

August 27, 2007

Industry Bulletin No. 01-2007

Continuation of Mortgage Tax in Yonkers and the County of Fulton

The City of Yonkers will continue to collect a mortgage recording tax through August 31, 2009. The total mortgage tax rate for a mortgage securing a lien on property in the City of Yonkers is still \$1.80 for each \$100.00, and each remaining major fraction thereof, of the principal debt secured by the mortgage.

The County of Fulton will continue to collect a mortgage recording tax through November 30, 2009. The total mortgage tax rate for a mortgage securing a lien on property in the County of Fulton is still \$1.00 for each \$100.00, and each remaining major fraction thereof, of the principal debt secured by the mortgage.

Mortgages Executed By a Fire Company or Voluntary Ambulance Service Exempt from Mortgage Recording Tax

The following applies to mortgages recorded on or after August 15, 2007:

Section 253 of the Tax Law has been amended to provide that the mortgage recording tax will **NOT** be imposed on mortgages executed by fire companies and voluntary ambulance services, as both are defined in section 100 of the General Municipal Law.

To qualify for the mortgage recording tax exemption stated above the fire company claiming the exemption must demonstrate to the recording officer that it is an organization defined in section 100(2) of the General Municipal Law, while the volunteer ambulance service claiming exemption must demonstrate to the recording officer that it is an organization defined in section 100(3) of the General Municipal Law (these sections are attached for your convenience in the taxpayer memo).

To claim this mortgage recording tax exemption, two copies of an affidavit signed by the mortgagor, the mortgagee, or any other person who has knowledge of the facts must be filed at the time the mortgage is presented for recording. The affidavit must describe the mortgage and set forth that basis for claiming the exemption is that the mortgage is being given by a fire company or voluntary ambulance service as defined in section 100(2) or (3) of the General Municipal Law.

Please see attached TSB-M-07(4)R issued by the Office of Tax Policy Analysis Taxpayer Guidance Division where the information for this portion of the underwriting bulletin was obtained.

If you have any questions please, contact us at 631-424-6100.