



# Instructions for Form DTF-1000

## Real Property Transfer Gains Tax Schedule of Original Purchase Price for the Final Computation

### General Instructions

The Real Property Transfer Gains Tax was repealed for all transfers occurring on or after June 15, 1996. However, special rules apply to partial or successive transfers that were treated as a single transfer of real property in accordance with former section 1440.7 of the Tax Law, such as transfers of subdivided parcels and transfers pursuant to a condominium or cooperative plan.

These special rules require a transferor of partial or successive transfers to file a final computation of tax (*final computation*) when units, shares, parcels of real property or interests in real property remain unsold on June 15, 1996. The final computation must be filed with the Tax Department by May 31, 1997.

#### A separate final computation of tax is required to be made for each plan or project subject to the gains tax.

The final computation of gain or loss for each plan or project will be based on the actual units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996.

To determine the actual gain or loss from the partial or successive transfers that occurred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996, subtract the actual original purchase price directly attributable to those units, shares, parcels or interests plus a reasonable apportionment of the amount of actual original purchase price indirectly attributable to those units, shares, parcels or interests from the actual consideration received from the transfer of all units, shares, parcels or interests that occurred before June 15, 1996. A reasonable apportionment of the amount of actual original purchase price attributable to those units, shares, parcels or interests will vary depending on the facts and circumstances of each project or case.

Use Form DTF-1000 to establish and report the various costs and activities that comprise the total original purchase price for each plan or project and the amount allocated to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Attach an explanation of **how you allocated each of the costs** comprising original purchase price to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. This form must be completed and attached to Form DTF-1001, *Final Computation*, along with the required documentation.

### Specific Instructions

#### Part I — Purchase Price Paid to Acquire Real Property

**Line 1** — Enter the date and the total purchase price paid by the transferor to acquire the real property. Enter the allocated purchase price attributable to the units, shares, parcels or interests actually transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 4.

Attach a copy of the closing statement and contract of sale pertaining to the original acquisition if **not previously** furnished to the Tax Department. If the closing statement and contract of sale do not exist, attach other independent documentation that will substantiate the consideration paid to acquire the property, the date of the acquisition and the name and address of the person to whom the original purchase price was paid. A

self-serving affidavit will not satisfy the requirement of *independent documentation*. However, past income tax returns may be sufficient to support the original purchase price. Further, if the property was acquired in an exchange of like properties, submit a detailed appraisal establishing the value of the property as of the date of exchange.

#### Part II — Other Acquisition Costs

**Lines 1 through 6** — In the Total Amount Expended column, enter the actual amounts incurred for any of the other specific acquisition costs. In the Allocated Amount column, enter the amounts of other acquisition costs attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

On line 1, include only the amount of mortgage recording tax paid, including the special additional mortgage recording tax, to the extent that the transferor was not reimbursed by the transferee. The costs on line 4 will not be allowable if paid to a seller who took back a true purchase money mortgage.

**Lines 7 through 9** — In the Total Amount Expended column, enter the total(s) for any additional acquisition costs that were not reported on lines 1 through 6. In the Allocated Amount column, enter the additional acquisition costs attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

**Line 10** — Add lines 1 through 9. Enter the amount(s) on line 10. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 5.

#### Part III — Capital Improvements

##### Section A — General Information

**Line 1** — If the final computation is for a condominium or cooperative plan, check the box that describes the type of project.

**Line 2** — If you will be claiming construction period expenses in Section B, lines 24 through 31, indicate the date the construction period began. For information on when the construction period begins, see TSB-M-94(3)-R and for projects with transfers before June 4, 1994, see gains tax regulation 20 NYCRR section 590.17(e).

**Line 3** — If applicable, write a brief explanation describing the sequence of events that was undertaken to commence the construction period.

**Line 4** — Indicate the date the construction period ended. For information on when the construction period ends, see TSB-M-94(3)-R and for projects with transfers before June 4, 1994, see gains tax regulation 20 NYCRR section 590.17(e).

**Line 5** — Indicate if you obtained a construction loan, the proceeds of which were used in the construction of capital improvements. If yes, attach a copy of the construction loan agreement if **not previously** furnished to the Tax Department.

