

What's Good About the Federal Recapture Tax?

It's no longer a problem for SONYMA borrowers!

Very few SONYMA borrowers are required to pay the Federal recapture tax to the IRS when they sell their homes. But if you do have to pay the tax, SONYMA will reimburse you for the entire amount.

Who is eligible? Any SONYMA borrower whose loan closed on or after July 17, 2007.

How do I apply for reimbursement?

- First, file Form 8828 with your Federal tax returns and pay the recapture tax to the IRS.
- Then submit a Request for Federal Recapture Tax Reimbursement directly to SONYMA.
- Be sure to attach IRS Form 4506T - Request for Transcript of Tax Return.
- Attach your HUD-1 settlement statement.
- Provide proof of recapture tax payment.
- AND STOP WORRYING!

Copies of required documentation and detailed description of Federal recapture tax are available on our website at www.nyhomes.org. Requests for Reimbursement should be received not later than December 31st of the year in which recapture tax was paid.

Submit request to:

Recapture Tax Reimbursement
State of New York Mortgage Agency
641 Lexington Avenue
New York, NY 10022



State of New York Mortgage Agency