

UNDERWRITING BULLETIN

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NY000302

Date: February 27, 2007

To: All New York State Office Counsel, Managers and Agents

From: Harold H. Boxer, vice President and Senior Vice President

Re: Mortgage Tax Exemption in Suffolk County

Enclosed you will find a memo issued by the New York State Land Title Association in response to the alleged disallowance of the first \$10,000.00 mortgage tax exemption in Suffolk County.

References:

Bulletins Replaced:	None
Related Bulletins:	None
Underwriting Manual:	None
Exceptions Manual:	None
Forms:	None
Attachments:	One

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NYSLTANew York State Land Title Association, Inc.
Tradition, Excellence, Knowledge and Vision**Title Insurance:**
Protecting Your Piece of the Planet**MEMO BY BROADCAST FAX**

To: All Members
From: Sharon Sabol
Date: February 22, 2007
Subject: Suffolk County

The Association was just notified by the NYS Department of Taxation and Finance that several counties and title companies have received a copy of a memorandum issued by the County of Suffolk on February 13, 2007, regarding the "residential property exemption on mortgages." Please disregard this memorandum. The memorandum was issued without the knowledge of the NYS Tax Department. In general, questions pertaining to the residential property exclusion on mortgages under section 253.2(a) of the Tax Law should be handled on a case by case basis.

To clarify this matter, as provided by section 253.2(a) of the Tax Law, the exclusion for first \$10,000 of principal debt or obligation applies to mortgages of real property principally improved or to be improved by a one or two family residence. However, such exclusion is applied only **once** to each mortgage. Accordingly, the exclusion would NOT apply to any instrument modifying a previously recorded mortgage which originally secured an indebtedness or obligation of \$10,000 or more.

If you have any questions or need further information, please contact the NYS Department of Taxation and Finance at 518-457-0556.

Thank you.

Total Number of Pages: 1

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