



MYTH vs. FACT

New York City Property Tax Inequity

Myth 1 — The inequities are unproven.

Fact

The New York Court of Appeals held that TENNY plausibly alleged “substantially unequal tax bills” that bear little relationship to fair market value and reinstated the lawsuit.

Source: Tax Equity Now NY LLC v. City of New York (2024).

Myth 2 — The disparities do not disproportionately affect communities of color.

Fact

The Court acknowledged allegations that majority-minority districts are over assessed and pay higher taxes than similarly valued properties in majority-white districts.

Source: NY Court of Appeals Decision (2024).

Myth 3 — The City must use rent-regulated buildings to value luxury co-ops and condos.

Fact

The Court clarified that the City is not required to use regulated rental buildings as comparables for certain high-value co-ops and condos, providing discretion to adopt more accurate valuation methods.

Source: NY Court of Appeals Decision (2024).

Myth 4 — The City cannot fix the system without new State legislation.

Fact

The Court confirmed that New York City administers the assessment practices at issue and has authority under existing law to address inequities. The State likewise argued that responsibility rests with the City.

Source: NY Court of Appeals Decision; NY Attorney General’s Brief (2023).

Myth 5 — Correcting inequities would destabilize City revenue.

Fact

Assessment reform concerns distribution. The overall levy — the total amount of revenue raised — remains a separate policy decision. Revenue neutrality is administratively achievable if policymakers choose to maintain it.