

5869

2009-2010 Regular Sessions

I N S E N A T E

June 15, 2009

Introduced by Sen. LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to imposing an additional real estate transfer tax within the county of Essex

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The tax law is amended by adding a new article 31-B-1 to  
2 read as follows:

3 ARTICLE 31-B-1  
4 TAX ON REAL ESTATE TRANSFERS  
5 IN THE COUNTY OF ESSEX

6 SECTION 1448-G. DEFINITIONS.  
7 1448-H. IMPOSITION OF TAX.  
8 1448-I. PAYMENT OF TAX.  
9 1448-J. LIABILITY FOR TAX.  
10 1448-K. EXEMPTIONS.  
11 1448-L. CREDIT.  
12 1448-M. COOPERATIVE HOUSING CORPORATION TRANSFERS.  
13 1448-N. DESIGNATION OF AGENTS.  
14 1448-O. LIABILITY OF RECORDING OFFICER.  
15 1448-P. REFUNDS.  
16 1448-Q. DEPOSIT AND DISPOSITION OF REVENUE.  
17 1448-R. JUDICIAL REVIEW.  
18 1448-S. APPORTIONMENT.  
19 1448-T. MISCELLANEOUS.  
20 1448-U. RETURNS TO BE SECRET.

21 S 1448-G. DEFINITIONS. WHEN USED IN THIS ARTICLE, UNLESS OTHERWISE  
22 EXPRESSLY STATED:

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

LBD09075-03-9

1 1. "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, SOCIETY, ASSOCIATION,  
2 JOINT STOCK COMPANY, CORPORATION, ESTATE, RECEIVER, TRUSTEE, ASSIGNEE,  
3 REFEREE OR ANY OTHER PERSON ACTING IN A FIDUCIARY OR REPRESENTATIVE  
4 CAPACITY, WHETHER APPOINTED BY A COURT OR OTHERWISE, ANY COMBINATION OF  
5 INDIVIDUALS, AND ANY OTHER FORM OF UNINCORPORATED ENTERPRISE OWNED OR  
6 CONDUCTED BY TWO OR MORE PERSONS.

7 2. "CONTROLLING INTEREST" MEANS (A) IN THE CASE OF A CORPORATION,  
8 EITHER FIFTY PERCENT OR MORE OF THE TOTAL COMBINED VOTING POWER OF ALL  
9 CLASSES OF STOCK OF SUCH CORPORATION, OR FIFTY PERCENT OR MORE OF THE  
10 CAPITAL, PROFITS OR BENEFICIAL INTEREST IN SUCH VOTING STOCK OF SUCH  
11 CORPORATION, AND (B) IN THE CASE OF A PARTNERSHIP, ASSOCIATION, TRUST OR  
12 OTHER ENTITY, FIFTY PERCENT OR MORE OF THE CAPITAL, PROFITS OR BENEFI-  
13 CIAL INTEREST IN SUCH PARTNERSHIP, ASSOCIATION, TRUST OR OTHER ENTITY.

14 3. "REAL PROPERTY" MEANS EVERY ESTATE OR RIGHT, LEGAL OR EQUITABLE,  
15 PRESENT OR FUTURE, VESTED OR CONTINGENT, IN LANDS, TENEMENTS OR HEREDI-  
16 TMENTS, INCLUDING BUILDINGS, STRUCTURES AND OTHER IMPROVEMENTS THEREON,  
17 WHICH ARE LOCATED IN WHOLE OR IN PART WITHIN THE COUNTY OF ESSEX. IT  
18 SHALL NOT INCLUDE RIGHTS TO SEPULTURE.

19 4. "CONSIDERATION" MEANS THE PRICE ACTUALLY PAID OR REQUIRED TO BE  
20 PAID FOR THE REAL PROPERTY OR INTEREST THEREIN, INCLUDING PAYMENT FOR AN  
21 OPTION OR CONTRACT TO PURCHASE REAL PROPERTY, WHETHER OR NOT EXPRESSED  
22 IN THE DEED AND WHETHER PAID OR REQUIRED TO BE PAID BY MONEY, PROPERTY,  
23 OR ANY OTHER THING OF VALUE. IT SHALL INCLUDE THE CANCELLATION OR  
24 DISCHARGE OF AN INDEBTEDNESS OR OBLIGATION. IT SHALL ALSO INCLUDE THE  
25 AMOUNT OF ANY MORTGAGE, PURCHASE MONEY MORTGAGE, LIEN OR OTHER ENCUM-  
26 BRANCE, WHETHER OR NOT THE UNDERLYING INDEBTEDNESS IS ASSUMED OR TAKEN  
27 SUBJECT TO.

28 (A) IN THE CASE OF A CREATION OF A LEASEHOLD INTEREST OR THE GRANTING  
29 OF AN OPTION WITH USE AND OCCUPANCY OF REAL PROPERTY, CONSIDERATION  
30 SHALL INCLUDE, BUT NOT BE LIMITED TO, THE VALUE OF THE RENTAL AND OTHER  
31 PAYMENTS ATTRIBUTABLE TO THE USE AND OCCUPANCY OF THE REAL PROPERTY OR  
32 INTEREST THEREIN, THE VALUE OF ANY AMOUNT PAID FOR AN OPTION TO PURCHASE  
33 OR RENEW AND THE VALUE OF RENTAL OR OTHER PAYMENTS ATTRIBUTABLE TO THE  
34 EXERCISE OF ANY OPTION TO RENEW.

35 (B) IN THE CASE OF A CREATION OF A SUBLEASEHOLD INTEREST, CONSIDER-  
36 ATION SHALL INCLUDE, BUT NOT BE LIMITED TO, THE VALUE OF THE SUBLEASE  
37 RENTAL PAYMENTS ATTRIBUTABLE TO THE USE AND OCCUPANCY OF THE REAL PROP-  
38 erty, THE VALUE OF ANY AMOUNT PAID FOR AN OPTION TO RENEW AND THE VALUE  
39 OF RENTAL OR OTHER PAYMENTS ATTRIBUTABLE TO THE EXERCISE OF ANY OPTION  
40 TO RENEW LESS THE VALUE OF THE REMAINING PRIME LEASE RENTAL PAYMENTS  
41 REQUIRED TO BE MADE.

