

# NOTICE

## CONCERNING ALL CONVEYANCES OF REAL ESTATE IN THE TOWN OF WARWICK

Effective April 1, 2007

Pursuant to authorizing legislation contained in Article 31-F of the New York Tax Law and section 64-g of the Town Law, The Town of Warwick has adopted Local Law #6 of 2006, which local law imposes a three quarters of one percent (.75%) real estate transfer tax on each conveyance of real property or interest therein where the consideration exceeds five hundred dollars (\$500.00). This local law was subject to a permissive referendum which passed on November 7, 2006. This Local Law has been codified as Chapter 7, Community Preservation Fund, Article II of which deals with the details of the Transfer Tax. The local law can be viewed in its entirety on the Town of Warwick web site at [www.townofwarwick.org](http://www.townofwarwick.org).

In summary:

1. The tax applies to all such conveyances in the Town of Warwick, including the Villages, occurring on or after April 1, 2007 (Section 7-2-21) unless a binding written contract has been entered into prior to such date, provided that the date of execution of such contract is confirmed by independent evidence such as the recording of the contract, payment of a deposit, or other facts and circumstances acceptable to the Town Attorney (Section 7-2-21).

2. The **grantee** is responsible for the payment of the tax. (Section 7-2-23)

3. All proceeds of the tax will be collected at closing in the form of a check payable to the Orange County Clerk (Section 7-2-22) and will be thereafter transmitted to the Town of Warwick to be deposited in a dedicated fund earmarked for preservation of open space, farmland, recreation areas, water resource areas, water access, historic structures, and the furtherance of greenbelts around population centers.

4. There are certain exemptions from the tax. These are listed in Section 7-2-24 of the Code of the Town of Warwick, and which exemptions are basically those types of transactions which are exempt from the New York State Transfer Tax. If an exemption under Section 7-2-24 is claimed, this must be approved in advance of closing and filing by the Town of Warwick by submitting Schedule B, Part II of the Town of Warwick Transfer Tax form for signature of an authorized representative of the Town (Town Supervisor or Town Attorney). Section 7-2-25 also allows an exemption of one hundred thousand dollars (\$100,000.) on the consideration of the conveyance of improved real property or an interest therein, or fifty thousand dollars (\$50,000.) on the consideration of the conveyance of unimproved real property or an interest therein.

### IMPORTANT NOTE

A Town of Warwick transfer tax form, similar to the customary TP-584, must be filed with the County Clerk at the time the TP-584 return is filed. A filing fee of \$5.00 is required. This form can be obtained on line at the Town of Warwick web site referenced above or by calling the Town Supervisor's Office at 845-986-1120. The County Clerk's Office will not record any instrument effecting a conveyance unless the required form is filed and the tax paid. Any questions regarding the tax should be referred to the Town of Warwick Supervisor's office at 845-986-1120.