

## Examples of the Application of the new Recordation Tax Law

#1. A property transfers by deed with “consideration payable” (consideration) of \$400,000 and with a Principal residence affidavit.

The first \$100,000 of consideration is exempt from recordation tax (Principal residence).

The next \$300,000 of consideration is taxed at a recordation tax rate of \$4.45/500.

$$\$300,000 \times \$4.45 \div 500 = \$2,670.00$$

#2. A property transfers by deed with “consideration payable” of \$400,000 and is NOT a Principal residence.

The consideration of \$400,000 of consideration is taxed at a recordation rate of \$4.45/500.

$$\$400,000 \times \$4.45 \div 500 = \$3,560.00$$

#3. A property transfers by deed with “consideration payable” of \$575,000 and with a Principal residence affidavit.

The first \$100,000 of consideration is exempt from recordation tax (Principal residence).

The next \$400,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The amount exceeding the \$500,000 is taxed at a recordation tax rate of \$6.75/500.

$$\$400,000 \times \$4.45 \div 500 = \$3,560.00$$

$$\$75,000 \times \$6.75 \div 500 = \$1,012.50$$

$$\text{Total Recordation Tax due} = \$4,572.50$$

#4. A property transfers by deed with “consideration payable” of \$575,000 and is NOT a Principal residence.

The first \$500,000 of consideration is taxed at a recordation tax rate of \$4.45/500.

The next \$75,000 of consideration is taxed at a recordation tax rate of \$6.75/500.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$75,000 \times \$6.75 \div 500 = \$1,012.50$$

$$\text{Total Recordation Tax due} = \$5,462.50$$

#5. A property transfers by deed with “consideration payable” of \$675,000 and with a Principal residence affidavit.

The first \$100,000 of consideration is exempt from recordation tax (Principal residence).

The next \$400,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The amount exceeding the \$600,000 is taxed at the recordation tax rate of \$10.20/500.

$$\$400,000 \times \$4.45 \div 500 = \$3,560.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$75,000 \times \$10.20 \div 500 = \$1,530.00$$

$$\text{Total Recordation Tax due} = \$6,440.00$$

#6. A property transfers by deed with “consideration payable” of \$675,000 and is NOT a Principal residence.

The first \$500,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The next \$100,000 of consideration is taxed at the recordation tax rate of \$6.75/500.

The amount exceeding over \$600,000 (\$75,000) is taxed at the recordation tax rate of \$10.20/500.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$75,000 \times \$10.20 \div 500 = \$1,530.00$$

$$\text{Total Recordation Tax due} = \$7,330.00$$

#7. A property transfers by deed with “consideration payable” of \$775,000 and with a Principal residence affidavit.

The first \$100,000 of consideration is exempt from recordation tax (Principal residence).

The next \$400,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The next \$100,000 of consideration is taxed at the recordation tax rate of \$6.75/500.

The next \$150,000 of consideration is taxed at the recordation tax rate of \$10.20/500.

The amount exceeding the \$750,000 (\$25,000) is taxes at the recordation tax rate of \$10.78/500.

$$\$400,000 \times \$4.45 \div 500 = \$3,560.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\$25,000 \times \$10.78 \div 500 = \$539.00$$

$$\text{Total Recordation Tax due} = \$8,509.00$$

#8. A property transfers by deed with “consideration payable” of \$775,000 and is NOT a Principal Residence.

The first \$500,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The next \$100,000 of consideration is taxed at the recordation tax rate of \$6.75/500.

The next \$150,000 of consideration is taxes at the recordation tax rate of \$10.20/500.

The amount exceeding of \$750,000 (\$25,000) is taxed at the recordation tax rate \$10.78/500.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\$25,000 \times \$10.78 \div 500 = \$539.00$$

$$\text{Total Recordation Tax due} = \$9,399.00$$

#9. A property transfers by deed with “consideration payable” of \$1,075,000 and with a Principal residence affidavit.

The first \$100,000 of consideration is exempt from recordation tax (Principal residence).

The next \$400,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The next \$100,000 of consideration is taxed at the recordation tax rate of \$6.75/500.

The next \$150,000 of consideration is taxed at the recordation tax rate of \$10.20/500.

