STATE OF NEW YORK

10999--A

IN ASSEMBLY

April 15, 2026

Introduced by M. of A. LEE -- read once and referred to the Committee on Cities -- 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:

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

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

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

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

3. The department shall have, in addition to any other functions, powers and duties which have been or may be conferred on it by law, the power to make and promulgate rules to carry out the purposes of this section. Such rules shall include, but not be limited to, procedures

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

LBD15389-11-6

for the department to (a) make a determination as to whether a proposed demolition or alteration will result in the conversion of a multiple dwelling into a single-family dwelling and (b) require that the approval of any new or amended certificate of occupancy be conditioned upon the payment of the surcharge if such proposed demolition or alteration would result in such loss.

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

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

(a) The terms "dwelling unit removal surcharge" or "surcharge" shall mean the dwelling unit removal permit surcharge established under subdivision one of this section.

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

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