



*First American Title Insurance Company of New York*  
*633 Third Avenue, New York, New York 10017 Toll Free (800) 437-1234, Facsimile (646) 865-1660*

## *UNDERWRITING BULLETIN*

*TO: ALL NEW YORK STATE AGENTS*

*CC: HELEN POWELL*

*FROM: JOHN CRUZ, MICHAEL ALFIERI & JAMES THANASULES*

*RE: UPDATE: NASSAU COUNTY – PROCESSING OF TP-584*

*DATE: August 4, 2004*

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Attached please find an update of a memorandum issued July 19<sup>th</sup> regarding the processing and stamping of TP-584 forms in Nassau County.

Please review and feel free to call us with any questions or comments.



*First American  
Title Insurance Company  
of New York*

**To: Managers, Recordings and Agency**  
**From: Michael J. Berey**  
**Senior Underwriting Counsel**  
**Dated: August 4, 2004**

**Re: Nassau County/Payment of New York State Real Estate Transfer Tax**

**On July 14, 2004, the Nassau County Clerk issued a letter to the New York State Land Title Association informing the Association that effective August 1, 2004 her office would no longer stamp the Combined Real Estate Transfer Tax Return ("TP-584") to acknowledge receipt of the State's Real Estate Transfer Tax until the conveyance in question is reviewed and accepted for recording or recorded by that office. The Nassau County Clerk is not current in recordings, and interest and penalties accrues on the State's Transfer Tax if the Tax is not paid within fifteen days following the date of the related conveyance. A copy of the letter from the Nassau County Clerk is annexed to this Bulletin.**

**According to the Nassau County Clerk's letter, the current procedure "is being changed at the request of, and in cooperation with, the New York State Department of Finance". In a conference call yesterday amongst representatives of the New York State Land Title Association and the New York State Department of Taxation and Finance the Department advised that the County's new procedure was not being implemented at the request of the Department. Therefore, the Nassau County Clerk's procedure should only impact recordings in that County. Other counties recorders should continue to accept payment of Transfer Tax prior to acceptance of a conveyance for recording. Please advise me if any other County is implementing a similar procedure and not accepting payment of the State Transfer Tax until the instrument is accepted for recording.**

**Until the New York State Land Title Association resolves this matter with the Nassau County Clerk, the following procedure should be followed for each recording in Nassau County for which State Transfer Tax is payable. Unless it is reasonably certain that a conveyance will be reviewed and the tax payment accepted within the fifteen day period for payment, the Tax should be paid directly to the State Tax Commission as is set forth in the County Clerk's letter. Form TP-584 and a check made payable to NYS Department of Taxation and Finance for the Transfer Tax, should be sent by overnight delivery to the NYS Tax Department, RETT Return Processing Unit, PO Box 5045, Albany, New York 12205-5045. An overnight envelope with a pre-addressed return label should be provided with a written request that there be returned a stamped receipt for the payment of the Tax. That receipt will be submitted to the Nassau County Clerk when the conveyance is accepted for recording.**

**The Department advised that receipts for payment of the Transfer Tax are now being issued by the RETT Return Processing Unit within two business days. There is, however, no guarantee that this quick turn around will continue if the number of filings with that Unit increases significantly due to the procedure being implemented in Nassau County.**

**It is presently unknown whether the payment of Estimated Income Tax with Form IT-2663 is impacted by Nassau County's new procedure. If so, alternative means of paying that tax may be considered.**

**Information on this matter will be disseminated as received.**

A handwritten signature in black ink, appearing to read "Michael A. A.", with a long horizontal stroke extending to the right.

**cc: James Orphanides  
Counsel**

KAREN V. MURPHY  
NASSAU COUNTY CLERK



**OFFICE OF THE COUNTY CLERK**

240 OLD COUNTRY ROAD  
MINEOLA, NEW YORK 11501-4249  
TELEPHONE: 516 571-2661  
FAX: 516 742-4099  
WWW.CO.NASSAU.NY.US/CLERK

July 14, 2004

Sharon Sabol  
New York State Land Title Association  
Two Rector Street, Suite 901  
New York, New York 10006-1819

Re: Transfer Tax

Dear Sharon:

I am writing to advise you and your membership about a change in procedure regarding how this office handles the TP-584. The current procedure of stamping TP-584's without reviewing or recording the deed is being changed at the request of, and in cooperation with, the New York State Department of Taxation and Finance.

As you know, Real Estate Transfer Tax must be paid to the NYS Department of Taxation and Finance no later than fifteen (15) days from the date of conveyance. The fifteen days include weekdays, weekends and holidays. If a filer believes that a deed and TP-584 will not be recorded within fifteen (15) days following the date of conveyance for ANY REASON, the tax should be pre-paid to the State directly.

The instructions to Form TP-584 specifically states, "if the instrument effecting the conveyance will not be recorded, or will be recorded later than the time required to file Form TP-584 and to pay any real estate transfer tax, file Form TP-584 and pay any real estate transfer tax due no later than the fifteenth day after the delivery of the instrument effecting the conveyance, directly with:

NYS Tax Department  
RETT Return Processing  
PO Box 5045  
Albany, New York 12205-5045.

The transfer tax may be mailed to the State by regular mail, certified mail return receipt requested or overnight mail. The State will honor any transfer tax envelope post marked within fifteen (15) days of conveyance. Along with the payment, include a request for a receipt and a self-addressed stamped return envelope for a speedy receipt turnaround.

As a courtesy, the Nassau County Clerk will continue to pre-stamp TP-584's received prior to their presentment for recording until July 31, 2004. This courtesy is being terminated as there is no guarantee that a TP-584 pre-stamped by the County Clerk will be honored by the NYS Department of Taxation and Finance. It is within the sole discretion of the State to assess penalties and/or interest. A stamp by the Clerk will not automatically stop penalties and/or interest from accruing. Penalties and interest begin to run on the 16<sup>th</sup> day following the conveyance if the transfer tax has not been paid. The only way to avoid unnecessary penalties and/or interest is to record the deed promptly and/or pay the Real Estate Transfer Tax directly to the State no later than the fifteenth (15th) day after conveyance.

If a Notice and Demand for Tax Due is received from the State, one should follow the instructions on the Notice explicitly to avoid additional penalties and interest. Do not contact the County Clerk. We will be noting in the box marked "For Recording Officer's Use" the date a document was presented for recording, but rejected. When the document is recorded that date will be noted in the box marked "Date Received". If the State has any questions, they will contact this office directly.

We will be sharing this information with the people who bring documents in to be recorded and hope that you will help to disseminate this information to your members as well. As always, should you have any questions, please do not hesitate to contact me.

Sincerely,



KAREN V. MURPHY  
Nassau County Clerk