

UNDERWRITING BULLETIN

Stewart Title Insurance Company, 300 East 42nd Street, 10th Floor -New York, New York 10017
(212) 922-0050 – (800) 433-0014 – FAX (212) 983-1133

NY000306

Date: March 28, 2007

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

From: Harold S. Boxer, Vice President and Senior Agency Counsel

**Re: Town of Warwick, Orange County
Transfer Tax**

All conveyances over \$500, made on or after April 1, 2007, in the Town of Warwick, are now subject to a transfer tax of 0.75%. This is in addition to the NYS Transfer Tax (TP-584).

The tax is paid by the grantee. If the grantee is exempt, or does not pay, the grantor must pay.

The first \$100,000.00 of consideration on improved property and the first \$50,000.00 unimproved property is exempt from the tax.

A conveyance made pursuant to a contract executed prior to April 1, 2007 is exempt from the tax. To prove a pre 4/1 contract, independent evidence must be presented. This can include a deposit of the down payment prior to 4/1, recording of the contract prior to 4/1, or other facts as allowed by the County Treasurer.

The exemptions from the tax are listed in Schedule B, Part II of the transfer tax form. To qualify for the exemption, Schedule B Part II must be submitted to the town of Warwick for signature by the Town Attorney or Supervisor.

The transfer tax form must be filed with the County Clerk at the time the TP-584 is filed. The fee for filing is \$5.00. The tax is payable to "Orange County Clerk".

A copy of the form is attached. Additional forms can be downloaded from www.townofwarwick.org.

THIS BULLETIN IS A CONFIDENTIAL COMMUNICATION BETWEEN STEWART AND THE ADDRESSEE. STEWART DOES NOT AUTHORIZE THE DISCLOSURE OF THIS COMMUNICATION TO ANY THIRD PARTIES WITHOUT ITS PRIOR WRITTEN CONSENT.

Questions concerning the tax can be addressed to the Town of Warwick's Supervisor's Office, 845.986.1120.

This tax is similar to the Peconic Bay Tax. It will be used to fund a Community Preservation Fund.

References:

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

Town of Warwick Community Preservation Fund Transfer Tax

Note: Unless exemption is claimed, Page 2 (Schedule B, Part II) need not be completed.

Schedule B (continued)

Part II – Explanation of Exemption Claimed in Part 1, line 5 (check any boxes that apply)

Note: For any transaction claiming exemption, advance approval, evidenced by signature of Town Attorney or Town Supervisor is required or instrument of conveyance will not be accepted for recording by the Orange County Clerk's Office.

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- a. Conveyance is to the United Nations, the United States of America, the State of New York or any of their instrumentalities, agencies or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada)
- b. Conveyance is to secure a debt or other obligation
- c. Conveyance is without additional consideration to confirm, correct, modify or supplement a prior conveyance
- d. Conveyance or real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts
- e. Conveyance is given in connection with a tax sale.....
- f. Conveyance is mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.)
- g. Conveyance consists of deed of partition.....
- h. Conveyance is given pursuant to the federal bankruptcy act.....
- i. Conveyance consists of the execution of a contract to sell real property without the use or occupancy of such property or the granting of an option to purchase real property without the use or occupancy of such property
- j. Conveyance or real property which is subject to restrictions which prohibit the use of the entire property for any purposes except agriculture, recreation or conservation, pursuant to Section 1449-eeee (2) (j) or (k) of Article 31-C of the Tax Law. (See required Town approval, below)
- k. Conveyance of real property for open space, parks, or historic preservation purposes to any not-for-profit tax exempt corporation operated for conservation, environmental, or historic preservation purposes.
- l. Other – list explanations in space below
- m. The conveyance is approved for an exemption from the Community Preservation Transfer Tax, under Section 1449-bbbb of Article 31-C of the Tax Law
- n. Land apportionment credit on land outside the state and/or Town (explain in space below).

Exemption Approved:

Date:

Signature of Town Attorney or other designated official

(Print Name)

Use the space below for any additional explanations:
