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Mortgage Tax Changes – Increase in Cortland County, Extension in Genesee County

The New York State Department of Taxation and Finance has today issued a Memorandum (TSB-M-07(6)R) advising that Cortland County will impose a county mortgage recording tax of \$.25 per \$100 effective November 1, 2007, increasing the mortgage tax from \$.75 to the new rate of \$1.00 for each one hundred dollars of principal indebtedness or obligation and each remaining major fraction thereof secured by a mortgage recorded in that County.

The new rate will apply to mortgages recorded on or after the effective date of the increase.

Closers are now to charge the anticipated mortgage recording tax rate at all closings involving mortgages being executed on property in Cortland County. Mortgage tax collected in anticipation of the increased rate will be refunded by Advantage Title if the mortgage in question is recorded prior to November 1, 2007 at the rates now in effect.

Another Memorandum (TSB-M-07(8)R) issued by the Department advises that the county portion of the mortgage recording tax in Genesee County, which is 5.25 per \$100, scheduled to expire on November 1, 2007, has been extended until November 1, 2009. The mortgage tax rate in Genesee County will therefore continue to be \$1.25 for each one hundred dollars of principal obligation and each remaining fraction thereof secured by a mortgage recorded in that County.

An amended Form MT-15 reflecting the mortgage tax rates to be in effect on November 1, 2007 is available as an attachment to this Bulletin.

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