



**Date:** June 28, 2004  
**To:** All Clients and Closers  
**From:** David Gorenstein  
**Re:** Implementation of ACRIS 2.1 (July 5, 2004)

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**Bulletin      Bulletin      Bulletin      Bulletin      Bulletin**

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As stated in previous BULLETINS, for any closing occurring on or after Saturday, July 3, 2004, New York City will require that the "New York City Real Property Transfer Tax Return" (NYCRPTT); the New York State "Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax" (TP-584); and the "Real Property Transfer Report" (RP-5217NYC) be prepared and entered electronically on the ACRIS system. One of the enhancements made to the Cover Page application, is that the information on the completed E-Tax forms will be the basis for the preparation of the Cover Page. Please see the E-Tax form tutorial on the ACRIS web site for a discussion of the process.

The E-Tax application also has provision for preparing the Smoke Detector Affidavit for 1 and 2 Family Dwellings; the Property Owner's Registration Form; and the Customer Registration Form for Water and Sewer Billing. It is not necessary to enter the information required by those forms. However, either the E-Tax version or the traditional paper version must be completed and signed when required.

There are three methods of complying with the E-Tax form requirements:

1. If at closing all of the E-Tax forms have been completed 100% correctly and have been signed, those forms may be submitted with the documents to be recorded in lieu of the currently used paper versions.
2. If the E-Tax forms have not been completed 100% correctly, you may use the current paper versions of those forms, which must be signed in this alternate scenario, and then create the E-Tax forms post closing in your office. Because you will have the current paper version signed, the E-Tax forms need not be signed, but they must be printed out and submitted with the paper version.
3. If the E-Tax form has only been prepared in DRAFT form (the word DRAFT will appear as a watermark across the various pages) or the completed Final form has been presented, but the Final form is incorrect in one or more aspects, you may use the DRAFT form or the Final form provided:

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75 Maiden Lane , Suite 1001, New York, NY 10038

Tel: (212) 391-0800 · Fax: (212) 391-4664

[Email:info@choicefamily.com](mailto:info@choicefamily.com) · [www.choicefamily.com](http://www.choicefamily.com)

- a. All required missing or incorrect information on the printed DRAFT form is handwritten in and the DRAFT form is signed; or all corrections are made on the Final E-

Tax printed form and the Final form with the corrections is signed. (In essence you are treating the hand written DRAFT form or the hand corrected Final Form as the paper version.)

**b.** You enter all of the correct information in the E-Tax application in the same manner that you would need to do if you were merely given the paper version as in “2” above (The hand-completed and signed DRAFT version, or the hand-corrected and signed Final Version act as the “paper” version in “2” above.) In this scenario, you do not need to know the original preparer’s customer ID or Keyword - you are creating new E-Tax forms under a separate Tax Transaction ID number. (Note: the original preparer’s Tax Transaction remains dormant in the ACRIS system and will not interfere with your creation of the “replacement” E-Tax forms nor with your ability to use your E-Tax application in the preparation of the Cover pages.)

As to any closing occurring prior to July 3, if the papers are submitted to the Register’s office prior to July 5: the E-Tax forms are not required, only the currently used paper versions of all forms will be required.

As to any closing occurring prior to July 3 if the papers are submitted to the Register’s office after July 5: the Register has agreed to accept the documents for recording without the E-Tax forms until August 2, 2004.

All documents that were submitted prior to July 3 and have been rejected, will require the unsigned E-Tax forms if they are resubmitted on or after July 5. (See ““2”” above.)

As the E-Tax form application has been designed, the person who prepares the E-Tax forms is the who can access the E-Tax application to amend the forms, unless that person gives his/her login information (which is both his Customer ID and his Customer Keyword) to a third person who is intended to have additional access to the E-Tax forms. It has been suggested that a person will not want to disclose his/her Customer ID and Customer Keyword. The E-Tax application makes provision for the user to login either as a frequent user or an occasional user. One way for us to help attorneys to create the E-Tax forms and to freely give us their Customer ID and Keyword is to have them log in as an Occasional User, using a unique ID name (perhaps the client’s name) and a unique Keyword (perhaps the first letter of the borough and the numeric block and lot) for each set of E-Tax forms.

The paper versions of the Smoke Detector Affidavit for 1 and 2 family dwellings; the Property Owner’s Registration Form; and the Customer Registration Form for Water and Sewer Billing may continue to be used. If the ACRIS E-Tax version of these forms are used, they must be signed by the appropriate party(ies).

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Under no circumstance is our closer permitted to leave the closing without either the completed and 100% accurate E-Tax forms, or the completed and 100% accurate paper versions of the necessary

forms for recording.

In many transactions, not all of the E-Tax forms will be required. The E-Tax program has been designed with that in mind. For example, you will not need the RP-5217NYC for the recording of a lease or assignment of lease.

If the parties do not deliver to us at closing all the necessary E-Tax forms, but only the paper versions of the forms, will have to enter the data and prepare the E-Tax forms post closing. In that situation, we will charge \$100.00 for that additional service.

If you need to make payment of either or both of the NYC RPTT or the State transfer tax for co-op transfers, controlling interest transfers, or any other transaction which does not involve the recording of a transfer document, the following procedures are now in place at the City Register's office:

If you are mailing or delivering the NYC RPTT report and payment to New York City, the new mailing address is:

New York City Department of Finance  
Non-Recorded RPTT Return Processing  
66 John Street  
13<sup>th</sup> Floor  
New York, New York 10038

That office will accept both the NYC Real Property Transfer Tax and the New York State Transfer Tax. For transfers occurring on or after July 3, if you are paying both the City and State transfer taxes to the NYC Department of Finance, you will have to complete the E-Tax forms. (You may use any of the three methods set forth above for recorded documents.) You are not required to pay the State Transfer Tax to the City. If you send the TP-584 and payment directly to New York State, you will not have to prepare the E-Tax form for the TP-584.

Please have all of your personnel who are involved in your in-house preparation process review the E-Tax form tutorial on the ACRIS website. The ACRIS website is at:

<http://www.nyc.gov/html/dof/html/acris.html>

If you have any questions on this topic, please contact our office for immediate assistance.