



Department of Finance

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ANNUAL REPORT

New York City
Payment Plan Programs
Calendar Year 2025

Division of Treasury & Payment Services

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Table of Contents

• Introduction	3
• Summary	4
• Part I: Payment Plans Executed During Calendar Year 2025	6
• Part II: Plans That Were in Effect on December 31 of the Preceding Calendar Year	8
• Part III: Payment Plan Applications That Were Pending or Not Approved	9
• Part IV: Property Payment Plan Taxes, Charges, and Revenue Collected	10
• Part V: Payment Plans That Have Entered into Default (Delinquent)	11
• Part VI: Number of Payment Plans Terminated During the Preceding Calendar Year	12
• Part VII: Number of Renewed Payment Plans	13
• Part VIII: Terminology	14

Introduction

Under Local Law 36 of 2023, the New York City Department of Finance (DOF) is required to report information relating to property tax payment plans to the mayor and speaker of the City Council. Local Law 36 also created a new type of property tax payment plan that reduces the interest rate charged to certain property owners. Additionally, Local Law 45 of 2019 requires DOF to report information relating to the Property Tax and Interest Deferral Program (PT AID). Local Law 82 of 2024 created a new type of PT AID payment plan, the Circuit Breaker Plan, that permits the taxpayer to defer their taxes if they meet specified eligibility requirements. Additional reporting requirements under Administrative Code Section 11-224.1(h-1)(ii) are also addressed in this report.

This report covers calendar year 2025. It includes information about all payment plan types, including standard, reduced interest rate, and PT AID. The source of the data regarding payment plan contracts is DOF's Property Tax System. For data regarding applications for these contracts, the source is DOF's publicly available online SmartFile system.

Summary

The Department of Finance offers payment plans that allow taxpayers to pay delinquent property taxes over time, instead of paying the full amount all at once. There are six types of payment plans available to taxpayers: standard, reduced interest rate, and the four PT AID plans: Low-income Senior (LIS), Fixed-Term Income-Based (FTI), Extenuating Circumstances Income-Based (ECI), and Circuit Breaker payment plans.

The standard payment plan, which has existed for many years, is available to all individuals and businesses who owe property taxes regardless of property value, income, or residency status. In choosing the terms of the payment plan, a property owner can make a down payment as low as zero dollars, choose the length of the plan between one and 10 years, and choose the payment frequency of either monthly installments or quarterly installments.

The Reduced Interest Rate Property Tax Payment Plan is available for owners of single-family homes, condominiums, or other tax class 1 properties with an assessed value of \$250,000 or less. To qualify, the property must have been the primary residence of the owner for at least one year, and the total annual income of all owners may not exceed \$200,000.

The PT AID payment plan is available for owners of single-family homes, condominiums, or other tax class 1 properties. To qualify, the property must have been the primary residence of the owner for at least one year, and for 2025 the total annual income of all owners may not exceed \$107,300¹. This threshold is determined by the limit set by New York State for the Enhanced STAR program.

PT AID payment plans were created by Local Law 45 of 2019. The amount a participant can defer is limited to a maximum of 25% of the equity they have in their property unless it is a condominium unit, in which case the maximum is up to 50% of the equity. There are four payment plan options within PT AID: Low-Income Senior (LIS), Fixed-Term Income-Based (FTI), Extenuating Circumstances Income-Based (ECI), and Circuit Breaker payment plans.

Local Law 36 recognizes that the Department of Finance has confirmed the income for property owners participating in PT AID or receiving the following personal exemptions: Senior Citizen Homeowners' Exemption (SCHE), Disabled Homeowners' Exemption (DHE), and Enhanced STAR (E-STAR). Property owners who receive one of these personal exemptions and who request a payment plan automatically receive the reduced interest rate, as do PT AID participants. These property owners do not need to submit an application if they are enrolled in a standard or PT AID payment plan, are up to date on their payments, and receive the Enhanced STAR credit or exemption, the Senior Citizen Homeowner's Exemption, or the Disabled Homeowners' Exemption.

To highlight the availability of payment plans to assist homeowners with their property tax bills, in 2025, DOF's Outreach Unit held 305 events. This included events with elected officials, community boards, and community-based organizations. The outreach events were especially targeted for New York City council districts with higher homeowner populations. DOF's

¹ In 2026, the threshold will increase to \$110,750.

outreach team provided materials regarding available payment plans.

In June 2025, the Department of Finance held the lien sale, which resulted in a notable uptick in applications for payment plan applications, as the tables below demonstrate. Compared with 2024, there was a 301% increase in applications received in SmartFile and a 717% increase in payment plans executed.

