

STATE OF NEW YORK

9867--B

IN SENATE

April 9, 2026

Introduced by Sen. BOTTCHEr -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, in relation to enacting the "teardown tax act"

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "teardown tax act".

3 § 2. The administrative code of the city of New York is amended by
4 adding a new section 28-112.14 to read as follows:

5 § 28-112.14 Dwelling unit removal surcharge on certain residential
6 property. 1. A dwelling unit removal surcharge is hereby imposed prior
7 to the issuance of any new or amended certificate of occupancy for any
8 multiple dwelling converted into a single-family dwelling. Such
9 surcharge shall be fifty thousand dollars for each dwelling unit
10 lawfully existing in the multiple dwelling prior to the conversion,
11 excluding the single dwelling unit authorized following the conversion.

12 2. Prior to any issuance of any new or amended certificate of occupan-
13 cy, the department shall determine whether the surcharge imposed by
14 subdivision one of this section shall be assessed. Where the department
15 determines that such surcharge shall be assessed, the applicant shall
16 pay to the department of finance an amount equal to the surcharge
17 required under subdivision one of this section. No new or amended
18 certificate of occupancy of any dwelling unit subject to such surcharge
19 shall be issued by the department until: (a) the applicant for such
20 permit provides the department with a copy of the receipt of payment
21 issued by the department of finance showing that such surcharge has been
22 paid; and (b) the department of finance provides written notification of
23 such fact to the department.

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

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1 3. The department shall have, in addition to any other functions,
2 powers and duties which have been or may be conferred on it by law, the
3 power to make and promulgate rules to carry out the purposes of this
4 section. Such rules shall include, but not be limited to, procedures
5 for the department to (a) make a determination as to whether a proposed
6 demolition or alteration will result in the conversion of a multiple
7 dwelling into a single-family dwelling and (b) require that the approval
8 of any new or amended certificate of occupancy be conditioned upon the
9 payment of the surcharge if such proposed demolition or alteration would
10 result in such loss.

11 4. All revenues generated by the surcharge shall be transferred to the
12 landmarks preservation commission, established under chapter three of
13 title twenty-five of this code, for the purpose of administering grants
14 under such commission's historic preservation grant program.

15 5. Definitions. For the purposes of this section, the following terms
16 shall have the following meanings:

17 (a) The terms "dwelling unit removal surcharge" or "surcharge" shall
18 mean the dwelling unit removal permit surcharge established under subdi-
19 vision one of this section.

20 (b) The term "dwelling unit" shall have the same meaning as such term
21 is defined by section 27-2004 of this code.

22 § 3. This act shall take effect on the ninetieth day after it shall
23 have become a law. Effective immediately, the addition, amendment and/or
24 repeal of any rule or regulation necessary for the implementation of
25 this act on its effective date are authorized to be made and completed
26 on or before such effective date.