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# The New Yorker's Guide to Buying in Miami

*Taxes, Residency, and Long-Term Value —  
What to Know Before You Buy*

PREPARED BY ALEXANDRIA REALTY GROUP

## INTRODUCTION

## Why We Made This Guide

More New Yorkers are buying in Miami than ever — and for many, it's no longer just about a winter place in the sun. It's a financial decision.

Between income tax, estate tax, and the cost of space, the gap between New York and Florida has become hard to ignore. But the move is also widely misunderstood. Buying a home in Miami and changing your tax residency are two different things, and the rules around the second one are stricter than most people assume.

This guide lays out the real numbers, what it actually takes to become a Florida resident, and the questions worth asking before you buy. It's written to inform a decision, not to sell you one.

*A note up front: this is general educational information, not tax or legal advice. The right move depends on your specific situation — we'll tell you where to bring in a professional, and we work with experienced ones we're glad to connect you with.*

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## SECTION ONE

## The Income Tax Difference

This is the number most people start with, and it's a large one.

**New York** taxes income at the state level at rates up to **10.9%**. New York City residents pay an **additional city income tax up to 3.876%** on top of that. Combined, a high earner in the city can face a top marginal rate near **14.8%** on income.

**Florida** has **no state income tax. No city income tax. Zero.**

| On \$200,000 of taxable income | New York City    | Florida    |
|--------------------------------|------------------|------------|
| State income tax (approx.)     | ~\$14,300        | \$0        |
| City income tax (approx.)      | ~\$7,500         | \$0        |
| <b>Annual income tax</b>       | <b>~\$21,800</b> | <b>\$0</b> |

That's roughly **\$21,800 a year** kept rather than paid at this income level — and over a decade, well over **\$200,000**, before you account for what that money could earn if invested instead. The higher your income, the larger the gap grows.

**The catch:** lower income tax only applies once you've actually changed your tax residency to Florida. Owning a second home in Miami while remaining a New York resident does **not** reduce your New York income tax. Section Three covers what the change actually requires.

## SECTION TWO

## The Estate Tax Difference

This one gets less attention than income tax, but for high-net-worth families it can matter more.

**New York** is one of the few states with its own estate tax, separate from the federal one. For 2026:

- The exemption is **\$7,350,000** — estates below this generally owe no New York estate tax.
- Estate tax rates run from **3.06% up to 16%**.
- New York has a "**cliff**." If your estate exceeds the exemption by more than 5% (over **\$7,717,500**), you lose the exemption entirely and the tax applies to the **whole estate from the first dollar** — not just the amount above the threshold.
- New York does **not** allow **portability** between spouses, so without planning, a couple can waste one spouse's exemption.

**Florida** has **no estate tax and no inheritance tax** — a protection written into the state constitution, which means it can't be changed without a vote of the people.

For a family with significant assets, establishing Florida domicile can remove New York estate tax exposure entirely. The savings here aren't annual — they're generational.

Estate planning is complex and the cliff makes New York especially unforgiving. This is firmly a "work with an estate attorney" area — but it's one of the strongest reasons high-net-worth New Yorkers make the move.

## SECTION THREE

## Becoming a Florida Resident

This is the part people underestimate. New York does **not** simply let you stop paying its income tax because you bought a place in Miami. There are two separate ways New York can still tax you as a resident — and you have to clear **both**.

**1. Domicile.** Your domicile is your true, permanent home — the place you intend to return to. You remain a New York domiciliary until you take deliberate action to change it. Changing domicile is about *intent shown through action*.

**2. Statutory residency.** Even if your domicile is Florida, New York can still tax you as a resident if you **maintain a permanent place of abode in New York** (an apartment or home available to you year-round) **and spend more than 183 days** in the state. Note: **any part of a day in New York counts as a full day** — even a two-hour layover.

### What changing your domicile actually involves

There's no single form. New York looks at the full picture, so the goal is to genuinely shift the center of your life to Florida and document it:

- Buy or lease your **primary** home in Florida and spend the majority of your time there.
- Get a **Florida driver's license** and register your vehicles in Florida.
- **Register to vote** in Florida and actually vote there.
- File a **Florida Declaration of Domicile**.
- Update **estate documents** (will, etc.) to your Florida address.
- Move banking, accounts, doctors, and key memberships to Florida.
- **Reduce your New York footprint** — be careful about a NYC apartment available to you.
- **Keep a day-count record.** Track where you are, every day.

### The New York apartment trap

Keeping your New York apartment is the single most common mistake. If it remains a "permanent place of abode" available to you **and** you spend 183+ days in New York, you can be taxed as a statutory resident **regardless of your Florida domicile**. If you keep New York property, the safer paths are to rent it out long-term (no personal use) or to be disciplined about days and records.

**One more thing you should know.** New York audits departing residents aggressively, especially high earners, and in an audit the burden of proof is on you to show you changed domicile and stayed under the day threshold. This isn't a reason not to move — thousands do it successfully every year — it's a reason to do it properly, with a qualified tax professional and good records from day one.

## Clearing Both Tests — At a Glance

You must satisfy both to stop being taxed as a New York resident.

