section. At the time of CO issuance, fees for filings and permits will be waived entirely if the building is:

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(a) Owned by EPD.

(b) Owned by a not-for-profit corporation, (pursuant to Section 26-210 of the New York City Building Code and Section II, paragraph 2 of this Policy and Procedure Notice), as long as the building will be used exclusively for charitable, educational or religious purposes.

3. Upon request by HPD, fees for filings and permits will be deferred if the building is owned by HPD at the time of filing and title will pass to the private sector or a not-for-profit, corporation which does not qualify for a waiver. In this event, all outstanding fees must be paid in order to obtain any CO, (i.e. temporary or final).

Fee Deferrals

In cases where the fees will be deferred until the issuance of a CO, the following document is required for the fee deferral.

1. A letter on agency letterhead with an original signature from the agency that currently owns the property stating that the property will be transferred to a private owner prior to CO issuance and asking that fees be deferred until CO issuance.

The fee estimator will note the deferral on the application folder and flag the job as fee deferred in the system. DEAR will enter the contents of the letter in the comments section. Before the CO can be issued the CO clerk must check the application folder and the PWL comments to ensure that all appropriate fees have been paid. If fees are deferred only until permit, the application processor must ensure the appropriate fees are paid.

The fee estimator must print a copy of the Pre-Filing/Fee Data screen (BIS PPF16) and have the applicant verify the information and sign the screen printout. The signed copy of the screen printout and all other relevant documentation should be inserted into the application folder. In addition, the items listed on the computer under "Documents/Plans Received will be expanded to include fee-exempt proof an fee deferral, (FEEX will be the code for fee-exempt and FEDY for fee deferral).

Refunds/Reconsiderations

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If a fee, other than an electrical fee, is paid and subsequent documentation is provided to indicate that the premise should in fact have been exempt, a refund may be applied for within 90 days. The request should be submitted to the Borough/Manager who will process and forward the request the Fiscal Division, Revenue Unit for a determination. For those fees paid to the Bureau of Electrical Control, the applicant must apply to the Bureau of Electrical Control for credit to their account.

Any request for reconsideration of a fee waiver determination must be directed in writing to the Borough Commissioner/Superintendent. The only reconsiderations which will be reviewed will be those involving additional evidence of fee exempt status submitted in lieu of the acceptable forms of proof listed herein.

The Borough Commissioner/Superintendent will review the submission and forward the request, along with a recommendation to the Assistant Commissioner for Borough Operations. The Assistant Commissioner for Borough Operations will review the additional documentation and the recommendation of the Borough Commissioner/Superintendent and will advise the Borough Commissioner/Superintendent of Department's determination.