This report will review the standard, reduced interest rate, and PT AID payment plan data, in accordance with the reporting requirement of New York City Administrative Code Section 11-322 and Section 11-224.1.²

² For this report required by New York City Administrative Code Section 11-322, the relevant interest rate section referenced in 11-322(c) for criteria (B) is being interpreted to refer to paragraph (i) of subdivision (e) of New York City Administrative Code Section 11-224.1.

Part I: Payment Plans Executed During Calendar Year 2025

Part I a: Plans Executed

In 2025, the Department of Finance conducted its first lien sale since 2021. Because enrolling in a payment plan provides financial relief as well as an immediate removal from the lien sale, DOF saw an increase in the number of payment plans executed, as compared to previous years. In 2025, the standard plans with Assessed Value of \$250,000 or less was the largest group out of all payment plans, at 74%. Similarly, in 2025, the Low-Income Senior plan was the largest group out of all PT AID payment plans, at 59%. Of note, 2025 was the first full year that the Circuit Breaker plan was offered; interest in the plan was muted.

Year	Borough	PT AID Plans Executed					Reduced Interest Rate Plans Executed	Standard Plans		Total Number of Payment Plans Executed
		Low-Income Senior	Fixed-Term Income-Based	Extenuating Circumstances Income-Based	Circuit Breaker Plan	Total Number of PT AID Plans		Payment Plans Executed with AV \$250K or less	Payment Plans Executed with AV greater than \$250K	
2025	Manhattan	4	2	0	1	7	3	194	306	510
	Bronx	7	5	1	0	13	1	477	220	711
	Brooklyn	28	10	5	2	45	11	1,472	323	1,851
	Queens	30	20	1	2	53	16	1,084	210	1,363
	Staten Island	9	6	0	0	15	9	267	20	311
2025 Totals:		78	43	7	5	133	40	3,494	1,079	4,746

Part I: Payment Plans Executed During Calendar Year 2025 (cont'd)

Part I b: Plans Executed by Plan Type

The Low-Income Senior payment plan allows taxpayers to choose the percentage of their annual property taxes and charges they wish to defer, ranging from 0% (full deferral) to 25%, 50%, or 75%. In contrast, the Fixed-Term Income-Based and Extenuating Circumstances Income-Based plans allow taxpayers to select a percentage of their combined income to be applied towards the payment plan, with options ranging from 2% to 8%. Both approaches aim to provide flexibility and support for taxpayers facing temporary financial difficulties by allowing them to choose a payment plan that best suits their individual circumstances. The Circuit Breaker plan allows a taxpayer to use 10% of their combined income to be applied towards the payment plan.

Year	% of Taxes to Pay	PT AID Plans Executed					
		Low-Income Senior		% of Combined Income toward Plan	Fixed-Term Income-Based	Extenuating Circumstances Income-Based	Circuit Breaker Plan
2025	0%	39		2%	19	7	5
	25%	22		4%	8	0	
	50%	12		6%	4	0	
	75%	5		8%	12	0	
	Total	78		Total	43	7	

Part II: Payment Plans That Were in Effect on December 31 of the Preceding Calendar Year

Queens and Brooklyn together accounted for nearly 69% of all 6,532 active payment plans. The remaining plans were distributed between Manhattan, the Bronx, and Staten Island.

Year	Borough	PT AID Plans in Effect on 12/31/2025					Reduced Interest Rate Plans in Effect on 12/31/2025	Standard Plans in Effect on 12/31/2025		Total Number of Payment Plans in Effect on 12/31/2025
		Low-Income Senior	Fixed-Term Income-Based	Extenuating Circumstances Income-Based	Circuit Breaker Plan	Total Number of PT AID Plans in Effect		Payment Agreements in Effect with AV \$250K or less	Payment Agreements In Effect with AV Greater than \$250K	
2025	Manhattan	12	11	4	1	28	2	262	385	677
	Bronx	20	11	6	0	37	5	616	243	901
	Brooklyn	71	35	14	2	122	22	1,897	418	2,459
	Queens	107	60	18	2	187	40	1,563	263	2,053
	Staten Island	21	25	4	0	50	16	347	29	442
2025 Totals:		231	142	46	5	424	85	4,685	1,338	6,532

Part III: Pending and Not Approved Payment Plan Applications*

With the advent of DOF’s online SmartFile system in mid-2023 and the ability to enforce most eligibility requirements at the point of electronic submission, we saw a reduction in the rate at which payment plan applications were not approved or pending. However, paper application submissions, while declining in overall numbers, continue to not be approved for property ownership issues and income exceeding eligibility requirements.

