

10430

I N A S S E M B L Y

May 27, 2016

Introduced by M. of A. SKOUFIS, ZEBROWSKI -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and the administrative code of the city of New York in relation to real property transfer tax returns of limited liability companies

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

1 Section 1. Subdivision (a) of section 1409 of the tax law, as amended  
2 by chapter 309 of the laws of 1996, is amended to read as follows:  
3 (a) A joint return shall be filed by both the grantor and the grantee  
4 for each conveyance whether or not a tax is due thereon other than a  
5 conveyance of an easement or license to a public utility as defined in  
6 subdivision two of section one hundred eighty-six-a of this chapter or  
7 to a public utility which is a provider of telecommunication services as  
8 defined in subdivision one of section one hundred eighty-six-e of this  
9 chapter, where the consideration is two dollars or less and is clearly  
10 stated as actual consideration in the instrument of conveyance. WHEN THE  
11 GRANTOR OR GRANTEE OF A DEED FOR RESIDENTIAL REAL PROPERTY CONTAINING  
12 ONE- TO FOUR-FAMILY DWELLING UNITS IS A LIMITED LIABILITY COMPANY, THE  
13 JOINT RETURN SHALL NOT BE ACCEPTED FOR FILING UNLESS IT IS ACCOMPANIED  
14 BY A DOCUMENT WHICH IDENTIFIES THE NAMES AND BUSINESS ADDRESSES OF ALL  
15 MEMBERS, MANAGERS, AND ANY OTHER AUTHORIZED PERSONS, IF ANY, OF SUCH  
16 LIMITED LIABILITY COMPANY AND THE NAMES AND BUSINESS ADDRESSES OR, IF  
17 NONE, THE BUSINESS ADDRESSES OF ALL SHAREHOLDERS, DIRECTORS, OFFICERS,  
18 MEMBERS, MANAGERS AND PARTNERS OF ANY LIMITED LIABILITY COMPANY OR OTHER  
19 BUSINESS ENTITY THAT ARE TO BE THE MEMBERS, MANAGERS OR AUTHORIZED  
20 PERSONS, IF ANY, OF SUCH LIMITED LIABILITY COMPANY. THE IDENTIFICATION  
21 OF SUCH NAMES AND ADDRESSES SHALL NOT BE DEEMED AN UNWARRANTED INVASION  
22 OF PERSONAL PRIVACY PURSUANT TO ARTICLE SIX OF THE PUBLIC OFFICERS LAW.  
23 IF ANY SUCH MEMBER, MANAGER OR AUTHORIZED PERSON OF THE LIMITED LIABIL-  
24 ITY COMPANY IS ITSELF A LIMITED LIABILITY COMPANY OR OTHER BUSINESS  
25 ENTITY, THE NAMES AND ADDRESSES OF THE SHAREHOLDERS, DIRECTORS, OFFI-  
26 CERS, MEMBERS, MANAGERS AND PARTNERS OF THE LIMITED LIABILITY COMPANY OR  
27 OTHER BUSINESS ENTITY SHALL ALSO BE DISCLOSED UNTIL FULL DISCLOSURE OF

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

LBD15641-03-6

1 ULTIMATE OWNERSHIP BY NATURAL PERSONS IS ACHIEVED. FOR PURPOSES OF THIS  
2 SUBDIVISION, THE TERMS "MEMBERS", "MANAGERS", "AUTHORIZED PERSON",  
3 "LIMITED LIABILITY COMPANY" AND "OTHER BUSINESS ENTITY" SHALL HAVE THE  
4 SAME MEANING AS THOSE TERMS ARE DEFINED IN SECTION ONE HUNDRED TWO OF  
5 THE LIMITED LIABILITY COMPANY LAW. The return shall be filed with the  
6 recording officer before the instrument effecting the conveyance may be  
7 recorded. However, if the tax is paid to the commissioner pursuant to  
8 section fourteen hundred ten of this article, the return shall be filed  
9 with such commissioner at the time the tax is paid. In that instance, a  
10 receipt evidencing the filing of the return and the payment of tax shall  
11 be filed with the recording officer before the instrument effecting the  
12 conveyance may be recorded. The recording officer shall handle such  
13 receipt in the same manner as a return filed with the recording officer.

14 S 2. Section 11-2105 of the administrative code of the city of New  
15 York is amended by adding a new subdivision h to read as follows:

16 H. WHEN THE GRANTOR OR GRANTEE OF A DEED FOR RESIDENTIAL REAL PROPERTY  
17 CONTAINING ONE- TO FOUR-FAMILY DWELLING UNITS IS A LIMITED LIABILITY  
18 COMPANY, THE JOINT RETURN SHALL NOT BE ACCEPTED FOR FILING UNLESS IT IS  
19 ACCOMPANIED BY A DOCUMENT WHICH IDENTIFIES THE NAMES AND BUSINESS  
20 ADDRESSES OF ALL MEMBERS, MANAGERS, AND ANY OTHER AUTHORIZED PERSONS, IF  
21 ANY, OF SUCH LIMITED LIABILITY COMPANY AND THE NAMES AND BUSINESS  
22 ADDRESSES OR, IF NONE, THE BUSINESS ADDRESSES OF ALL SHAREHOLDERS,  
23 DIRECTORS, OFFICERS, MEMBERS, MANAGERS AND PARTNERS OF ANY LIMITED  
24 LIABILITY COMPANY OR OTHER BUSINESS ENTITY THAT ARE TO BE THE MEMBERS,  
25 MANAGERS OR AUTHORIZED PERSONS, IF ANY, OF SUCH LIMITED LIABILITY COMPA-  
26 NY. THE IDENTIFICATION OF SUCH NAMES AND ADDRESSES SHALL NOT BE DEEMED  
27 AN UNWARRANTED INVASION OF PERSONAL PRIVACY PURSUANT TO ARTICLE SIX OF  
28 THE PUBLIC OFFICERS LAW. IF ANY SUCH MEMBER, MANAGER OR AUTHORIZED  
29 PERSON OF THE LIMITED LIABILITY COMPANY IS ITSELF A LIMITED LIABILITY  
30 COMPANY OR OTHER BUSINESS ENTITY, THE NAMES AND ADDRESSES OF THE SHARE-  
31 HOLDERS, DIRECTORS, OFFICERS, MEMBERS, MANAGERS AND PARTNERS OF THE  
32 LIMITED LIABILITY COMPANY OR OTHER BUSINESS ENTITY SHALL ALSO BE  
33 DISCLOSED UNTIL FULL DISCLOSURE OF ULTIMATE OWNERSHIP BY NATURAL PERSONS  
34 IS ACHIEVED. FOR PURPOSES OF THIS SUBDIVISION, THE TERMS "MEMBERS",  
35 "MANAGERS", "AUTHORIZED PERSON", "LIMITED LIABILITY COMPANY" AND "OTHER  
36 BUSINESS ENTITY" SHALL HAVE THE SAME MEANING AS THOSE TERMS ARE DEFINED  
37 IN SECTION ONE HUNDRED TWO OF THE LIMITED LIABILITY COMPANY LAW.

38 S 3. This act shall take effect immediately.