

PROPERTY TAX AND INTEREST DEFERRAL (PT AID) PROGRAM

1. Am I eligible for a PT AID payment plan?

You may be eligible for a PT AID payment plan if:

- You are a New York City resident;
- You own a one-, two-, or three-family home or condominium unit;
- The total combined adjusted gross income of the property's owners is \$86,400 or less; and
- You have fallen behind, or are in danger of falling behind, on your property taxes.

If you are a senior 65 or older, you can apply for a plan that will allow you to determine the percentage of your newly accruing or outstanding property taxes that you will pay under the terms of your payment plan. The payment of taxes and charges may be deferred until a specific date in the future, or deferred indefinitely to be paid by your estate.

If you are not a senior, you might be eligible for the fixed-term income-based payment plan or the extenuating circumstances income-based payment plan. In either case, you will be able to pay no more than eight percent of your income each month or quarter until a specific date in the future or until your financial situation improves.

2. Is there a limit to how much I can defer in property taxes?

Yes. The amount of the deferral in your payment agreement cannot exceed 25% of your property's equity for a tax class 1 (one-, two-, or three-unit residential) property, or 50% of equity for condominiums. Your equity is the value of your home minus any mortgages, liens, and other liabilities.

3. What happens if the amount I defer reaches the deferral cap before the payment plan expires?

Once the cap is reached, you will not be permitted to defer the payment of additional taxes. You may find it helpful to use the estimator available for the low-income senior, fixed-term income-based, and extenuating circumstances payment agreements. This tool allows you to enter information about your property and estimate how much you would pay under the various potential terms of each plan.

A general rule is that the larger percentage you choose, the faster you will reach the deferral cap. For example, if you choose to defer payment of 75% of your charges, you will reach the deferral cap about three times faster than if you choose to defer payment of 25%. The Department of Finance encourages you to defer the smallest amount possible.

4. How do I know which of the three PT AID payment plan options is right for me?

If you are 65 or older, the low-income senior plan is likely your best option. Your taxes and charges will be paid by your estate if and when the property is sold at a future date. Until then, you can remain in your home without worrying about your property being included in the lien sale.

If you are not a senior and you are experiencing financial difficulties that are likely to continue into the foreseeable future, your best option is probably the fixed-term income-based payment plan. This plan will allow you to pay a small percentage of what you owe each month or quarter.

If you are experiencing a temporary loss of income resulting from an extenuating circumstance such as a job loss or death in the family, you may wish to apply for an extenuating circumstances income-based payment plan. Under this plan, you can get caught up on your property taxes over a short period of time, until your financial situation improves.

5. How do I apply for a PT AID payment plan?

You must complete a paper application available at www.nyc.gov/ptaid or at any Department of Finance business center. In your application, you must choose which of the three payment plans you would like to apply for and how much you would like to pay (low-income senior plan, fixed-term income-based plan and extenuating circumstances income-based plan).

We understand that it can be difficult to choose the percentage you would like to defer or pay. You may find it helpful to use the PT AID estimator. This tool allows you to enter information about your property and estimate how much you would pay under the various potential terms of each plan.

6. I think I am eligible for the low-income senior payment plan. How do I choose the percentage of my property taxes to pay?

You may find it helpful to use the estimator available for the low-income senior, fixed-term income-based, and extenuating circumstances payment agreements. The estimators allow you to enter information about your property and estimate how much you would pay under the various potential terms of each plan.

A general rule is that the larger percentage you choose, the faster you will reach the deferral cap. For example, if you choose to defer payment of 75% of your charges, you will reach the deferral cap about three times faster than if you choose to defer payment of 25%. The Department of Finance encourages you to defer payment of the smallest amount possible.

7. I think I am eligible for the low-income senior payment plan. What is the difference between an agreement with a fixed period of time and an agreement without a fixed period of time?

If your agreement is for a fixed period of time, you will pay until that period is over. If your agreement is not for a fixed period, you will pay until you reach the percentage of your property tax payments that you have deferred.

8. How will I know that my payment plan application has been approved?

After we receive your application, we will notify you by mail within 15 days of our determination. This determination will inform you whether your application has been approved or disapproved, or that we need more information to be able to process it.

9. How is a PT AID payment plan different from a standard Department of Finance payment plan?

A standard payment plan does not take into account your income or ability to pay. As a result, your payments are likely to be higher under a standard plan than a PT AID plan. Also, the standard plan does not allow seniors to defer their property tax payments to be paid by the estate at a future date.

10. What will happen if I miss a payment?

If you miss a payment in whole or in part for six months from the date the payment is required to be paid, you will be in default of your agreement with the Department of Finance.

11. Is there a renewal process?

The payment plan will terminate unless you file a renewal application each year.