



News from Livingston County, NY

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Contact: Julie Barry, Grants and Public Information Coordinator

Phone: 585-243-7051

Email: jbarry@co.livingston.ny.us

County Installs a New Mortgage Recording Tax *How it Works and What it Means*

Geneseo, NY, December 19, 2019 — At the November 20, 2019 meeting, the Livingston County Board of Supervisors passed Local Law No. 3-2019 approving a new mortgage recording tax to be collected from January 1, 2020 – December 1, 2022.

Currently, New York State imposes a one percent (1%) tax on the privilege of recording a mortgage on real property located within the state. The tax is calculated based on the mortgage amount and not the purchase price. Collection of this New York State tax occurs when a mortgage is recorded with the County Clerk. The tax revenue generated is then returned to the state and eventually distributed to Towns, Villages and the Regional Transit Authority (RTS, formerly RGRTA).

Local Law No. 3-2019 increases the mortgage recording tax in Livingston County to 1.25%, with the added quarter percent (0.25%) to be collected as local revenue for the county. Collection of this new 0.25% local tax will occur at the same time and in the same manner as the 1% New York State mortgage recording tax. Under the new law – as an example – a homeowner filing a mortgage for \$100,000 will now pay a \$1,250 mortgage recording tax ($\$100,000 \times 1.25\%$). Of this total tax revenue, \$1,000 will be returned to the state, and \$250 will be added to the county coffers.

Thirteen New York State counties in addition to Livingston County have a mortgage recording tax rate of 1.25%, including the adjacent counties of Genesee, Steuben and Wyoming.

Livingston County Administrator Ian Coyle stated, “Many other counties across the state collect a local mortgage recording tax, so it makes sense for us to keep pace with our peers.” Coyle added, “Based on the mortgage activity in Livingston County, we will see a boost in local

revenue as a result of the added quarter percent collected. It is important to emphasize that this additional revenue will stay in Livingston County and will be used to support Livingston County priorities.”

Coyle stated the additional revenue is also needed to offset state mandates. He noted that a single, recent state revenue reduction – the State government will intercept a portion of county sales tax proceeds to pay for state aid contributions to local towns and villages, an appropriation formerly paid for by State government funds – will swallow up over \$400,000 in local revenues. "We need all the revenue diversification we can get," commented Coyle.

For more information on the mortgage recording tax, please contact the Livingston County Administrator’s office at 585-243-7040.

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