

# New Progressive Mansion Tax & NYS Transfer Taxes

Below is a summary of New York State's revenue legislation containing changes to the New York State Transfer Tax and the Mansion Tax.

## The New Progressive Mansion Tax

This new law applies for all closings that occur on or after July 1, 2019  
–EXCEPT for contracts that were entered into before April 1, 2019.

## The New Progressive NYS Transfer Tax

The NYS Transfer Tax will be also changing effective April 1, 2019

- For residential purchases greater than \$3 million, the NYS Transfer Tax increases from current rate of 0.4% to 0.65%
- For commercial purchases greater than \$2 million, the NYS Transfer Tax increases from current rate of 0.4% to 0.65%

## Additional Changes in the New York State Budget

- The NYS income tax rate (for household income over \$1 million/year) will not be increased for at least the next 5 years
- The temporary property tax cap (limiting property tax increases to no more than 2% from year to year) in now permanent.  
\*does not apply to NYC.
- The proceeds from these new taxes are earmarked for the MTA for subway repairs and upgrades

Old NYS Transfer Tax:		New NYS Transfer Tax:	
	0.4% of the transaction		
		Commercial transactions greater than \$2M	0.65%
		Residential transactions greater than \$3M	0.65%
Old Mansion Tax Rate:		New Mansion Tax Rates:	
Over \$1M	1%	From \$1M to less than \$2M	1.00% (no change)
		From \$2M to less than \$3M	1.25%
		From \$3M to less than \$5M	1.50%
		From \$5M to less than \$10M	2.25%
		From \$10M to less than \$15M	3.25%
		From \$15M to less than \$20M	3.50%
		From \$20M to less than \$25M	3.75%
		From \$25M or more	3.90%



Source: REBNY

## Effective Date

This act shall take effect July 1, 2019, and shall apply to conveyances occurring on or after such date other than conveyances which are made pursuant to binding written contracts entered into on or before April 1, 2019, 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 as determined by the commissioner of taxation and finance.

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