### TEST ONE

#### Change Your Domicile

- Make Florida your true, permanent home
- Prove intent through action — license, voter registration, Declaration of Domicile
- You remain a New Yorker until you actively change it

### TEST TWO

#### Avoid Statutory Residency

- Don't keep a New York home available to you year-round
- Spend fewer than 184 days in New York
- Remember: any part of a day counts as a full day

## Records Worth Keeping

If New York ever asks, documentation is what settles it. From day one, hold onto:

- A day-by-day log of where you spent each night
- Travel records — flights, tolls, and card receipts that place you
- Your Florida Declaration of Domicile and driver's license
- Florida voter and vehicle registration
- Proof your New York home is rented out or not available to you
- Anything tying the center of your life to Florida

## SECTION FOUR

## Homestead and "Save Our Homes"

If Miami becomes your **primary residence**, Florida offers two property tax benefits worth understanding.

**Homestead Exemption.** Reduces the taxable assessed value of your primary residence by up to **\$50,000**, lowering your annual property tax bill. You must own and occupy the home as your permanent residence as of January 1, and apply by **March 1**.

**The Save Our Homes (SOH) cap.** Once you have homestead, your home's **assessed value can't rise more than 3% per year — or the CPI, whichever is lower. For 2026, the cap is 2.7%**. In a rising market, your assessed value drifts well below market value over time, and the gap — your protected savings — grows every year you own.

**Important caveat:** Homestead and Save Our Homes apply **only to a primary residence**. A second home, vacation home, or investment property does **not** qualify. If you're buying a Miami place but keeping New York as home, these specific benefits won't apply — though the property's value and rental potential still stand on their own.

**One thing to watch when buying:** when a homesteaded property is sold, the SOH cap **resets** for the new owner — the first-year assessed value returns to full market value. So a long-time owner's low tax bill is *not* what you'll inherit; budget your property taxes on market value, not the seller's number.

### Florida Homestead — Key Numbers

For a primary residence, current as of 2026.

|                                                        |                                                      |                                                  |                                                        |
|--------------------------------------------------------|------------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|
| <b>\$50,000</b><br>Max exemption off<br>assessed value | <b>2.7%</b><br>2026 Save Our Homes<br>assessment cap | <b>March 1</b><br>Annual application<br>deadline | <b>Primary</b><br>Residence only — not<br>second homes |
|--------------------------------------------------------|------------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|

## SECTION FIVE

## A Worked Example: The \$6M Move

Here's the picture for one buyer — a New Yorker who purchases a **\$6 million home** in Miami as their **primary residence** and establishes Florida residency. The figures below are rounded and illustrative, assuming roughly **\$1 million** in annual income and a **\$10 million** total estate.

| As a resident of...             | New York     | Florida        |
|---------------------------------|--------------|----------------|
| Income tax — every year         | ~\$100,000   | \$0            |
| Estate tax — on a ~\$10M estate | ~\$1,000,000 | \$0            |
| Property-tax assessment cap     | none         | 2.7% / yr      |
| Homestead exemption             | none         | up to \$50,000 |

The income tax gap repeats **every single year**. The estate tax gap may land only once — but for a large estate, it can outweigh everything else combined.

### What That Adds Up To

Rounded and illustrative — before any investment growth on what you keep.

|                                               |                                                |                                             |                                           |
|-----------------------------------------------|------------------------------------------------|---------------------------------------------|-------------------------------------------|
| <b>~\$100K</b><br>Income tax saved every year | <b>~\$1M</b><br>Income tax saved over 10 years | <b>~\$1M</b><br>New York estate tax removed | <b>\$0</b><br>Florida income & estate tax |
|-----------------------------------------------|------------------------------------------------|---------------------------------------------|-------------------------------------------|

## SECTION SIX

## Frequently Asked Questions

**Do I have to move to Miami full-time to save on income tax?**

To stop paying New York income tax, yes — in substance. You need to change your domicile to Florida *and* avoid New York's statutory residency test. A second home alone, while you remain a New York resident, doesn't reduce your New York income tax.

**Can I buy now and change my residency later?**

Yes. Buying the property and changing your tax residency are separate steps. Many buyers purchase first and make the residency change on their own timeline.

**What if I want to keep my New York apartment?**

You can — but be aware of the statutory residency trap. If it stays available to you and you spend 183+ days in New York, you may still be taxed as a New York resident. Renting it out long-term or carefully managing your days are the common solutions. Talk to a tax professional.

**Will New York audit me?**

New York reviews departing residents closely, especially high earners. The way to handle this is preparation: change domicile properly, keep a day-count record, and work with a CPA experienced in New York residency. Done right, it's routine.

**Does homestead apply to my Miami investment or vacation property?**

No. Homestead and Save Our Homes apply only to a primary residence. Investment and second-home properties are assessed and taxed differently.

**When do I apply for homestead?**

You must own and occupy the home as your primary residence by January 1, and apply with the county property appraiser by March 1 of that tax year.

**Is Florida's no-income-tax / no-estate-tax status likely to change?**

Both are unusually durable — Florida's lack of an income tax and estate tax is protected at the constitutional level, requiring a statewide vote to change.



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## How Alexandria Realty Group Helps

We're a Miami real estate firm, not a tax advisor — and we work the way that serves you best across both.

- We help you find the **right residence** — on the market and off — for how you intend to use it, whether that's a primary home, a seasonal base, or an investment.
- We connect you with **experienced tax and estate professionals** for the residency and planning side, so the financial move is done correctly.
- We handle the process **from first call to closing**, in person whenever possible and seamlessly from a distance when it's not.

When you're ready to talk, we are.

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### *Connecting the World to Miami*

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