



## News & Press Releases

### PKF O'Connor Davies Shares Best Practices and Pitfalls for Handling New York Residency Audits in Recent Article

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New York, NY (December 8, 2017) – PKF O'Connor Davies, LLP, the nation's 28th largest accounting and advisory firm, today announced the release of the article "New York Residency Audits: Keys to Preventing a Nightmare." The piece was authored by Partner Alan S. Kufeld, Principal Sandy Weinberg and Manager Jill Cantor. The article is available on the Insights section (<https://www.pkfod.com/Insights/Publications/New-York-Residency-Audits-Keys-to-Preventing-a-Nightmare>) of the PKF O'Connor Davies website. It details what auditors look for in determining residency along with the evidence individuals must provide to prove they are not residents of New York State.

"Many people believe that where you vote and where you have a driver's license are the main factors in determining residency. That's not true," Kufeld said. "Residency audits have reportedly generated more than \$1 billion for New York State, and auditors are using sophisticated and aggressive tactics to get the information they want. This article provides the most up-to-date best practices on avoiding being labeled a resident of New York."

The article includes information on the two primary tools auditors use to determine tax responsibility – domicile and statutory residency tests. Kufeld lays out the five things auditors weigh most heavily in domicile evaluation:

1. **Home** – When comparing homes look to size, value and use of the residences.
2. **Active Business Involvement** – Is the taxpayer controlling a New York business from afar?
3. **Time** – Look to the percentage of time spent respectively in the old vs. new locations.
4. **Near and Dear Items** – Where is the wine cellar, the artwork, the auto collection and other valuables?
5. **Family Connections** – Where do minor children attend school? Where is the spouse/partner located

In addition, the piece details how to navigate the 183 day test, which stipulates that anyone who maintains a “permanent place of abode” in New York and spends more than 183 days of the year in the state is considered a resident.

Kufeld and his team have helped many individuals successfully prepare for and handle residency audits in New York and other states, resulting in considerable tax savings and peace of mind. These successes come from ongoing expertise in sectors including compliance, tax planning and family office planning.

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