42 (C) IN THE CASE OF A CONTROLLING INTEREST IN ANY ENTITY THAT OWNS REAL  
43 PROPERTY, CONSIDERATION SHALL MEAN THE FAIR MARKET VALUE OF THE REAL  
44 PROPERTY OR INTEREST THEREIN, APPORTIONED BASED ON THE PERCENTAGE OF THE  
45 OWNERSHIP INTEREST TRANSFERRED OR ACQUIRED IN THE ENTITY.

46 (D) IN THE CASE OF AN ASSIGNMENT OR SURRENDER OF A LEASEHOLD INTEREST  
47 OR THE ASSIGNMENT OR SURRENDER OF AN OPTION OR CONTRACT TO PURCHASE REAL  
48 PROPERTY, CONSIDERATION SHALL NOT INCLUDE THE VALUE OF THE REMAINING  
49 RENTAL PAYMENTS REQUIRED TO BE MADE PURSUANT TO THE TERMS OF SUCH LEASE  
50 OR THE AMOUNT TO BE PAID FOR THE REAL PROPERTY PURSUANT TO THE TERMS OF  
51 THE OPTION OR CONTRACT BEING ASSIGNED OR SURRENDERED.

52 (E) IN THE CASE OF (1) THE ORIGINAL CONVEYANCE OF SHARES OF STOCK IN A  
53 COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH THE GRANT OR TRANSFER  
54 OF A PROPRIETARY LEASEHOLD BY THE COOPERATIVE CORPORATION OR COOPERATIVE  
55 PLAN SPONSOR AND (2) THE SUBSEQUENT CONVEYANCE BY THE OWNER THEREOF OF  
56 SUCH STOCK IN A COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH THE

1 GRANT OR TRANSFER OF A PROPRIETARY LEASEHOLD FOR A COOPERATIVE UNIT  
2 OTHER THAN AN INDIVIDUAL RESIDENTIAL UNIT, CONSIDERATION SHALL INCLUDE A  
3 PROPORTIONATE SHARE OF THE UNPAID PRINCIPAL OF ANY MORTGAGE ON THE REAL  
4 PROPERTY OF THE COOPERATIVE HOUSING CORPORATION COMPRISING THE COOPER-  
5 ATIVE DWELLING OR DWELLINGS. SUCH SHARE SHALL BE DETERMINED BY MULTIPLY-  
6 ING THE TOTAL UNPAID PRINCIPAL OF THE MORTGAGE BY A FRACTION, THE NUMER-  
7 ATOR OF WHICH SHALL BE THE NUMBER OF SHARES OF STOCK BEING CONVEYED IN  
8 THE COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH THE GRANT OR  
9 TRANSFER OF A PROPRIETARY LEASEHOLD AND THE DENOMINATOR OF WHICH SHALL  
10 BE THE TOTAL NUMBER OF SHARES OF STOCK IN THE COOPERATIVE HOUSING CORPO-  
11 RATION.

12 5. "CONVEYANCE" MEANS THE TRANSFER OR TRANSFERS OF ANY INTEREST IN  
13 REAL PROPERTY BY ANY METHOD, INCLUDING BUT NOT LIMITED TO, SALE,  
14 EXCHANGE, ASSIGNMENT, SURRENDER, MORTGAGE FORECLOSURE, TRANSFER IN LIEU  
15 OF FORECLOSURE, OPTION, TRUST INDENTURE, TAKING BY EMINENT DOMAIN,  
16 CONVEYANCE UPON LIQUIDATION OR BY A RECEIVER, OR TRANSFER OR ACQUISITION  
17 OF A CONTROLLING INTEREST IN ANY ENTITY WITH AN INTEREST IN REAL PROPER-  
18 TY. TRANSFER OF AN INTEREST IN REAL PROPERTY SHALL INCLUDE THE CREATION  
19 OF A LEASEHOLD OR SUBLEASE ONLY WHERE (A) THE SUM OF THE TERM OF THE  
20 LEASE OR SUBLEASE AND ANY OPTIONS FOR RENEWAL EXCEEDS FORTY-NINE YEARS,  
21 (B) SUBSTANTIAL CAPITAL IMPROVEMENTS ARE OR MAY BE MADE BY OR FOR THE  
22 BENEFIT OF THE LESSEE OR SUBLESSEE, AND (C) THE LEASE OR SUBLEASE IS FOR  
23 SUBSTANTIALLY ALL OF THE PREMISES CONSTITUTING THE REAL PROPERTY.  
24 NOTWITHSTANDING THE FOREGOING, CONVEYANCE OF REAL PROPERTY SHALL NOT  
25 INCLUDE THE CREATION, MODIFICATION, EXTENSION, SPREADING, SEVERANCE,  
26 CONSOLIDATION, ASSIGNMENT, TRANSFER, RELEASE OR SATISFACTION OF A MORT-  
27 GAGE; A MORTGAGE SUBORDINATION AGREEMENT, A MORTGAGE SEVERANCE AGREE-  
28 MENT, AN INSTRUMENT GIVEN TO PERFECT OR CORRECT A RECORDED MORTGAGE; OR  
29 A RELEASE OF LIEN OF TAX PURSUANT TO THIS CHAPTER OR THE INTERNAL REVEN-  
30 UE CODE.

