

STATE OF NEW YORK

3060

2019-2020 Regular Sessions

IN SENATE

February 1, 2019

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

AN ACT to amend the administrative code of the city of New York, in relation to a tax on the transfer of certain real property within two years of the prior transfer of such property

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 11-2101 of the administrative code of the city of
2 New York is amended by adding four new subdivisions 19, 20, 21 and 22 to
3 read as follows:

4 19. "Prior conveyance of the property." The most recent conveyance of
5 the real property, whether conveyed on its own or as part of a larger
6 conveyance.

7 20. "Family member." A person's child, spouse, domestic partner,
8 parent, sibling, grandchild or grandparent, or the child or parent of a
9 person's spouse or domestic partner.

10 21. "Principal place of residence." A person's permanent or primary
11 home that the person occupies for more than a temporary or transitory
12 purpose.

13 22. "New housing." A residential unit or units that did not exist at
14 the time of the prior conveyance of the property to the extent that the
15 property had no residential units at the time of the prior conveyance
16 and at least one residential unit was subsequently added.

17 § 2. The administrative code of the city of New York is amended by
18 adding a new section 11-2120 to read as follows:

19 § 11-2120 Imposition of flip tax. a. In addition to the tax imposed by
20 section 11-2102 of this chapter, there is hereby imposed on each deed,
21 instrument or transaction at the time of the transfer whereby any prop-
22 erties of one to five separate residential units are transferred by a
23 grantor to a grantee, and such transfer is made within two years from

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

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1 the prior conveyance of the property. The tax, which shall be paid by
2 the grantor, shall be at the rate of:

3 (1) fifteen percent when the time since the prior conveyance of the
4 property is less than one year; and

5 (2) ten percent when the time since the prior conveyance of the prop-
6 erty is greater than or equal to one year but less than two years.

7 b. The tax defined in subdivision a of this section shall expire when
8 the time since the prior conveyance of the property is two years.

9 c. All revenues resulting from the imposition of the tax under this
10 section shall be paid into the treasury of the city and shall be credit-
11 ed to and deposited in the general fund of the city.

12 d. (1) The following persons shall be exempt from the payment of the
13 tax imposed by this section:

14 (i) Property owners conveying property to a family member.

15 (ii) Property owners who can demonstrate a financial hardship which
16 justifies a conveyance of property in less than or equal to two years.

17 (2) The following properties shall be exempt from the payment of the
18 tax imposed by this section:

19 (i) Property which was conveyed within one year of the death of the
20 property owner.

21 (ii) Property being sold as new housing.

22 (iii) Property which the consideration or value conveyed, which is
23 otherwise subject to the tax imposed in this section, is less than or
24 equal to the consideration or value of such property conveyed at the
25 time of the prior conveyance of property.

26 (iv) Property which is otherwise exempt from payment of a real proper-
27 ty transfer tax, as defined in this chapter.

28 § 3. This act shall take effect on the ninetieth day after it shall
29 have become a law and shall apply to conveyances occurring on or after
30 such date.