

STATE OF NEW YORK

3625

2025-2026 Regular Sessions

IN ASSEMBLY

January 29, 2025

Introduced by M. of A. DILAN -- 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 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. Short title. This act shall be known and may be cited as
2 the "New York state small home anti-speculation act".

3 § 2. Section 11-2101 of the administrative code of the city of New
4 York is amended by adding six new subdivisions 19, 20, 21, 22, 23 and 24
5 to read as follows:

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

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

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

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

19 23. "Qualified persons." Qualified persons shall not include business
20 trusts, estates, trusts, limited liability companies, limited liability
21 partnerships, limited liability investment companies, associations,
22 joint ventures, business or nonprofit entities, public corporations,
23 government or governmental subdivisions, agencies, instrumentalities, or
24 other legal or commercial entities.

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

LBD07465-01-5

1 24. "Mortgagee." The holder of a mortgage and/or note secured by resi-
2 dential real property, including, as applicable, the original lender
3 under a mortgage, its successors and assigns, and the holders of credit
4 instruments issued under a trust indenture, mortgage or deed of trust
5 pursuant to which such holders act by and through a trustee therein
6 named.

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

9 § 11-2120 Imposition of speculation tax. a. In addition to the tax
10 imposed by section 11-2102 of this chapter, there is hereby imposed on
11 each deed, instrument or transaction at the time of the transfer whereby
12 any properties of one to five separate residential units are transferred
13 by a grantor to a grantee, and such transfer is made within two years
14 from the prior conveyance of the property, including but not limited to
15 transfers which are all cash transactions and transfers of property
16 which have been rented out during such two-year period. The tax, which
17 shall be paid by the grantor, shall be at the rate of:

18 (1) twenty percent when the time since the prior conveyance of the
19 property is less than one year; and

20 (2) fifteen percent when the time since the prior conveyance of the
21 property is greater than or equal to one year but less than two years.

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

24 c. All revenues resulting from the imposition of the tax under this
25 section shall be deposited into a special account by the commissioner of
26 finance. Moneys in such account shall be used by New York state homes
27 and community renewal through the affordable housing corporation and the
28 neighborhood preservation program for affordable housing purposes in
29 cities of one million or more.

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

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

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

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

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

39 (ii) Property being sold as new housing.

40 (iii) Property which the consideration or value conveyed, which is
41 otherwise subject to the tax imposed in this section, is less than or
42 equal to the consideration or value of such property conveyed at the
43 time of the prior conveyance of property.

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

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

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

52 § 4. This act shall take effect on the ninetieth day after it shall
53 have become a law and shall apply to conveyances occurring on or after
54 such date.