The most common reasons for not being approved include:

- Application was still pending in reporting year
- Property on application was not a tax class 1 or condominium (PT AID)
- Applicant not listed as the owner of the property on the deed or other legal documentation (PT AID, reduced interest rate)
- Debt against the property exceeds market value (PT AID)
- Property owned by a trust (PT AID, reduced interest rate)
- Applicant’s income exceeds maximum threshold (PT AID, reduced interest rate)

Year	Borough	PT AID		Reduced Interest Rate		Standard Plans Applications		Total Payment Plans	
		Received	Pending and Not Approved	Received	Pending and Not Approved	Received	Pending and Not Approved	Received	Pending and Not Approved
2025	Manhattan	24	20	5	3	543	179	572	202
	Bronx	32	19	4	3	435	132	471	154
	Brooklyn	98	58	42	31	1,261	469	1,401	558
	Queens	94	58	34	19	831	313	959	390
	Staten Island	28	14	13	4	197	73	238	91
2025 Total		276	169	98	60	3,267	1,166	3,641	1,395

* Data only includes applications that were submitted in 2025. It excludes scenarios where an application was submitted in prior years, but the disposition happened in 2025. These data do not include payment plan applications presented in person at one of DOF’s business centers that are pending or not approved.

Part IV: Property Payment Plan Taxes, Charges, and Revenue Collected

The data shows a significant amount of revenue collected through property payment plans. Manhattan was the borough with the highest total property tax payments collected in 2025, at 52% of the total.

Year	Borough	PT AID Plans			Reduced Interest Rate Plans			Standard Plans		
		Total Property Tax Payment Plan Amount	Average Property Tax Payment Plan Amount	Total Property Tax and Charges Collected	Total Property Tax Payment Plan Amount	Average Property Tax Payment Plan Amount	Total Property Tax and Charges Collected	Total Property Tax Payment Plan Amount	Average Property Tax Payment Plan Amount	Total Property Tax and Charges Collected
2025	Manhattan	1,428,824	46,091	1,134,183	160,132	53,377	33,328	334,063,449	408,890	186,261,867
	Bronx	1,083,164	28,504	483,747	120,628	12,063	157,601	86,815,774	85,197	28,783,099
	Brooklyn	4,075,289	29,319	1,422,616	801,338	26,711	860,239	258,881,383	90,931	82,968,849
	Queens	4,752,851	22,210	2,365,410	995,845	20,747	746,390	155,725,382	69,242	55,413,055
	Staten Island	1,263,319	22,163	263,453	437,373	20,827	331,947	19,324,245	45,045	6,184,021
2025 Totals:		12,603,447	26,312	5,669,409	2,515,316	22,458	2,129,505	854,810,233	116,127	359,610,891

Part V: Payment Plans That Have Entered into Default (Delinquent)

We work closely with payment plan participants, particularly those with PT AID plans, if they fall behind on installments to prevent them from going into default. While the default rate for payment plans is relatively low, it is important to identify the factors contributing to defaults and implement strategies to prevent them. Data for Standard and reduced interest rate plans to be provided pending technical review.

Year	Borough	PT AID Plans	
		Defaulted Plans	Defaulted Plans That Were Cured
2025	Manhattan	5	4
	Bronx	5	1
	Brooklyn	23	7
	Queens	30	13
	Staten Island	13	4
2025 Totals:		76	29

Part VI: Number of Payment Plans Paid in Full During the Preceding Calendar Year

The data indicates that most payment plans are terminated due to property sales or full payment of outstanding taxes.

Year	Borough	PT AID Plans	Reduced Interest Rate Plans	Standard Plans
2025	Manhattan	3	1	129
	Bronx	1	2	142
	Brooklyn	18	4	470
	Queens	33	7	329
	Staten Island	7	2	61
2025 Totals:		62	16	1,131

Part VII: Number of Renewed Payment Plans

Analysis:

PT AID and reduced interest rate plans are subject to annual renewal to confirm the participant's continued eligibility. In calendar year 2025, 353 PT AID plans and 61 reduced interest rate plans were renewed.

Part VIII: Terminology

- Defaulted: a property owner has not paid the installment amount associated with their payment plan (in whole or in part) for at least six months
- Executed: processed a signed property tax payment contract
- Payment Plan: an agreement with the Department of Finance to pay property taxes over time
- PT AID: Property Tax and Interest Deferral payment plans
- Renewal: action of agreeing to a payment plan on an annual basis
- Terminated: payment plan agreements that are closed and fully paid
- Not Approved or Pending: payment plan applications that are either denied, pending, abandoned, or withdrawn
- Assessed Value (AV): the dollar amount that the City of New York assigns to a property for the primary purpose of calculating property taxes