



Real Property Income & Expense (RPIE) Filing information

The Administrative Code of the City of New York requires owners of designated income-producing properties to file annual income and expense statements with the Department of Finance ("Finance"). The annual filing of income and expense statements is necessary to improve the accuracy of assessments of income-producing properties and ultimately to achieve fairness in the assessment process.

Who is Required to File an RPIE?

Owners of income-producing properties that have actual assessed values greater than \$40,000 are required to file annual RPIE forms. The RPIE-2013 filing deadline is **June 2, 2014** and covers the calendar year reporting period from January 1, 2013 to December 31, 2013 or if records are maintained on a fiscal year basis the last fiscal year concluded as of May 1, 2014. Refer to the "Total Actual AV" shown on Finance's 2014-2015 Final Assessment Roll available at nycprop.nyc.gov to find your property's actual assessed value. You will find detailed instructions and requirements on the RPIE form available at nyc.gov/rpie.

The following major categories of properties are generally required to file:

- **Rental Properties:** These are properties, other than cooperatives, where the occupants pay rent. This category includes rental apartment buildings and commercial properties with one or more tenants.
- **Cooperatives:** These are properties that are owned by a corporation, where the shareholders of the corporation have a proprietary right to occupy an apartment or other space in the building. These buildings contain over 2,500 square feet of commercial space, not including any garage. Additionally, an RPIE is required for unsold sponsor units if 10% or more of the units remain unsold.
- **Condominiums:** These are multi-unit properties where the units are individually owned. Owners of condominium buildings do not file an RPIE form for the residential units that are individually owned. Owners of income-producing commercial condominium buildings or rented commercial and/or professional space in residential condominium buildings, are required to file. Owners of a residential condominium building or development are required to file if 10% or more of the units remain unsold.
- **Business-Operating Properties:** An RPIE form is required for the following businesses:
 - Hotels and motels;
 - Parking garages and parking lots;
 - Department stores with 10,000 or more square feet of floor area;
 - Power plants providing electricity for sale; and
 - Theaters and cinemas.
- **Net-leased Properties:** Entire properties that are leased by the owner to an entity that pays the taxes and operating expenses.

- **Owners of certain Utility Property and Equipment** - Owners of utility property and equipment are required to file a base inventory, an annual inventory update statement, and an annual income and expense statement. This inventory includes equipment such as power plants, boilers, generators and telecommunication lines that are defined and assessed as real property under the Real Property Tax Law. The required annual inventory report and the annual income and expense statement provides information that Finance needs to accurately assess the property.

Who Is Required to File a Claim of Exclusion?

There are some properties that are legally excluded from having to file the RPIE or claim of exclusion. Property owners who claim an exclusion from the filing requirement must do so by completing section D of the RPIE. It is each property owner's responsibility to determine whether income and expense information is required. The following properties are generally exempt from RPIE income and expense filing requirements:

- Residential cooperative apartment buildings with no more than 2,500 square feet of commercial space (not including the garage space). **Owners claiming this exclusion must still complete the RPIE-2013 (Parts I and IV) to claim and certify this exclusion.** An RPIE must be filed for unsold sponsor units, if 10% or more of the units remain unsold.
- Individual residential condominium unit owners should not file. However, an RPIE must be filed for unsold sponsor units, if 10% or more of the units in the building/development remain unsold. For groups of units held as rentals or for commercial units within a residential condominium development that are individually owned, an income and expense statement or a filing exclusion claim is required.
- Property that is rented exclusively to a person or entity related to the owner, including the following:
 1. Spouse, parents, children and siblings and parents-in-law;
 2. Owner controlled business entities;
 3. Business entities under common control; and
 4. Fiduciaries and the beneficiaries for whom they act.
- Property that is entirely owner-occupied. This exclusion does not apply to owners of department stores of 10,000 square feet or more, hotels or motels (whether occupied in part or their entirety), parking garages or lots, power plants and other utility property, self-storage warehouses, gas stations, car washes or theaters.
- Property owned by a not-for-profit organization or government entity or is otherwise fully exempt from real property taxation and is not rented to any commercial, non-exempt tenants. If the property is rented to a commercial non-exempt tenant, the filing requirement may be satisfied by the tenant or lessee filing an RPIE on behalf of the property.
- Property that is vacant or uninhabitable and has no existing leases. If there are any existing leases, the owner must file the RPIE.
- Vacant, non-income-producing land. This applies to empty lots only.
- Property where the owner has not operated the property and is without knowledge of the income and expenses for the entire year for which an income and expense statement is required.

Who is Not Required to File an RPIE or Claim of Exclusion?

The following properties are not required to file an RPIE or a Claim of Exclusion:

- Properties that have an assessed value of \$40,000 or less.
- Residential properties containing 10 or fewer dwelling units.
- Class 1 or Class 2 properties with 6 or less dwelling units and one retail store.
- Special franchise properties which are utility properties not municipally owned, located in the public right of way and are valued by the Office of Real Property Tax Services of the New York State Department of Taxation and Finance.

Penalties for Late Filing or Failure to File

The law authorizes monetary penalties for late filing and additional penalties for (1) failure to file and (2) failure to file for consecutive years. Income and expense information is needed for tax administration purposes and, therefore, must be received by the deadline. In addition, willful misstatement of facts on an RPIE form is a crime punishable by law.

Owners required to file and who do not submit the income and expense statement by the **June 2, 2014** deadline are subject to a first time penalty of up to 3% of the actual assessed value, with higher penalties for continued non-compliance. Owners required to file a claim of exclusion and who do not submit said exclusion claim by the **June 2, 2014** deadline are subject to a first time penalty of \$100, with higher penalties for continued non-compliance.