

## New York State Transfer Tax

### **NEW YORK STATE**

Real Estate Transfer Tax and Mansion Tax

#### **Real Estate Transfer Tax**

See Form TP-584 and Supplemental Schedules

Tax Law, Article 31 and Part 575 of the Official Compilation of Codes, Rules and Regulation of the State of New York

Rate is \$2.00 per each \$500.00 of consideration of fractional part thereof

#### **(Special Rate For Transfers to REITS)**

Tax on deeds, leasehold grants of 49 years or more, options to purchase with use and occupancy, and transfers and acquisitions of controlling interests in entities owning real property.

A deduction for continuing liens is allowed on the transfer of a one, two or three family residence (including a residential condominium unit), and otherwise when consideration is less than \$500,000.

Tax must be paid within 15 days of the date of transfer or interest and penalties will be assessed. Tax is payable by the Transferor but there is Transferee liability.

#### **Additional Tax (“Mansion Tax”)**

New York State Tax Law, Section 1402-a

Rate is 1% of consideration payable by the grantee on the transfer of a one, two or three family house, a condominium unit or a cooperative unit used in whole or in part as a personal residence when the total consideration is \$1,000,000 or more

Tax is imposed on that part of the total consideration which is attributable to residential real property. No continuing lien deduction.

#### **REITS**

The tax imposed on a deed or other instrument or transaction that conveys or transfers real property or an economic interest in an entity owning real property that qualifies as a “real estate investment trust transfer” may be fifty percent of the otherwise applicable rate. See New York State Tax Law, Section 1402 (b) and Form TP-584-REIT of the New York State Department of Taxation and Finance (“Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate for Real Estate Investment Trust Transfers”).



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