

NEW YORK, YOU'RE BEING SCREWED

HOW?

Right now, our property tax system encourages home owners not to pay their fair share of the tax burden. This means that people who own apartment buildings are paying more than they should.

That sounds fine, until we realize that we, **the renters, are footing the bill with our high rent prices.** Not only that, but our landlords might be getting massive tax cuts for renovations they've never done, or charging us high rent while claiming that our apartment unit is rent stabilized. How does this happen?

THE NYC GOVERNMENT ISN'T DOING ITS JOB.

WHERE ARE THE RECEIPTS?

The New York Times

Tenants Sue Kushner Companies Claiming Rent Rule Violations

Kushner Companies pays out \$88K in Brooklyn rent stabilization lawsuit
The Housing Rights Initiative says tenants are owed more than \$1 million and that the lawsuit will proceed
By Zoe Rosenberg | @zoeroseberg | Oct 6, 2018, 9:50am EST

THE WALL STREET JOURNAL.

New York City Tenants Sue Landlord for Alleged Rent Violations
A group of about 60 apartment residents contends in a lawsuit filed in Manhattan that Stellarac

j-51

Affiliate of Kaled Management agrees to pay tenants of J-51 building \$850K

Harlem landlord Big City Realty cheated rent-stabilized tenants, lawsuit claims
Investigation by pro-tenant group says firm handed out market-rate leases in J-51 buildings, billed for false repairs

By Rich Bockmann | December 07, 2016 01:45PM

EXCLUSIVE: Harlem tenants accuse landlord of illegally hiking up rent in over 20 buildings in class action lawsuit

By KERRY BURKE and LARRY MCCABE | NEW YORK DAILY NEWS | DEC 07, 2016 | 4:00 AM

CALCULATING PROPERTY TAX :

$$\text{TAXABLE VALUE} = \text{MARKET VALUE} \times \text{ASSESSMENT RATE} - \text{EXEMPTIONS}$$

$$\text{PROPERTY TAX} = \text{TAXABLE VALUE} \times \text{TAX RATE} - \text{ABATEMENTS}$$

KEY TERMS

Market Value

Market value is the sellable value of a property. It is commonly found by comparing similar properties to the one being sold.

Property Tax

Properties in New York City are divided into four classes. Property Class determines Level of Assessment and Tax Rate.

Assessed Value

The assessed value of a property is the property value recognized by the city that is used for taxation. Increases in assessed value are limited by Increase Caps.

Level of Assessment

Based on your property tax, you're assigned a level of assessment. Class 1 has an Assessment level of 6%, while all other classes have 45% Assessment level.

Exemption

The City of New York offers tax breaks known as exemptions to seniors, veterans, clergy members, people with disabilities, and others. An exemption reduces your assessed value before your taxes are calculated.

Abatement

An abatement is another tax break that reduces your tax bill after your taxes have been calculated.

RICH OR POOR, NYC DOESN'T CARE

Because tax increases are limited, some property owners get rich without paying their fair share. As property values increase, property taxes may not rise proportionately.

The values of property A and B are increasing by or above 6% every year. Their taxes are rising at a maximum amount of 6% due to NYC's Increase Caps. As Property B's market value rises over 20 years from \$100,00 to \$673,000, more than doubling the worth of Home A, both property owners still pay the same amount in property taxes.

How is that fair?



THE WORLD'S WORST DISAPPEARING ACT:



POOF! Some tax burdens have disappeared! Where did they go? All of those properties in black- those are people paying most of the taxes collected by NYC. And the lightest properties? They're paying less than 45% of what they should be

For more information, visit housingrightsny.org