31 6. "INTEREST IN THE REAL PROPERTY" INCLUDES TITLE IN FEE, A LEASEHOLD  
32 INTEREST, A BENEFICIAL INTEREST, AN ENCUMBRANCE, DEVELOPMENT RIGHTS, AIR  
33 SPACE AND AIR RIGHTS, OR ANY OTHER INTEREST WITH THE RIGHT TO USE OR  
34 OCCUPANCY OF REAL PROPERTY OR THE RIGHT TO RECEIVE RENTS, PROFITS OR  
35 OTHER INCOME DERIVED FROM REAL PROPERTY. IT SHALL ALSO INCLUDE AN OPTION  
36 OR CONTRACT TO PURCHASE REAL PROPERTY. IT SHALL NOT INCLUDE A RIGHT OF  
37 FIRST REFUSAL TO PURCHASE REAL PROPERTY.

38 7. "GRANTOR" MEANS THE PERSON MAKING THE CONVEYANCE OF REAL PROPERTY  
39 OR INTEREST THEREIN. WHERE THE CONVEYANCE CONSISTS OF A TRANSFER OR AN  
40 ACQUISITION OF A CONTROLLING INTEREST IN AN ENTITY WITH AN INTEREST IN  
41 REAL PROPERTY, "GRANTOR" MEANS THE ENTITY WITH AN INTEREST IN REAL PROP-  
42 ERTY OR A SHAREHOLDER OR PARTNER TRANSFERRING STOCK OR PARTNERSHIP  
43 INTEREST.

44 8. "GRANTEE" MEANS THE PERSON WHO OBTAINS REAL PROPERTY OR INTEREST  
45 THEREIN AS A RESULT OF A CONVEYANCE.

46 9. "RECORDING OFFICER" MEANS THE COUNTY CLERK OF THE COUNTY OF ESSEX.

47 10. "TREASURER" MEANS THE TREASURER OF THE COUNTY OF ESSEX.

48 S 1448-H. IMPOSITION OF TAX. NOTWITHSTANDING ANY OTHER PROVISIONS OF  
49 LAW TO THE CONTRARY, THE COUNTY OF ESSEX, ACTING THROUGH ITS LOCAL  
50 LEGISLATIVE BODY, IS HEREBY AUTHORIZED AND EMPOWERED TO ADOPT AND AMEND  
51 LOCAL LAWS IMPOSING IN SUCH COUNTY A TAX ON EACH CONVEYANCE OF REAL  
52 PROPERTY OR INTEREST THEREIN WHEN THE CONSIDERATION EXCEEDS FIVE HUNDRED  
53 DOLLARS, AT THE RATE OF ONE DOLLAR FOR EACH FIVE HUNDRED DOLLARS OR  
54 FRACTIONAL PART THEREOF. SUCH LOCAL LAW SHALL APPLY TO ANY CONVEYANCE  
55 OCCURRING ON OR AFTER THE FIRST DAY OF A MONTH TO BE DESIGNATED BY SUCH  
56 LEGISLATIVE BODY, WHICH IS NOT LESS THAN SIXTY DAYS AFTER THE ENACTMENT

1 OF SUCH LOCAL LAWS, BUT SHALL NOT APPLY TO CONVEYANCES MADE ON OR AFTER  
2 SUCH DATE PURSUANT TO BINDING WRITTEN CONTRACTS ENTERED INTO PRIOR TO  
3 SUCH DATE, PROVIDED THAT THE DATE OF EXECUTION OF SUCH CONTRACT IS  
4 CONFIRMED BY INDEPENDENT EVIDENCE SUCH AS THE RECORDING OF THE CONTRACT,  
5 PAYMENT OF A DEPOSIT OR OTHER FACTS AND CIRCUMSTANCES AS DETERMINED BY  
6 THE TREASURER.

7 S 1448-I. PAYMENT OF TAX. 1. THE REAL ESTATE TRANSFER TAX IMPOSED  
8 PURSUANT TO THIS ARTICLE SHALL BE PAID TO THE TREASURER OR THE RECORDING  
9 OFFICER ACTING AS THE AGENT OF THE TREASURER UPON DESIGNATION AS SUCH  
10 AGENT BY THE TREASURER. SUCH TAX SHALL BE PAID AT THE SAME TIME AS THE  
11 REAL ESTATE TRANSFER TAX IMPOSED BY ARTICLE THIRTY-ONE OF THIS CHAPTER  
12 IS REQUIRED TO BE PAID. SUCH TREASURER OR RECORDING OFFICER SHALL  
13 ENDORSE UPON EACH DEED OR INSTRUMENT EFFECTING A CONVEYANCE A RECEIPT  
14 FOR THE AMOUNT OF THE TAX SO PAID.

15 2. A RETURN SHALL BE REQUIRED TO BE FILED WITH SUCH TREASURER OR  
16 RECORDING OFFICER FOR PURPOSES OF THE REAL ESTATE TRANSFER TAX IMPOSED  
17 PURSUANT TO THIS ARTICLE AT THE SAME TIME AS A RETURN IS REQUIRED TO BE  
18 FILED FOR PURPOSES OF THE REAL ESTATE TRANSFER TAX IMPOSED BY ARTICLE  
19 THIRTY-ONE OF THIS CHAPTER. THE RETURN, FOR PURPOSES OF THE REAL ESTATE  
20 TRANSFER TAX IMPOSED PURSUANT TO THIS ARTICLE, SHALL BE A PHOTOCOPY OR  
21 CARBON COPY OF THE REAL ESTATE TRANSFER TAX RETURN REQUIRED TO BE FILED  
22 PURSUANT TO SECTION FOURTEEN HUNDRED NINE OF THIS CHAPTER. HOWEVER, WHEN  
23 AN APPORTIONMENT IS REQUIRED TO BE MADE PURSUANT TO SECTION FOURTEEN  
24 HUNDRED FORTY-EIGHT-S OF THIS ARTICLE, A SUPPLEMENTAL FORM SHALL ALSO BE  
25 REQUIRED TO BE FILED. THE REAL ESTATE TRANSFER TAX RETURNS AND SUPPLE-  
26 MENTAL FORMS REQUIRED TO BE FILED PURSUANT TO THIS SECTION SHALL BE  
27 PRESERVED FOR THREE YEARS AND THEREAFTER UNTIL SUCH TREASURER OR RECORD-  
28 ING OFFICER ORDERS THEM TO BE DESTROYED.

