



PIED-À-TERRE PROPOSED ANNUAL TAX DOA? Legislators Now Arguing for a One-Time Transfer Tax

Last week we wrote about Senator Brad Hoyleman revived bill to allow for an annual tax targeting second or nonresidential properties over \$5 million dollars of New York City properties. This proposed bill is now facing strong resistance from Albany lawmakers. Critics of the annual tax believe that the tax would be too cumbersome to implement because it would require an overhaul of NYC's complicated system of valuing properties, especially coops.

What is now being pushed ahead of the pied-a-terre annual tax is a one-time increased property tax upon the sale of one of these luxury nonprimary properties. While no details of the proposed one-time property transfer tax has been

“ALBANY LAWMAKERS ARE CRITICAL
OF THE ANNUAL TAX AND NOW
SUPPORT A ONE-TIME TRANSFER TAX
OF NONPRIMARY NYC PROPERTIES”

disclosed, it appears that Hoyleman's additional annual tax on high end second properties is all but dead on arrival. Another reason cited against Hoyleman's proposed bill is too difficult to police and that a one-time increased transfer tax on these high end properties will avoid gaming the system to avoid paying an annual tax. An increased one-time transfer will generate \$300-\$400 million dollars to help fund the cash strapped MTA as opposed to \$650 million proposed by Hoyleman.



ABOUT JOHN N. POULOS

John N. Poulos is a real estate lawyer licensed in New Jersey and New York. He is honored to represent lending institutions, buyers, and sellers in residential and commercial real estate transactions in both New Jersey and New York. He has been selected as a Super Lawyer for 2019 and a “rising star” in 2009 and 2010.

Poulos LoPiccolo PC is a real estate and litigation law firm located in New Jersey and New York that has extensive experience in representing clients in real estate, complex litigation, class actions, and estate planning.

NO ASPECT OF THIS ADVERTISEMENT HAS BEEN APPROVED BY THE SUPREME COURT