

NOTICE  
CONCERNING ALL CONVEYANCES OF REAL ESTATE IN THE  
TOWN OF RED HOOK  
Effective August 1, 2007

Pursuant to authorizing legislation contained in Article 31-A-1 of the New York Tax Law and section 64-h of the Town Law, the Town of Red Hook has adopted Local Law No. 1 of 2007, which imposes a two percent (2.0%) real estate transfer tax on each conveyance of real property or interest therein. This Local Law No. 1 of 2007 will be codified as Article II of Chapter 57 of the Red Hook Town Code, entitled the Community Preservation Fund. The local law can be viewed in its entirety on the Town of Red Hook web site at [www.redhook.org](http://www.redhook.org).

The transfer tax applies to all such conveyances in the Town of Red Hook, including the Villages of Tivoli and Red Hook, occurring on or after August 1, 2007 (Section VI of Local Law No. 1 of 2007) unless a binding written contract has been entered into prior to such date, provided that the date of execution of such contract is confirmed by independent evidence such as the recording of the contract, payment of a deposit, or other facts and circumstances acceptable to the County Treasurer (Section 57-9 of the Town Code).

The Dutchess County Treasurer has designated the Dutchess County Clerk to act as her agent for purposes of collection the Town of Red Hook Community Preservation Act Transfer Tax.

All proceeds of the tax will be collected at closing in the form of a check payable to the Dutchess County Clerk (Section 57-10 of the Town Code) and will be thereafter transmitted by Dutchess County to the Town of Red Hook to be deposited in the Town's dedicated Community Preservation Fund earmarked for preservation of open space, agricultural and historic places within the Town.

The Town of Red Hook has adopted Local Law No. 6 of 2006, codified at Chapter 57 of the Town Code, which established the Community Preservation Fund. The Community Preservation Fund is required to be used for any of the following purposes: a plan for the preservation of community character; to acquire interests or rights in real property of the town preservation of community character; to establish a bank pursuant to a transfer of development rights program; and to provide a management and stewardship program for such rights and interests. Until May 1, 2008, the Open Space Plan adopted September 5, 2006, will serve as the Community Preservation Plan for purposes of the Community Preservation Fund. Thereafter, funds may be expended from the Community Preservation Fund only pursuant to a duly adopted Community Preservation Plan in accordance with subdivision 7 of Section 64-h of the New York Town Law.

There are certain exemptions from the tax. These are listed in Section 57-12 of the Code of the Town of Red Hook. Please refer to Section 57-11 of Local Law No. 1 of 2007. The grantor or grantee may be required to submit documentation of exemption.

Section 57-13 allows an exemption equal to the median sale price in Dutchess County. (The current median sale price is \$330,000, published in 2007 based on 2006 sales data.) The County Clerk's office will annually obtain and make available the median sale price, which is published in late June of each year by the Office of Real Property Services for purposes of the STAR exemption.

#### **Red Hook Transfer Tax Form**

A Town of Red Hook transfer tax form, similar to the TP-584, must be filed with the Dutchess County Clerk at the time the TP-584 return is filed. The Dutchess County Clerk's filing fee of \$5.00 is required. This form can be obtained online at the Dutchess County Clerk's web site at

<http://www.co.dutchess.ny.us/CountyGov/Departments/CountyClerk/CCforms.htm>

The County Clerk's Office will not record any instrument effecting a conveyance unless the required form is filed and the tax paid.

Supervisor Marirose Blum Bump  
TOWN OF RED HOOK  
DUTCHESS COUNTY, NEW YORK

July 2, 2007