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MEMORANDUM

DATE: February 27, 2003

TO: Senator Raymond Rawson

FROM: Russell Guindon, Deputy Fiscal Analyst *RG*
Fiscal Analysis Division

SUBJECT: Request for Comparison of State Real Property Transfer Tax Rates

This memorandum is in regard to your request for a comparison of taxes imposed on the transfer of real property in each state. Attached are two tables that provide the requested information. An effort was made to include every state that currently imposes a tax on the transfer of real property, but certain states may have been excluded due to difficulty gaining access to their state statutes or the inability to find the proper citing relating to such a tax in statute.

The first table of the attachments (on page 1) titled, "Comparison of State Tax Rates on the Transfer of Real Property – Adjusted to a Rate per \$500," provides a comparison of the tax rate imposed with each state's statutory rate adjusted to an equivalent rate per \$500 of taxable value. Equalizing the rate per \$500 dollars allows for an easier comparison of the rates across the different states. The second table (beginning on page 2) titled, "Comparison of State Tax Rates on the Transfer of Real Property – Tax Rates are as Specified in State Statute," presents the actual rate structure as specified in each state's statutes. As this table demonstrates, some tax rates are expressed as percentages and others as an assessment per \$100, \$500, etc. of taxable value.

Although the structure of the tax across the different states is similar, variances do exist regarding whether outstanding liens or encumbrances are included in the taxable amount, the types and levels of exemptions provided, and the assessment of different rates for mortgages versus other types of transfers of real property.

I trust you will find this information helpful. If you have any questions or require further analysis, please call me at 685-6464 or contact me via e-mail at rguindon@lcb.state.nv.us.

cc: Gary Ghiggeri, Senate Fiscal Analyst
Ted Zuend, Deputy Fiscal Analyst
Rick Combs, Deputy Fiscal Analyst

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EXHIBIT E, Committee on Taxation

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Comparison of State Tax Rates on the Transfer of Real Property Adjusted to a Rate per \$500

State	Tax Rate per \$500
Alabama	50 cents – Tax on conveyance of real property 75 cents – Tax on mortgages
Arkansas	\$1.65
California	55 cents
Colorado	5 cents
Connecticut	\$3.05 for real property conveyed (\$2.50 to state general fund and 55 cents to municipality) \$2.50 for first \$800,000 and \$5 over \$800,000 for residential property exceeding \$800,000 \$5 – Tax on non-residential real property conveyed
Delaware	\$10
Florida	\$1.75 for bonds, debentures, certificates of indebtedness, original issue of certificates of stocks, mortgages, trust deeds \$3.50 for conveyances of realty
Georgia	50 cents
Hawaii	50 cents
Illinois	\$3.75 – City of Chicago and 25 cents - Cook County
Iowa	80 cents
Kansas	\$1.30
Kentucky	50 cents
Maine	\$2.20
Maryland	55 cents for an instrument of writing for property and is security for a corporate bond of public utility \$1.65 for transfers of corporate property, articles of merger, articles of consolidation, and security agreements \$2.50 for real property
Massachusetts	\$2
Michigan	\$3.75 – State rate 55 cents in county with population less than 2 million 75 cents in county with population in excess of 2 million
Minnesota	\$1.15
Nebraska	0.875 cents
Nevada	\$1.25 in county with population over 400,000 65 cents in county with population under 400,000
New Hampshire	\$3.75
New Jersey	\$1.75 plus an additional 75 cents for consideration in excess of \$150,000
New York	\$5
North Carolina	\$1
Ohio	\$1.50
Oklahoma	Rate is based on the length of the mortgage: 5 years and over – 50 cents; 4 to 5 years – 40 cents; 3 to 4 years – 30 cents; 2 to 3 years – 20 cents; and 2 years and less – 10 cents
Pennsylvania	\$5
Rhode Island	\$2
South Carolina	\$1.85
South Dakota	50 cents
Tennessee	57.5 cents – mortgage tax \$1.85 – tax on transfer of real property
Vermont	\$6.25
Virginia	75 cents - deed and mortgage tax 50 cents – realty transfer tax
Washington	\$6.40
West Virginia	\$1.10 state tax plus county tax of 55 cents
Wisconsin	\$1.50

NOTE: This table displays the rate per \$500 of value by adjusting each state's statutory rate shown on the following tables to reflect the rate on a per \$500 basis. Adjusting all the rates to the same per-dollar basis allows for an easier comparison of the rates across states.

