



**First American Title Insurance Company of New York
CURRENT DEVELOPMENTS
SPECIAL EDITION**

The New York City Department of Finance's web site advises that new real estate tax rates have been adopted for the period January 1, 2009 – June 30, 2009.

The tax rate set in June 2008 for the current Fiscal Year, covering July 1, 2008 - June 30, 2009, was 15.605% for Class One properties, 12.139% for Class Two properties, 11.698% for Class Three properties, and 9.870% for Class Four properties.

The revised tax rate for the second half of the current fiscal year, covering the period January 1, 2009 - June 30, 2009, is 16.787% for Class One properties, 13.053% for Class Two properties, 12.577% for Class Three properties, and 10.612% for Class Four properties.

Class One generally includes one-to-three family residential real property, small stores and offices with one or two apartments attached, vacant land zoned for residential use, and most condominiums that are not more than three stories. Class Two includes all other real property that is primarily residential, such as cooperative buildings. Class Three includes utility real property. Class Four includes all commercial and industrial real property not within the other three tax classes.

In addition, according to the Department's web site, for properties with an assessed value of \$250,000 or less, real estate taxes will be payable in quarterly installments (within fifteen days of the due date) on July 1, October 1, January 1 and April 1. The previous threshold, at or below which taxes are payable in quarterly installments, and above which taxes are payable semi-annually on July 1 and January 1, was \$80,000. This change also applies to property owned by a cooperative cooperation with a per-unit billable assessed value of \$250,000 or less, determined under Local Law 62 of 2005 by dividing a cooperative corporation's property's assessed value by the number of its residential dwelling units.

Further information is posted on the Department's web site at:

http://www.nyc.gov/html/dof/html/property/property_rates_taxrates.shtml
http://www.nyc.gov/html/dof/html/property/property_bill_duedates.shtml

Michael J. Berey, General Counsel
No. 108. December 23, 2008
mberey@firstam.com