



Real Estate Transfer Tax Return Supplemental Schedules

Attach this form to Form TP-584 or TP-584-NYC with the applicable schedule completed.

Please print or type

Name of Grantor (as shown on Form TP-584)	Grantor's Social Security number or EIN
Name of Grantee (as shown on Form TP-584)	Grantee's Social Security number or EIN
Location of property conveyed (as shown on Form TP-584)	

Schedule E – Conveyance pursuant to or in lieu of foreclosure or pursuant to a secured party's enforcement of a lien or other security interest (Complete the applicable part if condition e was marked in Schedule A, Form TP-584 or TP-584-NYC)

Part 1 – Conveyance pursuant to a mortgage foreclosure or any other action governed by the Real Property Actions and Proceedings Law

1 Amount of foreclosure judgment or bid price (see instructions)	1		
2 Amount of any other liens or encumbrances (not included on line 1) remaining on property after the conveyance.....	2		
3 Add lines 1 and 2 (if debt is nonrecourse, skip line 4 and enter this amount on line 5).....	3		
4 If recourse debt, enter the fair market value of real property (see instructions)	4		
5 Consideration for conveyance (if recourse debt, enter the amount from line 3 or line 4, whichever is lower; also enter on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1)	5		

Part 2 – Conveyance to a mortgagee or lienor in lieu of foreclosure

6 Unpaid balance of debt secured by mortgage (see instructions)	6		
7 Amount of any other liens or encumbrances (not included on line 6) remaining on property after the conveyance.....	7		
8 Add lines 6 and 7 (if debt is nonrecourse, skip line 9 and enter this amount on line 10)	8		
9 If recourse debt, enter the fair market value of real property (see instructions)	9		
10 If recourse debt, enter the amount from line 8 or line 9, whichever is lower	10		
11 Any other amount paid by the grantee to the grantor for the real property	11		
12 Consideration for conveyance (add lines 10 and 11; enter here and on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1)	12		

Part 3 – Conveyance of real property in lieu of or pursuant to a secured party's enforcement of a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s)

13 Unpaid balance of debt secured by the pledge of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) (see instructions)	13		
14 Amount of any other liens, security interest or other obligations (not included on line 13) remaining on the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) after the conveyance.....	14		
15 Add lines 13 and 14 (if debt is nonrecourse, skip line 16 and enter this amount on line 17)	15		
16 If recourse debt, enter fair market value of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) (see instructions)	16		
17 If recourse debt, enter the amount from line 15 or line 16, whichever is lower	17		
18 Pro rata portion of the total amount of any liens or encumbrances remaining on the real property of the cooperative housing corporation after the conveyance (see instructions).....	18		
19 Any other amount paid by the grantee to the grantor for the conveyance	19		
20 Consideration for conveyance (add lines 17, 18 and 19; enter amount here and on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1)	20		



Part 4 – Conveyance of real property in lieu of or pursuant to a secured party's enforcement of a lien, security interest or other rights on or in shares of stock, partnership interests or other instruments (i.e., transfer or acquisition of a controlling interest in any entity with an interest in real property)

21	Unpaid balance of debt secured by the pledge of the ownership interest in the entity	21		
22	Amount of any other liens, security interests or obligations (not included on line 21) remaining on the ownership interest in the entity after the conveyance.....	22		
23	Amount of any liens or encumbrances remaining on the real property of the entity after the conveyance, multiplied by the percentage in the entity being transferred or acquired	23		
24	Amount of any other debt or obligation of the entity, multiplied by the percentage in the entity being transferred or acquired	24		
25	Any other amount paid by the grantee to the grantor for the conveyance	25		
26	Total (add lines 21 through 25)	26		
27	Apportionment of amount on line 26 (see instructions)	27		
28	Fair market value of real property multiplied by the percentage in the entity being transferred or acquired	28		
29	Consideration for conveyance (enter the amount from line 27 or line 28, whichever is less; also enter on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1)	29		

Schedule F – Conveyance that consists of a mere change of identity or form of ownership or organization (Complete if condition f was marked in Schedule A, Form TP-584 or TP-584-NYC)

30	Fair market value of real property at time of conveyance	30		
31	Percentage of interest conveyed not subject to the mere change exemption.....	31		
32	Consideration for conveyance (multiply line 30 by line 31; enter amount here and on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1)	32		
33	Continuing lien deduction, if applicable (see instructions and multiply continuing lien, if any, by percentage of interest conveyed on line 31; enter amount here and on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 2)	33		
34	Taxable consideration (subtract line 33 from line 32; enter amount here and on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 3)	34		

