

December 6, 2007

Industry Bulletin No. 06-2007

Columbia County Transfer Tax – Effective December 1, 2007

The County of Columbia has imposed a real estate transfer tax of \$1.00 for each \$500.00 of the consideration, or fractional part thereof, on the transfer of real property or an interest therein in the County of Columbia. Please note that there is an exemption as to the first \$150,000.00 of consideration for the sale of a single family residence. The County of Columbia was authorized to create this tax pursuant to Article 31-A-2 of the New York Tax Law (Sections 1439-a through Section 1439-o). This Article shall expire and be deemed repealed on December 31, 2009.

The Law takes effect on December 1, 2007. A conveyance made on or after December 1, 2007, pursuant to a binding contract executed prior to that date is not subject to the Tax, so long as the date of execution of such contract is confirmed by independent evidence such as the recording of the contract, payment of a deposit or "other facts and circumstances as determined by the Treasurer".

The Columbia County Transfer tax is to be paid to the treasurer or the recording officer acting as the agent of the treasurer at the time the deed or instrument of conveyance is submitted for recording. New York Tax Law Sections 1439-a(9) and (10) define "Treasurer" as the commissioner of finance of the county of Columbia, and "Recording officer" as the county clerk of the county of Columbia.

The Columbia County Supplemental Transfer Tax Return is to be submitted with the payment of Columbia County Transfer Tax. There is a \$5.00 filing fee for the return.

Please note that the New York Tax Law Section 1439-c(2) provides in part that:

"The return, for purposes of the real estate transfer tax imposed pursuant to this article, shall be a photocopy or carbon copy of the real estate transfer tax return required to be filed pursuant to section fourteen hundred nine of this chapter. However, when an apportionment is required to be made pursuant to section fourteen hundred thirty-nine-m of this article, a supplemental form shall also be required to be filed."

However, the Columbia County Clerk has confirmed that the Supplemental form must be submitted for all transfers of real property, or interests therein, in the County of Columbia. A copy of the supplemental form is provided as an attachment to this bulletin.

The grantor is responsible for the payment of the tax. If the grantor fails to pay the tax or is exempt from paying the tax, the grantee must pay the tax.

The exemptions for the Columbia County Transfer Tax are the same as those for the New York State Transfer Tax. If an exemption is being claimed, the box for the specific exemption should be marked on the TP-584 as well as the box in Schedule B, Part II (b) on the Columbia County Supplemental Transfer Tax Return.

If you have any questions, please contact us at 631.424.6100 or 800.285.1551.