29 3. THE RECORDING OFFICER SHALL NOT RECORD AN INSTRUMENT EFFECTING A  
30 CONVEYANCE UNLESS THE RETURN REQUIRED BY THIS SECTION HAS BEEN FILED AND  
31 THE TAX IMPOSED PURSUANT TO THIS ARTICLE SHALL HAVE BEEN PAID AS  
32 PROVIDED IN THIS SECTION.

33 S 1448-J. LIABILITY FOR TAX. 1. THE REAL ESTATE TRANSFER TAX SHALL BE  
34 PAID BY THE GRANTOR. IF THE GRANTOR HAS FAILED TO PAY THE TAX IMPOSED  
35 PURSUANT TO THIS ARTICLE OR IF THE GRANTOR IS EXEMPT FROM SUCH TAX, THE  
36 GRANTEE SHALL HAVE THE DUTY TO PAY THE TAX. WHERE THE GRANTEE HAS THE  
37 DUTY TO PAY THE TAX BECAUSE THE GRANTOR HAS FAILED TO PAY, SUCH TAX  
38 SHALL BE THE JOINT AND SEVERAL LIABILITY OF THE GRANTOR AND THE GRANTEE.

39 2. FOR THE PURPOSE OF THE PROPER ADMINISTRATION OF THIS ARTICLE AND TO  
40 PREVENT EVASION OF THE TAX HEREBY AUTHORIZED, IT SHALL BE PRESUMED THAT  
41 ALL CONVEYANCES ARE TAXABLE. WHERE THE CONSIDERATION INCLUDES PROPERTY  
42 OTHER THAN MONEY, IT SHALL BE PRESUMED THAT THE CONSIDERATION IS THE  
43 FAIR MARKET VALUE OF THE REAL PROPERTY OR INTEREST THEREIN. THESE  
44 PRESUMPTIONS SHALL PREVAIL UNTIL THE CONTRARY IS PROVEN, AND THE BURDEN  
45 OF PROVING THE CONTRARY SHALL BE ON THE PERSON LIABLE FOR PAYMENT OF THE  
46 TAX.

47 S 1448-K. EXEMPTIONS. 1. THE FOLLOWING SHALL BE EXEMPT FROM PAYMENT OF  
48 THE REAL ESTATE TRANSFER TAX:

49 (A) THE STATE OF NEW YORK, OR ANY OF ITS AGENCIES, INSTRUMENTALITIES,  
50 POLITICAL SUBDIVISIONS, OR PUBLIC CORPORATIONS (INCLUDING A PUBLIC  
51 CORPORATION CREATED PURSUANT TO AGREEMENT OR COMPACT WITH ANOTHER STATE  
52 OR THE DOMINION OF CANADA).

53 (B) THE UNITED NATIONS, THE UNITED STATES OF AMERICA AND ANY OF ITS  
54 AGENCIES AND INSTRUMENTALITIES.

55 THE EXEMPTION OF SUCH GOVERNMENTAL BODIES OR PERSONS SHALL NOT, HOWEV-  
56 ER, RELIEVE A GRANTEE FROM THEM OF LIABILITY FOR THE TAX.

1 2. THE TAX SHALL NOT APPLY TO ANY OF THE FOLLOWING CONVEYANCES:

2 (A) CONVEYANCES TO THE UNITED NATIONS, THE UNITED STATES OF AMERICA,  
3 THE STATE OF NEW YORK, OR ANY OF THEIR INSTRUMENTALITIES, AGENCIES OR  
4 POLITICAL SUBDIVISIONS (OR ANY PUBLIC CORPORATION, INCLUDING A PUBLIC  
5 CORPORATION CREATED PURSUANT TO AGREEMENT OR COMPACT WITH ANOTHER STATE  
6 OR THE DOMINION OF CANADA);

7 (B) CONVEYANCES WHICH ARE OR WERE USED TO SECURE A DEBT OR OTHER OBLI-  
8 GATION;

9 (C) CONVEYANCES WHICH, WITHOUT ADDITIONAL CONSIDERATION, CONFIRM,  
10 CORRECT, MODIFY OR SUPPLEMENT A PRIOR CONVEYANCE;

11 (D) CONVEYANCES OF REAL PROPERTY WITHOUT CONSIDERATION AND OTHERWISE  
12 THAN IN CONNECTION WITH A SALE, INCLUDING CONVEYANCES CONVEYING REALTY  
13 AS BONA FIDE GIFTS;

14 (E) CONVEYANCES GIVEN IN CONNECTION WITH A TAX SALE;

15 (F) CONVEYANCES TO EFFECTUATE A MERE CHANGE OF IDENTITY OR FORM OF  
16 OWNERSHIP OR ORGANIZATION WHERE THERE IS NO CHANGE IN BENEFICIAL OWNER-  
17 SHIP, OTHER THAN CONVEYANCES TO A COOPERATIVE HOUSING CORPORATION OF THE  
18 REAL PROPERTY COMPRISING THE COOPERATIVE DWELLING OR DWELLINGS;

19 (G) CONVEYANCES WHICH CONSIST OF A DEED OF PARTITION;

20 (H) CONVEYANCES GIVEN PURSUANT TO THE FEDERAL BANKRUPTCY ACT;

21 (I) CONVEYANCES OF REAL PROPERTY WHICH CONSIST OF THE EXECUTION OF A  
22 CONTRACT TO SELL REAL PROPERTY WITHOUT THE USE OR OCCUPANCY OF SUCH  
23 PROPERTY OR THE GRANTING OF AN OPTION TO PURCHASE REAL PROPERTY WITHOUT  
24 THE USE OR OCCUPANCY OF SUCH PROPERTY; AND

