



FIDELITY NATIONAL TITLE UPDATES

AUGUST 2008

"Appreciate the Fidelity Difference"

SPECIAL EDITION

Peconic Bay Tax Amended: Exemption for 1st Time Buyers & Affordable Housing Not-for-Profits

On July 21, 2008, Governor Paterson signed Chapter 349, Laws of 2008, amending Section 1449-aa of the tax law. The new legislation is effective immediately and applies to income qualified first time home buyers purchasing a one or two family home, townhouse or condominium in the towns of Southampton, East Hampton and Shelter Island.

To qualify, the buyer's household income may not exceed the income limits defined by the State of New York Mortgage Agency Low Interest Rate Mortgage Program in effect on the contract date.

For qualifying Not-For-Profit corporations, the exemption applies to any real property which will provide affordable housing opportunities. To qualify, the corporation must be incorporated for that purpose, see Chapter 349 of the Laws of 2008 for more specific information.

Application for this exemption must be made to the Town where the property is located prior to closing. Purchasers must submit an application supplied by the Town along with copies of their latest income tax returns together with a copy of the contract of sale. Once the town is satisfied that the requirements have been met, the appropriate Town official will sign Part II (Explanation of Exemption) of the Peconic Bay Region Community Preservation Fund transfer tax return and provide the applicant with a town form granting the exemption.

Both forms must be provided to the title closer at the time of closing. In order to record the deed the County Clerk will require a properly executed transfer tax form as well as the Town Form exempting the transaction from the payment of the tax. Absent these items, the County Clerk will require payment of the tax.

The Peconic Bay Region Community Preservation Fund Transfer Tax form has been amended and **the new form must be used if an exemption is being claimed.** The old forms can continue to be used if no exemption is claimed. The new form can be obtained online at –

<http://www.co.suffolk.ny.us/home/departments/countyclerk.aspx>

Please note that the form must be printed on 8 x 14 inch paper.

This exemption is not available for transactions involving property in Riverhead or Southold.

**FIDELITY NATIONAL TITLE
INSURANCE COMPANY
ONE PARK AVENUE • NY, NY 10016
212.481.5858 • 800.287.3552 / fax 212.481.8747**

Queens & Nassau Counties

**1415 KELLUM PLACE • GARDEN CITY • NY 11530
516.741.5050 / Fax 516.741.5363**

Suffolk County

**24 COMMERCE DRIVE • RIVERHEAD, NY 11901
631.727.0600 FAX 631.727.0606**

Westchester & Area Counties

**1 BARKER AVE., STE. 135 • WHITE PLAINS, NY 10601
914.946.1600 / FAX 914.946.1805**

Albany County & Upstate Region

**20 CORPORATE WOODS BLVD. • ALBANY, NY 12211
518.434.1104 / FAX 518.434.8848**

STG ASSOCIATES/GUARDIAN LAND

Divisions of Fidelity National Title Insurance Company

**1010 Northern Boulevard, Great Neck, NY 11021
516.488.8811 / Fax 516.488.8611**

Fidelity National Title Updates

is a publication of

Fidelity National Title Insurance Company

All Rights Reserved