



New York State Department of
TAXATION and FINANCE
Technical Services Division
Room 148, Bldg. 9
W.A. Harriman Campus, Albany, NY 12227

November 19, 2004

Dear County Clerk/Recording Officer:

Due to recent changes in the Tax Law, certain nonresident taxpayers will be required to pay estimated personal income tax on any gain from a sale, conveyance or other disposition (sale or transfer) of shares of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold (cooperative transfer). As a result, Form TP-584, *Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax*, has been revised. Specifically, Schedule D, *Certification of exemption from the payment of estimated personal income tax*, has been expanded to apply to a cooperative transfer. Therefore, effective for cooperative transfers occurring on or after November 18, 2004, a nonresident individual, estate, or trust must complete Schedule D of Form TP-584 or attach new Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form* to Form TP-584.

For the sale or transfer of a cooperative unit, Form TP-584 is supposed to be sent directly to the Tax Department to report the sale or transfer of shares of stock in a cooperative housing corporation. In addition, under the new law, Form IT-2664, if required, must be filed with Form TP-584, and any estimated personal income tax due from the sale or transfer of a cooperative unit must be paid in full to the New York State Tax Department within 15 days of the delivery of the instrument effecting the sale or transfer. Form TP-584 and Form(s) IT-2664 should **not** be filed with the recording officer for the sale or transfer of a cooperative unit. However, it is possible that your office may receive a Form TP-584 and Form(s) IT-2664 (if applicable) for the sale or transfer of a cooperative unit. In this case, you should send the Form TP-584 together with the Form(s) IT-2664 and the checks or money orders directly to the Tax Department using the preprinted envelopes provided by the Tax Department for Form IT-2663. Please send the TP-584s and the IT-2664s together. However, do not include any Form IT-2663s with the TP-584s and IT-2664s.

The provisions in Tax Law section 663 that apply to the payment of estimated personal income tax and the procedure sent to your office in October 2003 for the recording of a deed for the sale or transfer of a fee simple interest in real property remain the same. Each individual, estate, or trust listed in Schedule A of Form TP-584 (or an attachment to Form TP-584) must complete and sign Schedule D of Form TP-584 (to claim an exemption) or submit a completed Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, with full payment of estimated tax due, if any, to the recording officer at the time the deed is presented to be recorded.

The recording officer may accept a revised Form TP-584 (11/04) or the previous version of Form TP-584 (10/03) when recording a deed for the sale or transfer of a fee simple interest in real property.

If you have any questions, please contact the Tax Department's Taxpayer Contact Center at 1 888 540-4565. This number is toll-free and is for use by County Clerks and recording officers with questions on new Form IT-2664, Form IT-2663, or Schedule D of Form TP-584 only.