

No Hidden Transfer Tax in 2015



Finding comparables on investor flips, luxury homes, commercial properties and more will get easier very soon!

Effective January 1, 2015 AB 1888 requires the amount of tax due and the location of the property to show on the face of the document on all properties thus making it easier to calculate the transfer value.

The people of the State of California do enact as follows:

SECTION 1. Section 11932 of the Revenue and Taxation Code is amended to read:

11932. If a county has imposed a tax pursuant to this part, every document subject to tax that is submitted for recordation shall show on the face of the document the amount of tax due and the incorporated or unincorporated location of the lands, tenements, or other realty described in the document.

SEC. 2. Section 11933 of the Revenue and Taxation Code is amended to read:

11933. If a county has imposed a tax pursuant to this part, the recorder shall not record any deed, instrument, or writing subject to the tax imposed pursuant to this part, unless the tax is paid at the time of recording. A declaration of the amount of tax due, signed by the party determining the tax or his or her agent, shall appear on the face of the document in compliance with Section 11932, and the recorder may rely on that declaration if the recorder has no reason to believe that the full amount of the tax due has not been paid. The declaration shall include a statement that the consideration or value on which the tax due was computed either was, or was not, exclusive of the value of a lien or encumbrance remaining on the interest or property conveyed at the time of sale. Failure to collect the tax due shall not affect the constructive notice otherwise imparted by recording a deed, instrument, or writing.

http://www.leginfo.ca.gov/pub/13-14/bill/asm/ab_1851-1900/ab_1888_bill_20140604_chaptered.pdf