Comparison of State Tax Rates on the Transfer of Real Property

Tax Rates are as Specified in State Statute

State	Tax Rate	Tax Structure
Alabama	50 cents per \$500 of the actual value of the property at the time of conveyance	Tax applies to deeds, bills of sale, instruments conveying real or personal property except mortgage transfers, instruments for perfecting title, re-recordation of corrected mortgages, deeds, or instruments executed for the purpose of perfecting title to real or personal property.
	15 cents per \$100 of the value of mortgages	Tax applies to all such instruments executed to secure or to evidence the securing of initial indebtedness.
Arkansas	\$3.30 per \$1,000 of the consideration	Tax levied on each deed, instrument or writing by which any lands, tenements, or other realty sold is transferred, granted, assigned, or otherwise conveyed to or vested in the purchaser when value of consideration exceeds \$100.
California	State does not levy a realty property transfer tax, but authorization is provided for counties or cities and counties to levy a tax of 55 cents per \$500 of value.	Tax levied on each deed, instrument, or writing by which realty sold in a county is transferred, conveyed, granted, or otherwise vested in the purchaser when the consideration, exclusive of any liens or encumbrances, exceeds \$100.
Colorado	1 cent for each \$100 of consideration	Tax levied on any deed, instrument, or writing by which title to real property is granted or conveyed, measured by the consideration paid or to be paid for such grant or conveyance exceeding \$500.
Connecticut	0.5% of the consideration for real property conveyed to the state general fund and 0.11% for the municipality. For residential property exceeding \$800,000, tax is 0.5% of the first \$800,000 and 1% on any portion in excess of \$800,000. 1% of the consideration for non-residential real property conveyed.	Tax imposed on each deed, instrument, or writing whereby any lands, tenements, or other realty is granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser if the consideration for the interest or property conveyed equals or exceeds \$2,000.
Delaware	2% of the value of the property	Tax imposed on any deed, instrument, or writing whereby any real estate shall be granted, bargained, sold, or otherwise conveyed to the grantee, if the actual value of the property transferred exceeds \$100.
Florida	Tax rate of 35 cents per \$100 of face value for bonds, debentures, certificates of indebtedness, original issue of certificates of stocks, mortgages, trust deeds. Tax rate is 70 cents per \$100 of the consideration for conveyances of realty.	
Georgia	\$1 for the first \$1,000 and 10 cents for each additional \$100 of value or consideration of property conveyed	Tax imposed on each deed, instrument, or writing by which land, tenements, or other realty is granted, assigned, transferred, or otherwise conveyed, if value is over \$100, excluding any lien or encumbrance.
Hawaii	10 cents per \$100 of actual and full consideration paid	Tax imposed on all documents or instruments whereby any land, interest in land, tenement, or other realty sold is conveyed to or vested in any purchaser, lessee, or other person, if value is over \$100, including any liens or encumbrances.
Illinois	City of Chicago imposes tax of \$3.75 per \$500 of the transfer price and Cook County imposes tax of 25 cents per \$500 of the transfer price.	State does not impose realty transfer tax, but home rule county or municipality may impose or increase, subject to prior voter approval, a tax on the privilege of transferring title to real estate.
Iowa	80 cents per \$500 of consideration	Tax imposed on each deed, instrument, or writing by which lands, tenements, or other realty is granted, assigned, transferred, or otherwise conveyed, if the full amount of the actual sale price of the real property, including any liens or encumbrances, exceeds \$500.

Comparison of State Tax Rates on the Transfer of Real Property - Continued

Tax Rates are as Specified in State Statute

Kansas	26 cents per \$100 of the principal debt or obligation secured by the mortgage, and which no prior registration fee has been paid.	Kansas imposed a mortgage registration fee, which must be paid on all real estate mortgages before filing.
Kentucky	50 cents per \$500 of value declared in the deed.	Tax imposed on the declared value in any document, instrument, or writing executed by which realty or interest therein, is conveyed, vested, transferred, granted, bargained, sold, or assigned.
Maine	\$2.20 for each \$500 of the value of the property transferred.	Tax imposed on each deed by which any real property is transferred.
Maryland	55 cents per \$500 of consideration payable or of the principal amount of the debt secured for an instrument of writing for property and is security for a corporate bond of public utility. For transfers of corporate property, articles of merger, articles of consolidation, and security agreements, the tax rate is \$1.65 per \$500 of consideration payable.	Document Recording Stamp Tax: Tax applies to instruments of writing that transfer real property of a corporation to its stockholders, the real property of a limited liability company to its members, or the real property of a partnership to its partners.
	Tax rate of 0.5% of the consideration paid. However, rate is 0.25% of the consideration in the case of sales of improved residential property to first-time homebuyers, when property is occupied as principal residence.	
Massachusetts	Amount is \$2, if consideration of the sale exceeds \$100 and does not exceed \$500, and \$2 for each additional \$500 of consideration.	Tax imposed on any deed, instrument, or writing involving the sale of lands, tenements, or other realty.
Michigan	State rate of \$3.75 per \$500 of the total value of the property being transferred. County tax rate of 55 cents (with population less than 2 million) and 75 cents (population in excess of 2 million) per \$500 of the total value.	Tax imposed on the seller or grantor on written instruments when recorded for the sale, exchange, assignment, or transfer of real estate or any interest therein; and deeds or instruments of conveyance or real property or any interest therein for consideration.
Minnesota	23 cents per \$100 of the principal debt secured by any mortgage of real property.	Mortgage registry tax is imposed on the principal debt or obligation, which is or may be secured by any mortgage of real property. Tax does not apply to a contract for the conveyance of real estate or any interest in real estate.
Nebraska	\$1.75 per \$1,000 of value.	Tax imposed on the grantor executing the deed on the privilege of transferring a beneficial interest in or legal title to real estate.
Nevada	\$1.25 (county with population over 400,000) and 65 cents (county with population under 400,000) per \$500 of value.	Tax imposed on each deed by which lands, tenements, or any realty is granted, assigned, transferred, or otherwise conveyed to or vested in another person if the consideration or value of the interest or the property conveyed, exclusive of any lien or encumbrance, exceeds \$100.
New Hampshire	75 cents per \$100 of the price or consideration for sale. Where the price or consideration is less than \$4,000, a minimum tax of \$20 is due.	Tax imposed on the sale, granting, and transfer of real estate, or any interest in the real estate.
New Jersey	\$1.75 per \$500 of consideration plus an additional 75 cents for each \$500 of consideration in excess of \$150,000.	Tax imposed on the amount of consideration declared in the deed upon the privilege of transferring title to real property, if value of consideration exceeds \$100.
New York	\$1 per \$100 of the principal debt or obligation secured.	Mortgage recording tax is imposed on the following mortgages: executory contracts for sale of realty where vendee is in possession, deeds of trust, agreements increasing mortgage indebtedness, supplemental mortgages creating or securing new or further indebtedness, and corporate mortgages in trust securing corporate obligations.

