



DEPARTMENT OF FINANCE

PROPERTY DIVISION

STATEMENT OF ASSESSMENT PROCEDURE - 06/12/09

How Finance Valued Properties When We Did Not Have Income and Expense Information

I. Background

Our mission is to help people pay the right amount on time.

Each year Finance's Property Division estimates the value of every New York City property. Finance values income-producing properties such as office or apartment buildings, based on information provided by owners. Each year, owners are required to file income and expense information by September 1, so that we can value their properties accurately.

II. How we Valued Properties When the Owner Did Not Provide Income and Expense Information.

Finance estimates income and expenses, to value properties. When an owner provides us with information, we verify it and use it to estimate the value of their property. However, if the owner does not provide information, we have to estimate the income and expenses of the property to arrive at a value.

This year, Finance estimated the value of properties for which we did not have information in the following way:

- We use income and expense information from rental properties similar in use, location and physical features, to the property that did not file income and expense information.
- We apply income data to residential apartment buildings, in the same way that we value residential buildings that filed income data.
- We apply income and expense data to commercial buildings, in the same way that we value commercial buildings that filed income and expense data.

How Finance Chooses Comparable Rental Properties

Finance chooses comparables based on property characteristics, which are key indicators of income and expense expectations.

- Use: Should be similar to the property for which we don't have income and expense information. For example, apartment buildings should be compared to other apartment buildings, and not to office buildings.
- Land/Location: Includes geographic proximity, business district, neighborhood and amenities provided in the area, view, and transportation. Building improvements: Includes age, size, construction type, construction quality and condition.
- For residential properties, we may consider governmental regulations and programs (rent restrictions, exemptions and subsidies).

Comparable properties are used to determine value, however, the value of the property that did not file income and expenses may not exactly match the value of the comparables. The value can be a composite of the comparables, or it may be determined that one comparable should be weighted more heavily than others, because key characteristics match more closely. There are also occasions where characteristics are dissimilar and must be adjusted.

How Do I Know if Finance Did Not Receive My Income and Expense Information?

Finance will post a list of the properties, for which our records indicate we did not receive income and expense information, on our website at nyc.gov/finance.

What to Do if You Provided Income and Expense Information Already?

If you did file an Income and Expense Statement, please [Contact Finance](#) or forward a copy to both:

Valuation Policy
Property Division
New York City Department of Finance
66 John Street 12th Floor
New York, New York 10038

and,

John Ravalli
Director, Internal Controls
New York City Department of Finance
One Centre Street, Room 1040
New York, New York 10007

What to Do If You Did Not File Income and Expense Information (RPIE-2007)?

If you did not file income and expense information as required, Finance will give you the opportunity to provide that information now. You can file online at this link:

http://www.nyc.gov/html/dof/html/property/property_info_rpie.shtml

Also, please [Contact Finance](#) or forward a copy to both:

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Property Division
New York City Department of Finance
66 John Street 12th Floor
New York, New York 10038

and,

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Director, Internal Controls
New York City Department of Finance
One Centre Street, Room 1040
New York, New York 10007

Can I Ask the Tax Commission to Review Finance's Assessment?

If you did not provide income and expense information as required, you cannot have a hearing before the New York City Tax Commission this year.