Schedule G – Conveyance for which credit for tax previously paid will be claimed (Complete the applicable part if condition g was marked in Schedule A, Form TP-584 or TP-584-NYC)

Part 1 – Computation of credit against tax due on conveyance to the extent tax was paid by grantor on a prior creation of leasehold

35	Value of consideration grantor is not entitled to receive after conveyance (see instructions)	35		
36	Value of consideration used in original computation to determine the transfer tax due (see instructions)	36		
37	Percentage of credit to be applied (divide line 35 by line 36)	37		
38	Transfer tax paid by grantor on prior grant of leasehold (attach copy of original Form TP-584 or TP-584-NYC previously filed and proof of payment)	38		
39	Amount of credit to be applied to transfer tax due on current conveyance (multiply line 37 by line 38; enter amount here and on Form TP-584, Schedule B, Part 1, line 5 or TP-584-NYC, Schedule B, Part 1, line 7)	39		

Part 2 - Computation of credit against tax due on conveyance of cooperative shares to the extent tax was paid on conveyance to the cooperative housing corporation

40	Number of shares allocated to the unit(s) for which proprietary leasehold(s) is being granted	40		
41	Total number of shares of stock in the cooperative housing corporation	41		
42	Percentage of credit to be applied (see instructions and divide line 40 by line 41)	42		
43	Transfer tax paid on conveyance of the real property to the cooperative housing corporation (attach copy of original TP-584 or TP-584-NYC previously filed and proof of payment)	43		
44	Percentage of interest that would have qualified as a mere change on conveyance to cooperative housing corporation	44		
45	Proportionate amount of transfer tax paid on conveyance (multiply line 43 by line 44)	45		
46	Amount of credit to be applied to transfer tax due on conveyance of units for which proprietary leasehold(s) is being granted (multiply line 42 by line 45; enter amount here and on Form TP-584, Schedule B, Part 1, Line 5, or TP-584-NYC, Schedule B, Part 1, line 7)	46		



Instructions

Purpose of Form TP-584.1

This form must be completed and filed with Form TP-584 or TP-584-NYC for all conveyances that are pursuant to or in lieu of foreclosure or any other action governed by the Real Property Actions and Proceedings Law and for conveyances pursuant to a secured party's enforcement of a lien or other security interest, except for such conveyances where part of the debt is recourse and part of the debt is nonrecourse (see Schedule E), for conveyances that consist in whole or in part of a mere change of identity or form of ownership or organization (see Schedule F), and for conveyances for which a credit will be claimed for tax previously paid (see Schedule G).

Specific instructions

Schedule E

For purposes of Schedule E, **continuing liens** are liens or encumbrances that after the conveyance, remain either on the real property, the shares of stock in the cooperative housing corporation and/or proprietary lease(s) or the ownership interest in the entity, depending on whether the conveyance is the type described in Part 1, 2, 3, or 4 of Schedule E.

Pursuant to section 575.11(a)(2)(ii) of the real estate transfer tax regulations, a debt is **recourse debt** to the extent that, as of the date of conveyance, the grantor or a person related to the grantor, including any guarantor, bears the economic risk of loss for the debt beyond any loss attributable to the value of the property securing the debt.

A grantee is **related** to the mortgagee or lienor to the extent that the mere change of identity or form of ownership exemption, as provided in Tax Law section 1405(b)(6) would apply to a conveyance by the mortgagee or lienor to the grantee.

Where the grantee is the mortgagee or lienor, as in the type of conveyances described in Parts 1 and 2 or the secured party, as in the type of conveyances described in Parts 3 and 4, or its agent, nominee or an entity wholly owned by such mortgagee, lienor or secured party, Schedule E may be used only if the debt, including continuing liens, is either **all recourse** or **all nonrecourse**. If the debt is not either all recourse or all nonrecourse, do **not** use Schedule E. Attach a separate schedule setting forth the method of computation.

Part 1

Line 1 – If real property is being conveyed pursuant to a mortgage foreclosure or any other action governed by the Real Property Actions and Proceedings Law and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the amount of judgment of foreclosure or the bid price, whichever is higher. The amount of judgment of foreclosure includes any interest accrued through the date of transfer.

If the grantee is a person unrelated to the mortgagee or lienor, regardless whether the debt is recourse or nonrecourse, enter the bid price.

If the grantee is an entity partially owned by the mortgagee or lienor and partially owned by a person unrelated to the mortgagee or lienor, enter the sum of (1) the amount of judgment of foreclosure or the bid price, whichever is higher, multiplied by the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee and (2) the bid price multiplied by the percentage that represents the unrelated person's beneficial interest in the grantee.