Comparison of State Tax Rates on the Transfer of Real Property - Continued

Tax Rates are as Specified in State Statute

North Carolina	\$1 per \$500 of the consideration or value of the interest or property conveyed, not including any lien or encumbrance.	Tax is imposed on each deed, instrument, or writing by which any interest in real property is conveyed to another person, if the value of the consideration, excluding any lien or encumbrance remaining at the time of the sale.
Ohio	30 cents per \$100 of value.	Counties are authorized to levy and collect a tax on each deed conveying realty or any interest in realty located wholly or partially in a county.
Oklahoma	Rate is per \$100 of the value of the mortgage based on the length of the mortgage: 5 years and over - 10 cents; 4 to 5 years - 8 cents; 3 to 4 years - 6 cents; 2 to 3 years - 4 cents; and 2 years and less - 2 cents.	Mortgages on real property are exempt from ad valorem taxation, but subject to the mortgage registration tax.
Pennsylvania	\$1 per \$100 of the value of the property.	Tax imposed on person who makes, executes, issues, delivers, or accepts any deed, instrument, or writing whereby any real property or any interest therein is conveyed to a grantee, purchaser, or other person.
Rhode Island	\$2 per \$500 of the amount paid for the purchase of the property.	Tax imposed on deeds, instruments, or writings by which any lands, tenements, or other realty sold are granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser, when the consideration exceeds \$100.
South Carolina	\$1.85 per \$500 of the realty's value.	Tax imposed for the privilege of recording a deed in which any land and all improvements on land, tenements, or other realty is transferred to another person based on the realty's fair market value, excluding any liens or encumbrances.
South Dakota	50 cents per \$500 of value.	Tax is payable by the grantor for the privilege of transferring title to real property.
Tennessee	Mortgage tax of 11.5 cents per \$100 of the amount secured.	Mortgage tax applies to any instrument evidencing an indebtedness exceeding \$2,000.
	Real estate transfer tax of 37 cents per \$100 on the consideration for the transfer or the value of the property, whichever is greater.	Tax applies to all transfers of realty.
Vermont	\$1.25 per \$100 of the value of the property transferred. Tax on the transfers of property to be used as the principal residence is 50 cents per \$100 for the first \$100,000 and \$1.25 per \$100 of the value over \$100,000.	Tax imposed on the transfer by deed of title to real property.
Virginia	Deed and mortgage tax of 15 cents per \$100 of the consideration or actual value of the property, whichever is greater.	Deeds, deeds of trust, mortgages, construction loan deeds of trust, or mortgages, leases, contracts and agreements are subject to the tax.
	Realty transfer tax of 50 cents per \$500 of the value, excluding any liens or encumbrance.	Tax imposed on deeds, instruments, or writings by which any lands, tenements or other realty sold are granted, assigned, transferred, or otherwise conveyed, if the consideration or value of interest exceeds \$100, excluding value of any lien or encumbrance remaining at the time of sale.
Washington	\$1.28 per \$100 of the selling price upon each sale of real property.	
West Virginia	\$1.10 per \$500 of actual consideration plus county tax of 55 cents per \$500 of value.	Tax imposed on transfer of title to real estate including any liens or encumbrances.
Wisconsin	30 cents per \$100 of value.	Tax imposed on the grantor of real estate