25 (J) CONVEYANCES OF AN OPTION OR CONTRACT TO PURCHASE REAL PROPERTY  
26 WITH THE USE OR OCCUPANCY OF SUCH PROPERTY WHERE THE CONSIDERATION IS  
27 LESS THAN TWO HUNDRED THOUSAND DOLLARS AND SUCH PROPERTY WAS USED SOLELY  
28 BY THE GRANTOR AS HIS PERSONAL RESIDENCE AND CONSISTS OF A ONE, TWO OR  
29 THREE-FAMILY HOUSE, AN INDIVIDUAL RESIDENTIAL CONDOMINIUM UNIT OR THE  
30 SALE OF STOCK IN A COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH  
31 THE GRANT OR TRANSFER OF A PROPRIETARY LEASEHOLD COVERING AN INDIVIDUAL  
32 RESIDENTIAL COOPERATIVE UNIT.

33 S 1448-L. CREDIT. A GRANTOR SHALL BE ALLOWED A CREDIT AGAINST THE TAX  
34 DUE ON A CONVEYANCE OF REAL PROPERTY TO THE EXTENT TAX WAS PAID BY SUCH  
35 GRANTOR ON A PRIOR CREATION OF A LEASEHOLD OF ALL OR A PORTION OF THE  
36 SAME REAL PROPERTY OR ON THE GRANTING OF AN OPTION OR CONTRACT TO  
37 PURCHASE ALL OR A PORTION OF THE SAME REAL PROPERTY, BY SUCH GRANTOR.  
38 SUCH CREDIT SHALL BE COMPUTED BY MULTIPLYING THE TAX PAID ON THE  
39 CREATION OF THE LEASEHOLD OR ON THE GRANTING OF THE OPTION OR CONTRACT  
40 BY A FRACTION, THE NUMERATOR OF WHICH IS THE VALUE OF THE CONSIDERATION  
41 USED TO COMPUTE SUCH TAX PAID WHICH IS NOT YET DUE TO SUCH GRANTOR ON  
42 THE DATE OF THE SUBSEQUENT CONVEYANCE (AND WHICH SUCH GRANTOR WILL NOT  
43 BE ENTITLED TO RECEIVE AFTER SUCH DATE), AND THE DENOMINATOR OF WHICH IS  
44 THE TOTAL VALUE OF THE CONSIDERATION USED TO COMPUTE SUCH TAX PAID.

45 S 1448-M. COOPERATIVE HOUSING CORPORATION TRANSFERS. 1. NOTWITHSTAND-  
46 ING THE DEFINITION OF "CONTROLLING INTEREST" CONTAINED IN SUBDIVISION  
47 TWO OF SECTION FOURTEEN HUNDRED FORTY-EIGHT-G OF THIS ARTICLE OR  
48 ANYTHING TO THE CONTRARY CONTAINED IN SUBDIVISION FIVE OF SECTION FOUR-  
49 TEEN HUNDRED FORTY-EIGHT-G OF THIS ARTICLE, THE TAX IMPOSED PURSUANT TO  
50 THIS ARTICLE SHALL APPLY TO (A) THE ORIGINAL CONVEYANCE OF SHARES OF  
51 STOCK IN A COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH THE GRANT  
52 OR TRANSFER OF A PROPRIETARY LEASEHOLD BY THE COOPERATIVE CORPORATION OR  
53 COOPERATIVE PLAN SPONSOR, AND (B) THE SUBSEQUENT CONVEYANCE OF SUCH  
54 STOCK IN A COOPERATIVE HOUSING CORPORATION IN CONNECTION WITH THE GRANT  
55 OR TRANSFER OF A PROPRIETARY LEASEHOLD BY THE OWNER THEREOF. WITH  
56 RESPECT TO ANY SUCH SUBSEQUENT CONVEYANCE WHERE THE PROPERTY IS AN INDI-

1 VIDUAL RESIDENTIAL UNIT, THE CONSIDERATION FOR THE INTEREST CONVEYED  
2 SHALL EXCLUDE THE VALUE OF ANY LIENS ON CERTIFICATES OF STOCK OR OTHER  
3 EVIDENCES OF AN OWNERSHIP INTEREST IN AND A PROPRIETARY LEASE FROM A  
4 CORPORATION OR PARTNERSHIP FORMED FOR THE PURPOSE OF COOPERATIVE OWNER-  
5 SHIP OF RESIDENTIAL INTEREST IN REAL ESTATE REMAINING THEREON AT THE  
6 TIME OF CONVEYANCE. IN DETERMINING THE TAX ON A CONVEYANCE DESCRIBED IN  
7 PARAGRAPH (A) OF THIS SUBDIVISION, A CREDIT SHALL BE ALLOWED FOR A  
8 PROPORTIONATE PART OF THE AMOUNT OF ANY TAX PAID UPON THE CONVEYANCE TO  
9 THE COOPERATIVE HOUSING CORPORATION OF THE REAL PROPERTY COMPRISING THE  
10 COOPERATIVE DWELLING OR DWELLINGS TO THE EXTENT THAT SUCH CONVEYANCE  
11 EFFECTUATED A MERE CHANGE OF IDENTITY OR FORM OF OWNERSHIP OF SUCH PROP-  
12 erty AND NOT A CHANGE IN THE BENEFICIAL OWNERSHIP OF SUCH PROPERTY. THE  
13 AMOUNT OF THE CREDIT SHALL BE DETERMINED BY MULTIPLYING THE AMOUNT OF  
14 TAX PAID UPON THE CONVEYANCE TO THE COOPERATIVE HOUSING CORPORATION BY A  
15 PERCENTAGE REPRESENTING THE EXTENT TO WHICH SUCH CONVEYANCE EFFECTUATED  
16 A MERE CHANGE OF IDENTITY OR FORM OF OWNERSHIP AND NOT A CHANGE IN THE  
17 BENEFICIAL OWNERSHIP OF SUCH PROPERTY, AND THEN MULTIPLYING THE RESULT-  
18 ING PRODUCT BY A FRACTION, THE NUMERATOR OF WHICH SHALL BE THE NUMBER OF  
19 SHARES OF STOCK CONVEYED IN A TRANSACTION DESCRIBED IN PARAGRAPH (A) OF  
20 THIS SUBDIVISION AND THE DENOMINATOR OF WHICH SHALL BE THE TOTAL NUMBER  
21 OF SHARES OF STOCK OF THE COOPERATIVE HOUSING CORPORATION (INCLUDING ANY  
22 STOCK HELD BY THE CORPORATION). IN NO EVENT, HOWEVER, SHALL SUCH CREDIT  
23 REDUCE THE TAX, ON A CONVEYANCE DESCRIBED IN PARAGRAPH (A) OF THIS  
24 SUBDIVISION, BELOW ZERO, NOR SHALL ANY SUCH CREDIT BE ALLOWED FOR A TAX  
25 PAID MORE THAN TWENTY-FOUR MONTHS PRIOR TO THE DATE ON WHICH OCCURS THE  
26 FIRST IN A SERIES OF CONVEYANCES OF SHARES OF STOCK IN AN OFFERING OF  
27 COOPERATIVE HOUSING CORPORATION SHARES DESCRIBED IN PARAGRAPH (A) OF  
28 THIS SUBDIVISION.

