

# Application for Exemption from Washington County Transfer Tax

Transfers of real property for which the selling price is thirteen thousand nine hundred ninety-nine dollars (\$13,999.00.) or less. **3.04.030J.13.**

I, \_\_\_\_\_ being first duly sworn, say that I am the (Grantor) (Grantee) (other) \_\_\_\_\_ . That the transfer of the property recorded as document number \_\_\_\_\_ is exempt under the tax pursuant to the following exemption and required information.

## Required Information:

1) The real market value of the real property on the tax roll of the county on the date of the sale.

\_\_\_\_\_

2) A consideration of less than \$13,999 is stated on your transfer. State the nature of all other consideration involved in the transaction, including other property given in trade and any amount assumed by the buyer (grantee) of the seller's (grantor's) debt.

\_\_\_\_\_

3) If sold for less than the real market value, since the value is greater than the sale price, state if the difference is a gift. If not, give an explanation of the difference in price. If the difference is a gift, then provide the required information under 3.04.030J.16..

\_\_\_\_\_

4) For documents that are no consideration transfers, state all the names and legal entities of the grantors or sellers.

\_\_\_\_\_

5) For documents that are no consideration transfers, state all the names and legal entities of the grantees or buyers.

\_\_\_\_\_

No additional consideration was given for this transfer. *I understand that this information is available for inspection by the Internal Revenue Service and The Oregon State Department of Revenue.*

(Signature) \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_

Sworn and subscribed to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires \_\_\_\_\_

# Exemption 3.04.030J.13.

Transfers of real property for which the selling price is thirteen thousand nine hundred ninety-nine dollars (\$13,999.00.) or less.

## Exemption Guidelines

This exemption is intended for the transfer of property which has a real market value of \$13,999 or less and the sale is an arms length transaction; by its definition, selling price includes any indebtedness or encumbrance to which the property remains subject. This exemption also applies for no consideration transfers.

A rebuttable presumption exists that the consideration involved in the sale or transfer is the amount of the real market value of the property on the county real property tax rolls at the time of the sale. This presumption may be rebutted by an independent appraisal of the property or evidence that the transaction was at arms length, such as a real estate listing agreement.

## *No Consideration transfers*

Legal Counsel General Rule: Consideration is exchanged whenever the property is transferred between one legal entity and another. A rebuttable presumption exists that the value is at least the real market value of the property at the time of the transfer.

Exceptions to General Rule: Transfers between two legal entities may involve no consideration if the individuals who have title before the transfer are the same individuals who have title after the transfer and have the same beneficial ownership in the property both before and after the transfer. This only applies when the legal entity constitutes a natural person for legal purposes (liability and taxation). The exception is a limited liability company, partnership or other legal entity where natural persons were taxed as individuals and continue to be taxed as individuals with the same beneficial ownership after the transfer.

The legal entities to which this applies includes but is not limited to:

Natural Persons, Spouses with Tenancies by the Entirety, Partnerships, Limited Liability Companies (when taxed as a partnership), Trusts, and DBAs.

## Washington County Transfer Tax (Chapter 3.04 Washington County Code)

Washington County "Real Property Transfer Tax Ordinance" requires that all transfers of real property be taxed based on the selling price or file for an exemption. The tax is one dollar per thousand of the "selling price".

### Definitions:

"Selling Price" means the consideration, in money or any other thing of value which is paid, delivered, or contracted to be paid or delivered, in return for the transfer of real property. "Selling Price" shall include the amount of cash and the amount of any lien, mortgage, contract, indebtedness or any encumbrance existing against the property to which the property remains subject and which the purchaser agrees to pay or assume, as stated pursuant to ORS 93.030 on the face of any instrument conveying or contracting to convey fee title to real property. However, "selling price" also includes other property or value given or promised for the transfer of real property if such other property or value were either part or the whole consideration.

"Transfer of Real Property" means and includes every grant, sale, exchange, assignment, quitclaim or other conveyance of property in or title to real property, and also means and includes any contract for sale, exchange, grant, assignment, quitclaim or other conveyance of ownership in or title to real property. Notwithstanding this, "transfer of real property" does not include instruments clearly shown on their face to be the following:

J.1. Estoppel Deeds; J.2. Deeds in lieu of foreclosure and all transfers of real property effected by order of any court of competent jurisdiction in a mortgage or lien foreclosure proceeding, proceeding for execution of a judgment, bankruptcy proceeding, or receivership proceeding; J.3. Vendor's assignments and all transfers or assignments of a seller's interest in a contract for the sale of real property even though accompanied by a conveyance of the seller's interest in the real property; J.4. Earnest money agreements; J.5. Sheriff's deeds; J.6. Options; J.7. Trustee's deed as a result of foreclosure; J.8. Conveyance to or from a government entity; J.9. Re-recording of documents; J.10. Fulfillment deeds; J.11. Documents recorded solely for security purposes; J.12. Transfers of real property affected by appropriation or condemnation proceedings brought by the United States, the State of Oregon, the county, or any municipal or non-profit corporation; J.13. Transfers of real property for which the selling price is thirteen thousand nine hundred ninety-nine dollars (\$13,999.00.) or less; J.14. Transfers of real property to effect a mere change in identity, form or place of organization; J.15. Transfers of real property to effect the dissolution of a corporation, partnership, or joint venture; J.16. Transfers of real property by gift, devise, or inheritance; J.17. Transfers of grave or cemetery lot; or J.18. Transfers of real property between spouses effected by order of any court of competent jurisdiction in a marriage dissolution or separation proceeding.

Failure to pay the tax or file for an exemption within the fifteen (15) days from the date of recording will result in an automatic penalty equal to the amount of the tax owed or \$50.00, whichever is greater. Interest shall accrue on the delinquent tax at a rate of 1½% per month until paid. A party may in writing to the director request a fifteen (15) day extension in which to pay the tax or file for an exemption. The director may approve no more than two (2) extensions.

If a transfer of real property is transfer tax exempt, an application for an allowed exemption must be served, in writing, upon the Washington County Director of Assessment and Taxation within fifteen (15) days of the date of tender of the documents to the county for recording purposes.

Failure to file for an allowed exemption within fifteen (15) days will result in the transfer being taxed no matter what exemption is claimed.

***When any person fails to pay the tax or file for an exemption within the time provided for payment of the tax, there shall be a conclusive presumption, for purposes of computation of the tax, that the selling price is not less than the real market value as defined by ORS 308.205, as determined by the Washington County Department of Assessment and Taxation.***