For this computation, the grantee is deemed to be the party who ultimately acquires the real property as a result of a mortgage foreclosure sale.

Example: X, a mortgagee, has the highest bid at a foreclosure sale. X assigns the bid to an unrelated third party, Z, who ultimately acquires the property. Z is the grantee. The consideration for the conveyance of the real property is the bid price paid by Z to the referee.

Line 2 – Enter the amount of any continuing liens. Do not include the amount of any liens or encumbrances included on line 1.

Line 3 – Add lines 1 and 2. If debt is **nonrecourse** or if the grantee is a person unrelated to the mortgagee or lienor, skip line 4 and enter the line 3 amount on line 5.

Line 4 – Where the debt is **recourse debt** and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the fair market value of the real property.

Where the grantee is an entity partially owned by the mortgagee or lienor and partially owned by a person unrelated to the mortgagee or lienor, if the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee multiplied by the sum of the higher of the judgment of foreclosure or bid price and any continuing liens, exceeds the fair market value of the real property multiplied by such mortgagee's or lienor's percentage, enter the sum of (1) the fair market value of the real property multiplied by the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee, and (2) the bid price plus continuing liens multiplied by the percentage that represents the unrelated person's ownership interest in the grantee.

Line 5 – If debt is recourse, enter line 3 or line 4, whichever is lower. If debt is nonrecourse or if the grantee is a person unrelated to the mortgagee or lienor, enter the amount from line 3. This is the amount of consideration to be entered on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1.

Attach a copy of the referee's report of sale, if available.

Part 2

Line 6 – If real property is being conveyed to a mortgagee or lienor, or its agent, nominee or an entity wholly owned by the mortgagee or lienor, in lieu of an action

to foreclose a mortgage or lien, enter the unpaid balance of the debt secured by the mortgage or lien. The unpaid balance of the debt includes the principal, interest and other accruals secured by the mortgage or lien.

Line 7 – Enter the amount of any continuing liens. Do not include the amount of any liens or encumbrances included on line 6.

Line 8 – Add lines 6 and 7. If debt is **nonrecourse**, skip line 9 and enter the line 8 amount on line 10.

Line 9 – Where the debt is **recourse**, and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the fair market value of the real property.

Line 10 – If debt is recourse, enter the amount from line 8 or line 9, whichever is lower. If debt is nonrecourse, enter the amount from line 8.

Line 11 – Enter any other amount paid by the grantee to the grantor for the real property.

Line 12 – Add lines 10 and 11. This the amount of consideration to be entered on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1.

Part 3

Line 13 – Where the conveyance is to a secured party, or its agent, nominee or an entity owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s), enter the unpaid balance of the debt secured by the pledge of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s). The unpaid balance of the debt includes the principal, interest and other accruals secured by the pledge of the shares and/or associated proprietary lease(s).

Line 14 – Enter the amount of any continuing liens, security interests or other obligations remaining on the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) after the conveyance. Do not include the amount of any liens, security interests or other obligations included on line 13.

Line 15 – Add lines 13 and 14. If debt is **nonrecourse**, skip line 16 and enter the line 15 amount on line 17.

Line 16 – Where the debt is **recourse** and the grantee is the secured party, or its agent, nominee or an entity wholly owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s), enter the fair market value of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s).

Line 17 – If debt is recourse, enter the amount from line 15 or line 16, whichever is lower. If debt is nonrecourse, enter the amount from line 15.

Line 18 – If the conveyance is the original conveyance of shares of stock in a cooperative housing corporation by the cooperative corporation or cooperative plan sponsor, or the subsequent conveyance of stock in a cooperative housing corporation for a unit **other than an individual residential unit**, enter the pro rata portion of the total amount of any liens or encumbrances that remain on the real property of the cooperative housing corporation after the conveyance. The pro rata portion is determined by multiplying the total unpaid principal of the mortgage by a fraction, the numerator of which is the number of shares of stock in the cooperative housing corporation being conveyed in connection with the transfer of the proprietary lease(s) and the denominator is the total number of shares of stock in the cooperative housing corporation.

Line 19 – Enter any other amount paid by the grantee to the grantor for the conveyance.

Line 20 – Add lines 17, 18 and 19. This is the amount of consideration to be entered on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1.

Part 4

Line 21 – If the conveyance is to a secured party, or its agent, nominee or an entity owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock, partnership interests or other instruments (i.e., the transfer or acquisition of a controlling interest in an entity with an interest in real property), enter the unpaid balance of the debt secured by the pledge of the ownership interest in the entity. The unpaid balance of the debt includes the principal, interest and other accruals secured by the pledge of the ownership interest.

