

EXCLUSIVE

BY REUVEN BLAU
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MEET THE "1%" of city property owners.

Ten big-time landlords got half a billion dollars off the assessed value of their properties, the Daily News has learned.

Well-heeled property magnates typically appeal their assessments every year, noting there's no penalty for trying.

"The reps do a great job beating the bushes to file applications," said city Tax Commission President Glenn Newman.

Boston-based Beacon Capital Partners, which owns the News Corp. building at 1211 Avenue of the Americas, was this year's tax-slash champ — winning a whopping \$77.7 million off the assessed value of its monolithic skyscraper, thus saving \$7.5 million in property taxes over five years, city records show.

The owners of the McGraw-Hill building next door came in second with a \$58 million decrease in the property's value — saving building owner CPP Investment Board an estimated \$6 million in property taxes over five years.

It's all perfectly legal under the city's appeal system.

The commission was swamped with a record 52,184 reduction requests this year, the highest number of applications in a decade.

The commission ended up granting 8,675 of those requests — cutting total assessments by \$5.5 billion — which translates to about \$600 million less for city coffers over the next five years.

The top 10 reductions totaled \$473.9 million — saving those landlords \$48 million in taxes over the next five years.

"The city has overreached and overvalued real estate by a significant amount," said lawyer Joel Marcus, who handled many of the leading appeals, including that by the News Corp. building.

Squeaky-wheel commercial landlords had slightly better odds at winning their appeal than homeowners, at 19% compared with 14%.

Next year's assessments will show up in mailboxes after Jan. 15.

Industry experts largely attributed the steady increase in appeals to a still-shaky economy.

The total taxable value of the city's more than 1 million real estate parcels has jumped from \$155 billion in 2011 to \$159 billion in 2012, city budget records show.

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Tower power

How rich landlords save millions on taxes

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