



**First American Title Insurance Company of New York  
CURRENT DEVELOPMENTS  
SPECIAL EDITION**

As noted in previous editions of Current Developments, a non-resident individual, estate or trust transferring fee title to real property in New York State by a deed delivered on and after September 1, 2003 is required to pay estimated personal income tax on the gain, if any, resulting from the transfer with submission of Form IT-2663 (“Nonresident Real Property Estimated Income Tax Payment Form”).

When this requirement first took effect, each Form IT-2663 submitted with any payment of estimated tax was required to be delivered to an office of the New York State Department of Taxation and Finance (“Department”), but under a recent amendment to Tax Law Section 663 every recording officer is authorized to act as agent of the State for this purpose.

Depending on the version of Form IT-2663 for transfers in 2003 that is used, Form IT-2663 and any check to pay estimated tax for deeds delivered in 2003 will be accepted on and after January 1, 2004 by either the recording officer in the county in which the property is located or an office of the State Tax Commission. For deeds delivered between the parties to a transfer in calendar year 2004, a new Form IT-2663 must be used; that Form and any payment of estimated tax, when applicable, must be delivered to the recording officer.

New Form IT-2663 for deed transfers in calendar year 2004 is posted on the WEB Site of the State Department of Taxation and Finance at the following location:

[http://www.tax.state.ny.us/pdf/2004/inc/it2663\\_2004.pdf](http://www.tax.state.ny.us/pdf/2004/inc/it2663_2004.pdf)

[http://www.tax.state.ny.us/pdf/2004/inc/it2663i\\_2004.pdf](http://www.tax.state.ny.us/pdf/2004/inc/it2663i_2004.pdf) (Instructions)

For deeds delivered between the parties to a transfer of fee title in 2003, the previously issued Form IT-2663 requiring submission to the Department (no longer posted to the Department’s WEB site but available at <http://www.titlelaw-newyork.com/Forms/IT-2663.pdf>) is to be used for deeds conveying property in counties in which the recording officer is not yet accepting the version of Form IT-2663 noted below, such as is the case in the recording offices under the jurisdiction of the New York City Register. In those counties in which the recording officer is now accepting Form IT-2663 and payment, the following Form may be used for deed transfers in 2003:

[http://www.tax.state.ny.us/pdf/2003/inc/it2663\\_2003.pdf](http://www.tax.state.ny.us/pdf/2003/inc/it2663_2003.pdf)

[http://www.tax.state.ny.us/pdf/2003/inc/it2663i\\_2003.pdf](http://www.tax.state.ny.us/pdf/2003/inc/it2663i_2003.pdf) (Instructions)

Michael J. Berey  
Senior Underwriting Counsel  
No. 59, December 16, 2003  
[mberey@firstam.com](mailto:mberey@firstam.com)