29 2. EVERY COOPERATIVE HOUSING CORPORATION SHALL BE REQUIRED TO FILE AN  
30 INFORMATION RETURN WITH THE TREASURER BY JULY FIFTEENTH OF EACH YEAR  
31 COVERING THE PRECEDING PERIOD OF JANUARY FIRST THROUGH JUNE THIRTIETH  
32 AND BY JANUARY FIFTEENTH OF EACH YEAR COVERING THE PRECEDING PERIOD OF  
33 JULY FIRST THROUGH DECEMBER THIRTY-FIRST. THE RETURN SHALL CONTAIN SUCH  
34 INFORMATION REGARDING THE CONVEYANCE OF SHARES OF STOCK IN THE COOPER-  
35 ATIVE HOUSING CORPORATION AS THE TREASURER MAY DEEM NECESSARY, INCLUD-  
36 ING, BUT NOT LIMITED TO, THE NAMES, ADDRESSES AND EMPLOYEE IDENTIFICA-  
37 TION NUMBERS OR SOCIAL SECURITY NUMBERS OF THE GRANTOR AND THE GRANTEE,  
38 THE NUMBER OF SHARES CONVEYED, THE DATE OF THE CONVEYANCE AND THE  
39 CONSIDERATION PAID FOR SUCH CONVEYANCE.

40 S 1448-N. DESIGNATION OF AGENTS. THE TREASURER IS AUTHORIZED TO DESIG-  
41 NATE THE RECORDING OFFICER TO ACT AS ITS AGENT FOR PURPOSES OF COLLECT-  
42 ING THE TAX AUTHORIZED BY THIS ARTICLE. THE TREASURER SHALL PROVIDE FOR  
43 THE MANNER IN WHICH SUCH PERSON MAY BE DESIGNATED AS ITS AGENT SUBJECT  
44 TO SUCH TERMS AND CONDITIONS AS IT SHALL PRESCRIBE. THE REAL ESTATE  
45 TRANSFER TAX SHALL BE PAID TO SUCH AGENT AS PROVIDED IN SECTION FOURTEEN  
46 HUNDRED FORTY-EIGHT-I OF THIS ARTICLE.

47 S 1448-O. LIABILITY OF RECORDING OFFICER. A RECORDING OFFICER SHALL  
48 NOT BE LIABLE FOR ANY INACCURACY IN THE AMOUNT OF TAX IMPOSED PURSUANT  
49 TO THIS ARTICLE THAT HE OR SHE SHALL COLLECT SO LONG AS HE OR SHE SHALL  
50 COMPUTE AND COLLECT SUCH TAX ON THE AMOUNT OF CONSIDERATION OR THE VALUE  
51 OF THE INTEREST CONVEYED AS SUCH AMOUNTS ARE PROVIDED TO HIM OR HER BY  
52 THE PERSON PAYING THE TAX.

53 S 1448-P. REFUNDS. WHENEVER THE TREASURER SHALL DETERMINE THAT ANY  
54 MONEYS RECEIVED UNDER THE PROVISIONS OF THE LOCAL LAW ENACTED PURSUANT  
55 TO THIS ARTICLE WERE PAID IN ERROR, IT MAY CAUSE SUCH MONEYS TO BE  
56 REFUNDED PURSUANT TO SUCH RULES AND REGULATIONS IT MAY PRESCRIBE,

1 PROVIDED ANY APPLICATION FOR SUCH REFUND IS FILED WITH THE TREASURER  
2 WITHIN TWO YEARS FROM THE DATE THE ERRONEOUS PAYMENT WAS MADE.

