

TAKE JUDICIAL NOTICE

Thousands available in Mortgage Tax refunds under little known statute

March 14, 2006

What tax is affected? The special additional ¼ per cent mortgage recording tax.

Who is eligible? Borrowers who have paid the tax on commercial properties and residential properties having seven or more units. Eligible entity mortgagors are:

- individuals
- partners in a partnership
- LLC members
- Estates and trusts
- Beneficiaries of an estate or trust
- C Corps and S Corps

What time period is covered? The applicable refunds are retroactive to years beginning January 1, 2004.

What is the applicable statute? Section 606 (f) (3) of Article 22 of the New York State Tax Law.

What is an example of the potential refund? The refund would equal \$2,500.00 for every \$1,000,000.00 dollars borrowed. So a refund on a \$5,000,000.00 mortgage would equal \$12,500.00.

What is the procedure for claiming a refund? Form IT-256 must be completed (See Judicial Title website). For professional assistance contact Steven Harrison or Mary Amato of the firm of Marden, Harrison and Kreuter, CPA's, P.C. at (914) 684-2700.

This firm is expert in the understanding and computation of claims for the Special Additional Mortgage Recording Tax Credit.