##### Section B - Cost Breakdown

**Lines 1 through 23** — In the Total Amount column, enter the actual costs incurred for any capital improvements made to the real property. In the Allocated Amount column, enter the costs for any capital improvements attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except

grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

**Lines 24 through 31** — In the Total Amount Expended column, enter the actual costs incurred for the items listed, but only to the extent such costs were incurred during a construction period. See TSB-M-93(1)-R for information on construction period interest. In the Allocated Amount column, enter the amounts that were incurred during a construction period and attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

**Lines 32 through 63** — In the Total Amount Expended column, enter the total(s) for any additional costs you have incurred to make capital improvements that were not reported on lines 1 through 31. In the Allocated Amount column, enter the additional costs for any capital improvements not reported on lines 1 through 31 that were attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

**Line 64** — Add lines 1 through 63. Enter the amount(s) on line 64. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 6.

#### Part IV — Conversion Costs For Condominium or Cooperative Projects

**Lines 1 through 10** — In the Total Amount Expended column, enter the actual conversion costs incurred for the project. In the Allocated Amount column, enter the conversion costs that were attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Enter the date those costs were initially incurred.

**Lines 11 through 14** — In the Total Amount Expended column, enter the total additional conversion costs you incurred that were not reported on lines 1 through 10. In the Allocated Amount column, enter the additional conversion costs that were attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996.

**Line 15** — Add lines 1 through 14. Enter the amount(s) on line 15. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 7.

#### Part V — Allowable Selling Expenses

**Lines 1 through 4** — In the Total Amount Expended column, enter the actual selling expenses incurred to transfer the real property. In the Allocated Amount column, enter the allowable selling expenses that were attributable to the units, shares, parcels or interests transferred after March 28, 1983 (except grandfathered transfers), but before June 15, 1996. Please note, however, that advertising and marketing costs are only allowable for units, shares, parcels or interests transferred on or after April 15, 1993. Enter the date those costs were initially incurred.

**Line 5** — Add lines 1 through 4. Enter the amount(s) on line 5. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 8.

#### Part VI — Real Estate Transfer Taxes

**Lines 1 through 3** — Enter the actual amount of New York State, New York City or other local real estate transfer tax paid by the transferor attributable to the units, shares, parcels or interests transferred on or after June 9, 1994, but before June 15, 1996. Enter the date those taxes were initially paid.

**Line 4** — Add lines 1 through 3. Enter the amount(s) on line 4. Also enter the amount from the Allocated Amount column on Form DTF-1001, Section I, line 9.

#### Part VII — Allowable 421-a Costs

**Lines 1 through 4** — Enter the actual costs incurred to acquire a full or partial real estate tax exemption under section 421-a of the Real Property Tax Law (421-a costs) and the date those costs were initially incurred.

**Line 5** — Add lines 1 through 4.

**Line 6** — The 421-a costs incurred must be allocated to each unit, share, parcel or interest eligible for the tax exemption based on the unit's, share's, parcel's or interest's percentage to the total of units, shares, parcels or interests eligible for the tax exemption. Enter the method used to apportion the 421-a costs on line 6 (i.e., number of units, number of shares, square footage or percentage of common elements). The method selected must reasonably reflect the relative value of the units.

**Line 7** — Enter the number of units, shares, square footage or percentage of common elements allocated to all the units, shares, parcels or interests eligible for the tax exemption.

**Line 8** — On a separate schedule, the following two computations must be made separately for each condominium unit, cooperative apartment, parcel or interest.

First, compute the maximum 421-a costs attributable to each condominium unit, cooperative apartment, parcel or interest transferred on or after April 15, 1993, but before June 15, 1996. (The amount on line 7 will be the denominator for each unit.)

Next, the maximum 421-a costs attributable to each unit, apartment, parcel or interest must then be prorated based upon a fraction, the numerator of which is the number of months remaining at the time of transfer in which the real estate tax exemption may be claimed and the denominator of which is the total number of months the real estate tax exemption could be claimed.

Enter on line 8 the total of the prorated amounts of 421-a costs attributable to the condominium units, cooperative apartments, parcels or interests transferred on or after April 15, 1993, but before June 15, 1996, as calculated on the separate schedule. Also enter the amount on Form DTF-1001, Section I, line 10.

#### Privacy Notification

The right of the Commissioner of Taxation and Finance and the Department of Taxation and Finance to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions and forms, is found in Articles 8, 11 and 31 of the Tax Law and 42 USC 405(c)(2)(C)(i).

The Tax Department will use this information primarily to determine and administer the mortgage recording and real estate transfer taxes, and for any other purpose authorized by law.

Failure to provide the required information may result in civil or criminal penalties, or both, under the Tax Law and, the failure to secure a refund of all or a portion of the real estate transfer tax or the mortgage recording tax.

This information will be maintained by the Director of the Data Management Services Bureau, NYS Tax Department, Building 8 Room 905, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829; from areas outside the U.S. and Canada, call (518) 485-6800.