Line 22 – Enter the amount of any other liens, security interests or other obligation remaining on the ownership interest in the entity after the conveyance. Do not include the amount of any liens, security interests or other obligations included on line 21.

Line 23 – Enter the amount of any liens or encumbrances remaining on the real property of the entity multiplied by the percentage in the entity being transferred or acquired.

Line 24 – Enter the amount of any other debt or obligation of the entity multiplied by the percentage in the entity being transferred or acquired. Do not include the amount of any other debt or obligation of the entity included on line 23.

Line 25 – Enter any other amount paid by the grantee to the grantor for the conveyance.

Line 27 – Enter the apportionment of line 26 to the interest in real property owned by the entity. The apportionment is determined by multiplying line 26 by a fraction, the numerator of which is the fair market value of the real property located in New York State that is owned by the entity and the denominator is the fair market value of all assets owned by the entity.

Line 28 – Enter the fair market value of the real property as of the date of conveyance multiplied by the percentage in the entity being transferred or acquired.

Line 29 – Enter the amount from line 27 or line 28, whichever is less. This is the amount of consideration to be entered on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1.

Schedule F

Tax Law section 1405(b)6 provides exemption from the real estate transfer tax to the extent a conveyance consists in whole or in part of a mere change of identity or form of ownership or organization where there is no change in beneficial interest.

To determine the consideration for the conveyance, multiply the fair market value of the real property at the time of conveyance by the percentage of interest not subject to the mere change exemption.

Generally, the fair market value of the real property is to be determined by appraisal. It is the amount a willing buyer would pay a willing seller for the real property. It is not the net fair market value, which deducts mortgages on the property from fair market value.

When determining the taxable consideration, the consideration may be reduced by the amount of continuing liens remaining on the property at the time of conveyance multiplied by the percentage of interest not subject to the mere change exemption. Please refer to Page 3 of Form TP-584-I or Page 4 of TP-584-NYC-I for additional information on the continuing lien deduction.

Example: B owns real property with a fair market value of \$2 million. B conveys the property to a partnership in exchange for a 30% interest in the partnership's assets. Although B has conveyed all of the real property to a partnership, he is entitled to a mere change exemption from the tax to the extent of his interest in the partnership. The consideration for the conveyance will be deemed to be \$1,400,000 (\$2,000,000 multiplied by the interest not subject to the mere change exemption).

Line 30 – Enter the fair market value of the real property at the time of the conveyance. Attach evidence to support the fair market value.

Line 31 – Enter the percentage that represents the change in beneficial ownership. Round the percentage to four decimal places.

Line 32 – Multiply line 30 by line 31. This is the consideration for the conveyance. Enter this amount on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 1.

Line 33 – Enter the proportionate amount, if any, of the continuing lien deduction. The proportionate amount of continuing liens means the amount of any continuing lien multiplied by the percentage not subject to the mere change exemption. Enter this amount on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 2. A continuing lien is a mortgage or lien on the real property assumed or taken subject to and not an acquisition mortgage or lien placed on the real property by the grantee upon acquisition of the real property. See page 2 of Form TP-584-I or TP-584-NYC-I for additional criteria that must be met to claim the continuing lien deduction.

Line 34 – Subtract line 33 from line 32. This is the taxable consideration. Enter this amount on Form TP-584 or TP-584-NYC, Schedule B, Part 1, line 3.

Schedule G, Part 1

A grantor will be allowed a credit against the real estate transfer tax on the conveyance of real property, but only to the extent that the tax was paid by the grantor on a prior leasehold grant of all or a portion of the same real property or on the granting of an option or contract to purchase all or a portion of the same real property, by the grantor.

The credit is computed by multiplying the tax paid on the leasehold grant or the granting of the option or contract to purchase by a fraction. The numerator of the fraction is the value of the consideration used to compute the tax previously paid that the grantor will not be entitled to receive after the conveyance of the real property. The denominator is the total value of the consideration used to compute the tax previously paid.

Example: Z enters into a lease with Y for a term of 5 years with an option to purchase the real property in any year throughout the term of the lease. The annual rent for the term of the lease is \$50,000. Since this conveyance consists of an option conveyed with use and occupancy, the present value of the rental payments for the term of the lease is subject to transfer tax.

For purposes of this illustration, assume the taxable consideration for the conveyance is \$189,540.

Therefore, at a rate of \$2 for each \$500, or fractional part of the taxable consideration, the transfer tax on the leasehold grant is \$760.

In the second year, Y exercises the option to purchase the real property for \$500,000. The present value of the consideration for the three remaining years of the lease is \$113,040.

