



This Week in State Tax (TWIST)

August 17, 2026



New York City: Trial court halts implementation of pied-à-terre tax; appeals court blocks delay

Late Thursday afternoon, a state appellate court lifted a temporary restraining order issued by a Staten Island judge barring further implementation of New York's new pied-à-terre tax, which is currently expected to be paid starting in January 2027. The flurry of orders originated from a taxpayer suit challenging certain actions taken by the New York City Department of Finance as part of the rollout. The tax, which takes the form of a property tax surcharge, applies to certain high-value homes that are not used as primary residences by the owner. As described in [last week's TWIST on this subject](#), the Department mailed notices in July to approximately 17,000 property owners identified as potentially subject to the surcharge, later extending the documentation deadline for owners contesting applicability to September 18.

A group of taxpayers challenged the notices—as well as the Department's publication of a list of homeowners, addresses, and values of properties that may be subject to the surcharge—alleging Department's actions had caused “mass confusion”. On Monday, August 10, a trial court judge [granted](#) the taxpayers' request for a temporary restraining order barring the Department from maintaining its public list; taking further action related to the mailed notices; or enforcing the September 18 deadline. The judge scheduled a hearing on the matter for August 31. New York City filed a request to appeal, and the appellate court, on August 13, placed a hold on the order pending further action, thus allowing the City to proceed with implementation for now.

Please contact [Alec Schwartz](#) or [Jennifer White](#) with questions about the [New York City pied-à-terre property tax surcharge](#).

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