

## Suffolk County - Peconic Bay Region Transfer Tax

Chapter 114 of the Laws of 1998 authorized each town in the Peconic Bay Region (East Hampton, Riverhead, Shelter Island, Southampton, and Southold) to establish by local law a transfer tax of 2% of consideration on the conveyance of real property or an interest therein where the consideration exceeds \$500. All revenue from this tax will be deposited in the applicable Town's Community Preservation Fund. Application of the additional transfer tax was approved in each town in referendums on the November 3 election ballot. The tax was effective April 1, 1999, except in the Town of Southold where the tax was effective March 1, 1999. The tax applies to conveyances recorded after the effective date. However, the tax does not apply to conveyances made after the effective date of the applicable Local Law pursuant to a binding written contract entered into prior to the effective date.

1. The tax is payable by the grantee. If, however, the grantee does not pay the tax or is exempt from payment, the grantor must pay the tax. The grantor and the grantee are jointly and severally liable for payment.
2. In the Towns of Shelter Island, East Hampton and Southampton, the first \$250,000 of consideration for improved land is exempt. For unimproved land the first \$100,000 of consideration is exempt.
3. In the Towns of Riverhead and Southold the first \$150,000 of consideration for improved land is exempt. For unimproved land the first \$75,000 of consideration is exempt.
4. The additional transfer tax must be paid to the Suffolk County Clerk at the same time that the State's Real Estate Transfer Tax is paid. A form to accompany payment will be issued by the County Treasurer.
5. The transfer tax will be in effect until December 31, 2010.



*First American Title*<sup>TM</sup>