The next \$250,000 of consideration is taxed at the recordation tax rate of \$10.78/500.

The amount exceeding \$1,000,000 (\$75,000) is taxed at a recordation tax rate of \$11.35/500.

$$\$400,000 \times \$4.45 \div 500 = \$3,560.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\$250,000 \times \$10.78 \div 500 = \$5,390.00$$

$$\$75,000 \times \$11.35 \div 500 = \$1,702.50$$

$$\text{Total Recordation Tax due} = \$15,062.50$$

#10. A property transfers by deed with "consideration payable" of \$1,075,000 and is NOT a Principal residence.

The first \$500,000 of consideration is taxed at the recordation tax rate of \$4.45/500.

The next \$100,000 of consideration is taxed at the recordation tax rate of \$6.75/500.

The next \$150,000 of consideration is taxed at the recordation tax rate of \$10.20/500.

The next \$250,000 of consideration is taxed at the recordation tax rate of \$10.78/500.

The amount exceeding the \$1,000,000 (\$75,000) is taxed at the recordation tax rate of \$11.35/500.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\$250,000 \times \$10.78 \div 500 = \$5,390.00$$

$$\$75,000 \times \$11.35 \div 500 = \$1,702.50$$

$$\text{Total Recordation Tax due} = \$15,952.50$$

#11. A refinance deed of trust is presented with a "principal amount of debt secured" (debt) of \$400,000 along with a refinance affidavit showing a \$100,000 unpaid principal balance on the existing deed of trust being paid off. The taxable debt after the refinance exemption is \$300,000.

The first \$100,000 of debt is exempt from recordation tax (refinance exemption).

The next \$300,000 of debt is taxed at a recordation tax rate of \$4.45/500.

$$\$300,000 \times \$4.45 \div 500 = \$2,670.00$$

$$\text{Total Recordation Tax due} = \$2,670.00$$

#12. A refinance deed of trust is presented with a "principal amount of debt secured" of \$550,000 along with a refinance affidavit showing a \$450,000 unpaid principal balance on the existing deed of trust being paid off.

The taxable debt after the refinance exemption is \$100,000.

The first \$450,000 of debt is exempt from recordation tax (refinance exemption).

The next \$50,000 of debt is taxed at a recordation tax rate of \$4.45/500.

The next \$50,000 of debt is taxed at a recordation tax rate of \$6.75/500 because the principal amount of debt secured exceeds \$500,000.

$$\$50,000 \times \$4.45 \div 500 = \$445.00$$

$$\$50,000 \times \$6.75 \div 500 = \$675.00$$

$$\text{Total Recordation Tax due} = \$1,120.00$$

#13. A deed of trust (NOT qualified for the refinance exemption or purchase money exemption) is presented with a "principal amount of debt secured" of \$500,000.

The first \$500,000 of debt is taxed at a recordation tax rate of \$4.45/500.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\text{Total Recordation Tax due} = \$4,450.00$$

#14. A deed of trust (NOT qualified for the refinance exemption or purchase money exemption) is presented with a "principal amount of debt secured" of \$750,000.

The first \$500,000 of debt is taxed at a recordation tax rate of \$4.45/500.

The next \$100,000 of debt is taxed at a recordation tax rate of \$6.75/500 because the principal amount of debt secured exceeds \$500,000.

The remaining \$150,000 of debt is taxed at a recordation tax rate of \$10.20/500 because the principal amount of debt secured exceeds \$600,000.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\text{Total Recordation Tax due} = \$8,860.00$$

#15. A deed of trust (NOT qualified for the refinance exemption or purchase money exemption) is presented with a "principal amount of debt secured" of \$1,075,000.

The first \$500,000 of debt is taxed at a recordation tax rate of \$4.45/500.

The next \$100,000 of debt is taxed at a recordation tax rate of \$6.75/500 because the principal amount of the debt secured exceeds \$500,000.

The next \$150,000 of debt is taxed at a recordation tax rate of \$10.20/500 because the principal amount of the debt secured exceeds \$600,000.

The next \$250,000 of debt is taxed at a recordation tax rate of \$10.78/500 because the principal amount of the debt secured exceeds \$750,000.

