

STATE OF NEW YORK

2390

2025-2026 Regular Sessions

IN ASSEMBLY

January 16, 2025

Introduced by M. of A. GALLAGHER, FORREST -- read once and referred to the Committee on Housing

AN ACT to amend the emergency tenant protection act of nineteen seventy-four, the administrative code of the city of New York and the real property tax law, in relation to reporting rent concessions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative intent and findings. The legislature finds and
2 declares that the use of rental concessions in rent stabilized apart-
3 ments to charge one rent to tenants while reporting another rent to the
4 division of housing and community renewal undermines the purposes of the
5 rent stabilization laws. It is the intent of the legislature to clarify
6 that, for the purposes of the emergency tenant protection act of nine-
7 teen seventy-four or any successor legislation, the amount of rent
8 charged to and paid by the tenant or any initial adjusted monthly rent
9 charged and paid refers to the net effective rent, which sum shall
10 reflect the value of any rental concession. In order to effectuate the
11 meaning and intent of the rent stabilization laws, rents reported to the
12 division should equal the net effective rent paid by a tenant based upon
13 the value of any and all concessions, and in this respect the applica-
14 tion of the law will be facilitated by including rental concessions and
15 their value in annual rent registration statements.

16 § 2. Subdivision f of section 12-a of section 4 of chapter 576 of the
17 laws of 1974, constituting the emergency tenant protection act of 1974,
18 as added by chapter 403 of the laws of 1983, is amended to read as
19 follows:

20 f. An annual statement shall be filed containing the current rent for
21 each unit and such other information contained in subdivision a of this
22 section as shall be required by the division. The owner shall provide
23 each tenant then in occupancy with a copy of that portion of such annual
24 statement as pertains to the tenant's unit. Such annual statement shall

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 also contain information relating to any and all concessions granted for
2 a unit and, in any case where a concession includes a discount on rent
3 paid for a unit by the tenant, the current rent for each unit reported
4 by the owner to the division shall equal the net effective rent for such
5 unit based upon the value of such concession.

6 (1) For the purposes of this subdivision, the term "concession" shall
7 mean any temporary adjustment to a lease intended to induce a tenant to
8 sign or renew such lease, including without limitation a rebate,
9 discount, waiver, license agreement, proration, money payment, or phys-
10 ical good or service or access thereto.

11 (2) For the purposes of this subdivision, the term "net effective
12 rent" shall mean the average monthly rent charged to and paid by a
13 tenant over the duration of a tenant's occupancy of a unit pursuant to
14 an unexpired lease and any related rider or agreement.

15 § 3. Subdivision f of section 26-517 of the administrative code of
16 the city of New York is amended to read as follows:

17 f. An annual statement shall be filed containing the current rent for
18 each unit and such other information contained in subdivision a of this
19 section as shall be required by the division. The owner shall provide
20 each tenant then in occupancy with a copy of that portion of such annual
21 statement as pertains to the tenant's unit. Such annual statement shall
22 also contain information relating to any and all concessions granted for
23 a unit and, in any case where a concession includes a discount on rent
24 paid for a unit by the tenant, the current rent for each unit reported
25 by the owner to the division shall equal the net effective rent for such
26 unit based upon the value of such concession.

27 (1) For the purposes of this subdivision, the term "concession" shall
28 mean any temporary adjustment to a lease intended to induce a tenant to
29 sign or renew such lease, including without limitation a rebate,
30 discount, waiver, license agreement, proration, money payment, or phys-
31 ical good or service or access thereto.

32 (2) For the purposes of this subdivision, the term "net effective
33 rent" shall mean the average monthly rent charged to and paid by a
34 tenant over the duration of a tenant's occupancy of a unit pursuant to
35 an unexpired lease and any related rider or agreement.

36 § 4. Paragraph a of subdivision 1 of section 421-a of the real proper-
37 ty tax law, as amended by chapter 857 of the laws of 1975 and as renum-
38 bered by chapter 110 of the laws of 1977, is amended to read as follows:

39 a. "Adjusted Monthly Rent." The rent payable per month as provided in
40 the first effective lease or occupancy agreement upon initial occupancy
41 of a rental dwelling unit of a multiple dwelling after construction
42 aided by exemption under this section less the cost of providing parking
43 facilities and electricity, gas, cooking fuel and other utilities other
44 than heat and hot water to occupants of such dwelling units, which sum
45 shall reflect the value of any and all concessions as such term is
46 defined by subdivision f of section twelve-a of the emergency tenant
47 protection act of 1974.

48 § 5. This act shall take effect immediately; provided, however, that
49 the amendments to section 26-517 of chapter 4 of title 26 of the admin-
50 istrative code of the city of New York made by section three of this act
51 shall expire on the same date as such law expires and shall not affect
52 the expiration of such law as provided under section 26-520 of such law.