

# STATE OF NEW YORK

342

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. CRUZ, MITAYNES, MAMDANI, GALLAGHER, REYES, SIMON, EPSTEIN, ROSENTHAL, RAGA, WALKER, FORREST -- read once and referred to the Committee on Ways and Means

AN ACT to amend the administrative code of the city of New York, in relation to the imposition of tax on the transfer of certain properties in the city of New York

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

1 Section 1. This act shall be known and may be cited as the "end toxic  
2 home flipping act".

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

5 § 11-2120 Residential real property sold within two years. a. In addi-  
6 tion to the tax imposed by section 11-2102 of this chapter, there is  
7 hereby imposed on each deed, instrument or transaction at the time of  
8 transfer whereby any properties of one to three residential units are  
9 transferred by a grantor to a grantee, and such transfer is made within  
10 two years from the prior conveyance of the property, including but not  
11 limited to transfers which are all cash transactions and transfers of  
12 property which have been rented out during such time period. The tax  
13 which shall be paid by the grantor shall be at the rate of:

14 (1) sixty-five percent of the difference between the current sales  
15 price and the sales price of the prior conveyance when the time since  
16 the prior conveyance of the property is less than one year; and

17 (2) fifty percent of the difference between the current sales price  
18 and the sales price of the prior conveyance when the time since the  
19 prior conveyance of the property is greater than or equal to one year  
20 but less than two years.

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

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

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1 c. (1) The following qualified persons shall be exempt from the  
2 payment of the tax imposed by this section:

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

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

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

8 (i) Property which was conveyed following the death of the property  
9 owner.

10 (ii) Property being sold as new housing.

11 (iii) Property which the consideration or value conveyed, which is  
12 otherwise subject to the tax imposed in this section, is less than or  
13 equal to ten percent more than the consideration or value of such prop-  
14 erty conveyed at the time of the prior conveyance of property.

15 (iv) Property which was conveyed to a mortgagee or an affiliate agent  
16 thereof by a mortgagor by deed in lieu of foreclosure or in satisfaction  
17 of the mortgage debt.

18 (v) Property which was conveyed to a mortgagee or an affiliate agent  
19 thereof pursuant to a foreclosure sale that follows a default in the  
20 satisfaction of an obligation that is secured by a mortgage.

21 (vi) Property which is otherwise exempt from payment of a real prop-  
22 erty transfer tax pursuant to this chapter.

23 § 3. Severability. If any clause, sentence, paragraph, section or part  
24 of this act shall be adjudged by any court of competent jurisdiction to  
25 be invalid, such judgment shall not affect, impair or invalidate the  
26 remainder thereof, but shall be confined in its operation to the clause,  
27 sentence, paragraph, section or part thereof directly involved in the  
28 controversy in which such judgment shall have been rendered.

29 § 4. This act shall take effect on the ninetieth day after it shall  
30 have become a law.