3 S 1448-Q. DEPOSIT AND DISPOSITION OF REVENUE. ALL TAXES COLLECTED OR  
4 RECEIVED BY THE TREASURER OR HIS DULY AUTHORIZED AGENT UNDER THE  
5 PROVISIONS OF THE LOCAL LAW ENACTED PURSUANT TO THIS ARTICLE SHALL BE  
6 DEPOSITED IN ACCORDANCE WITH PROVISIONS OF A LOCAL LAW ADOPTED BY THE  
7 LEGISLATIVE BODY OF THE COUNTY OF ESSEX WHICH LOCAL LAW SHALL DESIGNATE  
8 PROPER OFFICERS TO BE RESPONSIBLE FOR DEPOSIT OF REVENUE COLLECTED OR  
9 RECEIVED UNDER THIS ARTICLE. SUCH LOCAL LAW SHALL ALSO PROVIDE THAT ANY  
10 OFFICER DESIGNATED TO COLLECT, RECEIVE, OR DEPOSIT SUCH REVENUE SHALL  
11 MAINTAIN A SYSTEM OF ACCOUNTS SHOWING THE REVENUE COLLECTED OR RECEIVED  
12 FROM THE TAX IMPOSED PURSUANT TO THIS ARTICLE. SUCH LOCAL LAW SHALL ALSO  
13 PROVIDE THAT ALL REVENUE DERIVED FROM THE IMPOSITION OF SUCH TAX SHALL  
14 BE DEPOSITED INTO A SEPARATE ACCOUNT MAINTAINED BY THE COUNTY OF ESSEX  
15 AND THE MONIES THEREIN SHALL BE DISBURSED EXCLUSIVELY FOR ANY AND ALL  
16 COSTS, EXPENSES AND DEBT INCURRED BY SUCH COUNTY FOR THE ESTABLISHMENT  
17 OF THE ESSEX COUNTY PUBLIC SAFETY RADIO COMMUNICATIONS SYSTEM; AND UPON  
18 PAYMENT OF ALL SUCH COSTS, EXPENSES AND DEBT SHALL BE DEPOSITED INTO THE  
19 GENERAL FUND OF THE COUNTY OF ESSEX.

20 S 1448-R. JUDICIAL REVIEW. 1. ANY FINAL DETERMINATION OF THE AMOUNT OF  
21 ANY TAX PAYABLE UNDER SECTION FOURTEEN HUNDRED FORTY-EIGHT-I OF THIS  
22 ARTICLE SHALL BE REVIEWABLE FOR ERROR, ILLEGALITY OR UNCONSTITUTIONALITY  
23 OR ANY OTHER REASON WHATSOEVER BY A PROCEEDING UNDER ARTICLE  
24 SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES IF APPLICATION THERE-  
25 FOR IS MADE TO THE SUPREME COURT WITHIN FOUR MONTHS AFTER THE GIVING OF  
26 THE NOTICE OF SUCH FINAL DETERMINATION, PROVIDED, HOWEVER, THAT ANY SUCH  
27 PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND  
28 RULES SHALL NOT BE INSTITUTED UNLESS (A) THE AMOUNT OF ANY TAX SOUGHT TO  
29 BE REVIEWED, WITH SUCH INTEREST AND PENALTIES THEREON AS MAY BE PROVIDED  
30 FOR BY LOCAL LAW SHALL BE FIRST DEPOSITED AND THERE IS FILED AN UNDER-  
31 TAKING, ISSUED BY A SURETY COMPANY AUTHORIZED TO TRANSACT BUSINESS IN  
32 THIS STATE AND APPROVED BY THE SUPERINTENDENT OF INSURANCE OF THIS STATE  
33 AS TO SOLVENCY AND RESPONSIBILITY, IN SUCH AMOUNT AS A JUSTICE OF THE  
34 SUPREME COURT SHALL APPROVE TO THE EFFECT THAT IF SUCH PROCEEDING BE  
35 DISMISSED OR THE TAX CONFIRMED THE PETITIONER WILL PAY ALL COSTS AND  
36 CHARGES WHICH MAY ACCRUE IN THE PROSECUTION OF SUCH PROCEEDING OR (B) AT  
37 THE OPTION OF THE PETITIONER, SUCH UNDERTAKING MAY BE IN A SUM SUFFI-  
38 CIENT TO COVER THE TAXES, INTEREST AND PENALTIES STATED IN SUCH DETERMI-  
39 NATION, PLUS THE COSTS AND CHARGES WHICH MAY ACCRUE AGAINST IT IN THE  
40 PROSECUTION OF THE PROCEEDING, IN WHICH EVENT THE PETITIONER SHALL NOT  
41 BE REQUIRED TO PAY SUCH TAXES, INTEREST OR PENALTIES AS A CONDITION  
42 PRECEDENT TO THE APPLICATION.

43 2. WHERE ANY TAX IMPOSED HEREUNDER SHALL HAVE BEEN ERRONEOUSLY, ILLE-  
44 GALLY OR UNCONSTITUTIONALLY ASSESSED OR COLLECTED AND APPLICATION FOR  
45 THE REFUND OR REVISION THEREOF DULY MADE TO THE PROPER FISCAL OFFICER OR  
46 OFFICERS, AND SUCH OFFICER OR OFFICERS SHALL HAVE MADE A DETERMINATION  
47 DENYING SUCH REFUND OR REVISION, SUCH DETERMINATION SHALL BE REVIEWABLE  
48 BY A PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW  
49 AND RULES; PROVIDED, HOWEVER, THAT (A) SUCH PROCEEDING IS INSTITUTED  
50 WITHIN FOUR MONTHS AFTER THE GIVING OF THE NOTICE OF SUCH DENIAL, (B) A  
51 FINAL DETERMINATION OF TAX DUE WAS NOT PREVIOUSLY MADE, AND (C) AN  
52 UNDERTAKING IS FILED WITH THE PROPER FISCAL OFFICER OR OFFICERS IN SUCH  
53 AMOUNT AND WITH SUCH SURETIES AS A JUSTICE OF THE SUPREME COURT SHALL  
54 APPROVE TO THE EFFECT THAT IF SUCH PROCEEDING BE DISMISSED OR THE TAX  
55 CONFIRMED, THE PETITIONER WILL PAY ALL COSTS AND CHARGES WHICH MAY  
56 ACCRUE IN THE PROSECUTION OF SUCH PROCEEDING.

