

# What NYC's 2026/27 assessment roll signals for the future of property taxation - by Peter Blond



**Peter Blond**

Despite the public outcry and articles suggesting the contrary, it doesn't appear it was anything but business as usual for the 2026/27 NYC assessment roll. In other words, I do not believe the new assessments were impacted by any of the new mayor's plans to tax the rich, etc. The easiest way to demonstrate this as fact is a quick and easy trip down statistics lane. Per the city's own annual report for the 2025/26 tax roll, the city's aggregate market value increased 5.7% year-over-year (from 2024/25 to 2025/26). The new 2026/27 roll indicates the city's aggregate market value increased 5.4%, or slightly less than the prior year-over-year changes pre-Mamdani, under Adams.

Now that we have dispensed with the fiction, let's use more statistical evidence to see if we can guess mayor Mamdani and the City Council's next real estate tax move. In some of my 2025 articles, I reminisced about mayor Bloomberg who once increased real estate tax rates by 18.5% "overnight" to

bridge a financial gap (largely born of 9/11 as opposed to the rapid spending increases of NYC since). Again, let's leave opinion out of it. NYC's annual tab under Bloomberg in 2002/03 was roughly \$44.64 billion. The current 2025/26 budget is \$115.9 billion: nearing a three-fold increase before all the planned new services. In 2002, Bloomberg was reportedly facing an estimated billion-dollar shortfall in 2003 and \$6.4 billion in 2004. Similarly, but reportedly worse per new city comptroller Mark Levine, Mamdani is facing a \$2.2 billion shortfall for 2026 and \$10.4 billion for 2027, or \$12.6 billion total for the two years.

According to the Dept. of Finance's own annual report, the year-over-year change in total taxable assessed value for the city indicates that a healthy 5.6% increase is already baked into the receiver's coffers for 2026/27. That is an additional \$14.6 billion in aggregate taxable assessment. For purposes of the article, we will presume a blended tax rate for the total (taking into consideration the class 1 rate that is significantly higher along with the class 2 residential and class 4 commercial rates that are typically in the 10-12% ranges). In theory, the city - based on 2025/26 tax rates - can collect at least \$2 billion in additional real estate revenue for the 2026/27 fiscal

year.

Based on the crude math above, it would appear that NYC has possibly located its \$2.2 billion shortfall for the upcoming fiscal year. Perhaps the comptroller's analysis includes consideration of the new assessments meaning this newfound money solves nothing. None of this analysis, of course, considers that the announced shortfalls are without any of the mayor's new programs and corresponding costs. With that said, this is an exercise in curiosity along with a potential warning for property owners that may have been lulled into a false sense of real estate tax security based on an assessed value that remained flat or even declined to some extent. For example, if you received your notice of property value in January and found no increase to your assessed value, perhaps you determined action to contest the city's value was unnecessary. Fast forward to November and suddenly you are hit with a tax bill that is potentially 20% higher than the year before despite no increase in value.

If mayor Mamdani elects (okay, pun intended) to raise an additional \$10 billion in fiscal 2026/27, he may have to do so fully on the backs of NYC property owners as nobody can guarantee revenues, much less significantly increased revenues, from the city's other crit-

ical organs, income and sales taxes. According to the city comptroller's office last August, the city's adopted \$115.91 billion budget for FY2026 includes \$35.266 billion in real estate taxes. A \$10 billion increase would be roughly 28%.

I know, maybe you're thinking that sounds crazy until we harken back to 2002, again when Bloomberg requested a 25% increase! The City Council trimmed him back to the 18.5% but that was mostly driven by events like 9/11. Even a 20% increase would prove catastrophic at a time everyone is pushing "affordability" as the main concern of most Americans.

Think of it from the perspective of 1, 2 & 3 family homeowners city-wide along with their cooperative and condominium peers: an immediate 20% or more increase to your tax bill due January 2027 (and retroactive increase for the first half tax bill). This setup, the same as Bloomberg's historic increase, took place late in the calendar year and well after all budgeting with a mere six weeks until the interest and penalties commence for the second half tax bills due January 1st. Don't assume your 2026/27 real estate tax bill will be the same, even if your valuation stagnated.

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