The applicable credit and tax on the conveyance of the property is computed as follows:

a. Credit Computation

Transfer Tax Paid	×	Value of consideration Z is not entitled to receive	=	Amount of credit
\$760	×	$\frac{\text{Taxable consideration}}{\text{Taxable consideration}}$	=	\$453
		$\frac{\$113,040}{\$189,540}$		

b. Computation of Tax on Conveyance Less Credit

Consideration Paid by Y	\$500,000
Transfer Tax (\$2 for each \$500 of consideration)	\$2,000
Less credit for tax previously paid	– 453
Total tax due on current conveyance	\$1,547

Line 35 – Enter the amount of consideration the grantor is not entitled to receive after the conveyance. This amount is the present value of the remaining net rental payments, included in the taxable consideration on the leasehold grant, that will not be received as a result of the present conveyance.

Line 36 – Enter the amount of the taxable consideration originally used in computing the tax on the leasehold grant.

Line 37 – Enter the percentage of credit to be applied to the tax on the conveyance of the real property by dividing line 35 by line 36. Round the percentage to four decimal places.

Line 38 – Enter the amount of transfer tax paid by the grantor on the prior leasehold grant or on the granting of an option or contract to purchase all or a portion of the same real property. Attach a copy of the original Form TP-584 or TP-584-NYC filed and proof of payment.

Line 39 – Multiply line 37 by line 38. This is the amount of credit to be applied to the tax on the current conveyance. Enter this amount on Form TP-584, Schedule B, Part 1, line 5 or TP-584-NYC, Schedule B, Part 1, line 7.

Part 2

A credit will be allowed upon the original conveyances of shares of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold by the cooperative corporation or cooperative plan sponsor, provided the first conveyance of shares of stock takes place within 24 months from the conveyance of the real property to the cooperative housing corporation. The credit is limited to the proportionate part of the tax paid when the real property was conveyed to the cooperative housing corporation, to the extent that the conveyance would have otherwise resulted in a mere change of identity or form of ownership of the property with no change in beneficial ownership.

The credit is determined by multiplying the amount of tax paid upon the conveyance of the real property to the cooperative housing corporation by the percentage that represents the extent to which the conveyance would have resulted in a mere change of identity. The resulting product is then multiplied by a fraction. The numerator is the number of shares of stock conveyed when the proprietary leasehold was granted or transferred; the denominator is the total number of shares of stock of the cooperative housing corporation. In no event will the credit reduce the tax on the conveyance below zero.

Line 40 – Enter the number of shares allocated to the unit(s) for which proprietary leasehold(s) are being granted.

Line 41 – Enter the total number of shares of stock in the cooperative housing corporation.

Line 42 – Divide line 40 by line 41. Round the percentage to four decimal places. This is the percentage of credit to be applied to the tax paid on the conveyance to the cooperative housing corporation.

Line 43 – Enter the amount of transfer tax paid on the conveyance of the real property to the cooperative housing corporation. Attach a copy of the original TP-584 filed and proof of payment.

Line 44 – Enter the percentage of interest that would have qualified as a mere change when the real property was conveyed to the cooperative housing corporation. See the instructions for completing Schedule F (this form) for information on a conveyance that would qualify as a mere change of identity. Round the percentage to four decimal places.

Line 45 – Multiply line 43 by line 44. This is the proportionate amount of the tax paid on the conveyance of the real property to the cooperative housing corporation that would have otherwise qualified as a mere change.

Line 46 – Multiply line 42 by line 45. This is the amount of credit to be applied to the tax due on the conveyance of the unit(s) for which the proprietary leasehold(s) is being granted. Enter this amount on Form TP-584, Schedule B, Part 1, line 5 or TP-584-NYC, Schedule B, Part 1, line 7.

Example: Taxpayer A conveyed a 100-unit apartment building to a cooperative housing corporation (CHC) on January 1, for a consideration of \$5 million and paid transfer tax of \$20,000 (\$2 for each \$500 of consideration). Taxpayer A receives 1,000 shares from the CHC (10 shares allocated to each unit).

On February 1, Taxpayer A conveys Unit 1A to Taxpayer B for \$100,000.

The credit is computed as follows:

32. Number of shares allocated to the unit conveyed	10
33. Total number of shares of stock in CHC	1,000
34. Percentage of credit to be applied	.0100
35. Tax paid on conveyance to CHC	\$20,000
36. Percentage of interest that would have qualified as a mere change to CHC	100%
37. Proportionate amount of tax paid on conveyance	\$20,000
38. Amount of credit to be applied to tax on conveyance of Unit 1A (\$20,000 x .0100)	\$200

Information and assistance

If you need help, call 518-457-5181.