1 S 1448-S. APPORTIONMENT. THE LOCAL LAW ADOPTED BY THE LEGISLATIVE BODY  
2 OF THE COUNTY OF ESSEX SHALL PROVIDE FOR A METHOD OF APPORTIONMENT FOR  
3 DETERMINING THE AMOUNT OF TAX DUE WHENEVER THE REAL PROPERTY OR INTEREST  
4 THEREIN IS SITUATED WITHIN AND WITHOUT THE COUNTY OF ESSEX.

5 S 1448-T. MISCELLANEOUS. THE LOCAL LAW ADOPTED BY THE LEGISLATIVE BODY  
6 OF THE COUNTY OF ESSEX MAY CONTAIN SUCH OTHER PROVISIONS AS SUCH LEGIS-  
7 LATIVE BODY DEEMS NECESSARY FOR THE PROPER ADMINISTRATION OF THE TAX  
8 IMPOSED PURSUANT TO THIS ARTICLE, INCLUDING PROVISIONS CONCERNING THE  
9 DETERMINATION OF TAX, THE IMPOSITION OF INTEREST ON UNDERPAYMENTS AND  
10 OVERPAYMENTS AND THE IMPOSITION OF CIVIL PENALTIES. SUCH PROVISIONS  
11 SHALL BE IDENTICAL TO THE CORRESPONDING PROVISIONS OF THE REAL ESTATE  
12 TRANSFER TAX IMPOSED BY ARTICLE THIRTY-ONE OF THIS CHAPTER, SO FAR AS  
13 SUCH PROVISIONS CAN BE MADE APPLICABLE TO THE TAX IMPOSED PURSUANT TO  
14 THIS ARTICLE.

15 S 1448-U. RETURNS TO BE SECRET. 1. EXCEPT IN ACCORDANCE WITH PROPER  
16 JUDICIAL ORDER OR AS OTHERWISE PROVIDED BY LAW, IT SHALL BE UNLAWFUL FOR  
17 THE TREASURER OR ANY OFFICER OR EMPLOYEE OF THE COUNTY OF ESSEX OR ANY  
18 PERSON ENGAGED OR RETAINED BY SUCH COUNTY ON AN INDEPENDENT CONTRACT  
19 BASIS TO DIVULGE OR MAKE KNOWN IN ANY MANNER THE PARTICULARS SET FORTH  
20 OR DISCLOSED IN ANY RETURN REQUIRED UNDER A LOCAL LAW ENACTED PURSUANT  
21 TO THIS ARTICLE. HOWEVER, THAT NOTHING IN THIS SECTION SHALL PROHIBIT  
22 THE RECORDING OFFICER FROM MAKING A NOTATION ON AN INSTRUMENT EFFECTING  
23 A CONVEYANCE INDICATING THE AMOUNT OF TAX PAID. NO RECORDED INSTRUMENT  
24 EFFECTING A CONVEYANCE SHALL BE CONSIDERED A RETURN FOR PURPOSES OF THIS  
25 SECTION.

26 2. THE OFFICERS CHARGED WITH THE CUSTODY OF SUCH RETURNS SHALL NOT BE  
27 REQUIRED TO PRODUCE ANY OF THEM OR EVIDENCE OF ANYTHING CONTAINED IN  
28 THEM IN ANY ACTION OR PROCEEDING IN ANY COURT, EXCEPT ON BEHALF OF THE  
29 COUNTY IN ANY ACTION OR PROCEEDING INVOLVING THE COLLECTION OF A TAX DUE  
30 UNDER A LOCAL LAW ENACTED PURSUANT TO THIS ARTICLE TO WHICH SUCH COUNTY  
31 OR AN OFFICER OR EMPLOYEE OF SUCH COUNTY IS A PARTY OR A CLAIMANT, OR ON  
32 BEHALF OF ANY PARTY TO ANY ACTION OR PROCEEDING UNDER THE PROVISIONS OF  
33 A LOCAL LAW ENACTED PURSUANT TO THIS ARTICLE WHEN THE RETURNS OR FACTS  
34 SHOWN THEREBY ARE DIRECTLY INVOLVED IN SUCH ACTION OR PROCEEDING, IN ANY  
35 OF WHICH EVENTS THE COURT MAY REQUIRE THE PRODUCTION OF, AND MAY ADMIT  
36 IN EVIDENCE, SO MUCH OF SAID RETURNS OR OF THE FACTS SHOWN THEREBY, AS  
37 ARE PERTINENT TO THE ACTION OR PROCEEDING AND NO MORE.

38 3. NOTHING HEREIN SHALL BE CONSTRUED TO PROHIBIT THE DELIVERY TO A  
39 GRANTOR OR GRANTEE OF AN INSTRUMENT EFFECTING A CONVEYANCE OR THE DULY  
40 AUTHORIZED REPRESENTATIVE OF A GRANTOR OR GRANTEE OF A CERTIFIED COPY OF  
41 ANY RETURN FILED IN CONNECTION WITH SUCH INSTRUMENT OR TO PROHIBIT THE  
42 PUBLICATION OF STATISTICS SO CLASSIFIED AS TO PREVENT THE IDENTIFICATION  
43 OF PARTICULAR RETURNS AND THE ITEMS THEREOF, OR THE INSPECTION BY THE  
44 LEGAL REPRESENTATIVES OF SUCH COUNTY OF THE RETURN OF ANY TAXPAYER WHO  
45 SHALL BRING ACTION TO SET ASIDE OR REVIEW THE TAX BASED THEREON.

46 4. ANY OFFICER OR EMPLOYEE OF SUCH COUNTY WHO WILLFULLY VIOLATES THE  
47 PROVISIONS OF THIS SECTION SHALL BE DISMISSED FROM OFFICE AND BE INCAPA-  
48 BLE OF HOLDING ANY PUBLIC OFFICE IN THIS STATE FOR A PERIOD OF FIVE  
49 YEARS THEREAFTER.

50 S 2. This act shall take effect immediately.