The remaining \$75,000 of debt is taxed at a recordation tax rate \$11.35/500 because the principal amount of the debt secured exceeds \$1,000,000.

$$\$500,000 \times \$4.45 \div 500 = \$4,450.00$$

$$\$100,000 \times \$6.75 \div 500 = \$1,350.00$$

$$\$150,000 \times \$10.20 \div 500 = \$3,060.00$$

$$\$250,000 \times \$10.78 \div 500 = \$5,390.00$$

$$\$75,000 \times \$11.35 \div 500 = \$1,702.50$$

$$\text{Total Recordation Tax due} = \$15,952.50$$

#16. A modification of a line of credit deed of trust is presented with a “principal amount of debt secured” of \$500,000 and the previous principal amount of debt secured was \$450,000 and full recordation tax was paid on this amount. The taxable debt after modification is \$50,000.

The first \$450,000 of debt is exempt from recordation tax (credit for previous payment of recordation tax).

The next \$50,000 of debt is taxed at a recordation tax rate of \$4.45/500.

$$\$50,000 \times \$4.45 \div 500 = \$445.00$$

$$\text{Total Recordation Tax due} = \$445.00$$

#17. A modification of a line of credit deed of trust is presented with a “principal amount debt secured” of \$950,000 and the previous principal amount of debt secured was \$875,000 and full recordation tax was paid on this amount. The taxable debt after modification is \$75,000.

The first \$875,000 of debt is exempt from recordation tax (credit for previous payment of recordation tax).

The next \$75,000 of debt is taxed at a recordation tax rate of \$10.78/500.

$$\$75,000 \times \$10.78 \div 500 = \$1,617.00$$

$$\text{Total Recordation Tax due} = \$1,617.00$$

#18. A modification of a non-line of credit deed of trust is presented with “principal amount of debt secured” of \$1,750,000 and an existing principal balance of \$1,000,000. The taxable debt after modification is \$750,000.

The first \$1,000,000 of debt is exempt from recordation tax (credit for previous payment of recordation tax).

The next \$750,000 of debt is taxed at a recordation tax rate of \$11.35/500.

$$\$750,000 \times \$11.35 \div 500 = \$17,025.00$$

$$\text{Total Recordation Tax due} = \$17,025.00$$

#19. Principal Residence \$1,590,000

$\$1,490,000 \times \$8.90 = \$13,261$

First \$100,000 is exempt

Next \$400,000 is exempt

100,000 (500,000-600K)  $\$13.50 - \$8.90 = \$4.60 \times \$100,000 = \$460.00$

150,000 (600,000.01-750K)  $\$20.40 - \$8.90 = \$11.50 \times \$150,000 = \$1725.00$

250,000 (750,000.01-1,000,000K)  $\$21.56 - \$8.90 = \$12.66 \times \$250,000 = \$3165.00$

590,000 (1,000,000.01K & over)  $\$22.70 - \$8.90 = \$13.80 \times \$590,000 = \$8,142.00$

Total Recordation Tax (CIP2) = \$13,492.00

Total Recordation Tax = \$13,261.00

Total for both = \$26,753.00

County Transfer = \$15,900.00

Total due for Recordation Tax and County Transfer = \$42,653.00

#20.

Non- Principal Residence \$2,000,000

$\$2,000,00 \times \$8.90 = \$17,800$

First 500,000 is exempt

100,000 (500,000-600K)  $\$13.50 - \$8.90 = \$4.60 \times \$100,000 = \$460.00$

150,000 (600,000.01-750K)  $\$20.40 - \$8.90 = \$11.50 \times \$150,000 = \$1725.00$

250,000 (750,000.01-1,000,000K)  $\$21.56 - \$8.90 = \$12.66 \times \$250,000 = \$3165.00$

1,000,000 (1,000,000.01K & over)  $\$22.70 - \$8.90 = \$13.80 \times \$1,000,000 = \$13,800.00$

Total Recordation Tax (CIP2) = \$19,150.00

Total Recordation Tax = \$17,800.00

Total for both = \$36,950.00

County Transfer = \$20,000.00

Total due for Recordation Tax and County Transfer = \$56,950.00