

STATE OF NEW JERSEY

SS. County Municipal Code

COUNTY _____

MUNICIPALITY OF PROPERTY LOCATION _____

FOR RECORDER'S USE ONLY

Consideration \$ _____

RTF paid by buyer \$ _____

Date _____ By _____

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3 and #4 on reverse side)

Deponent, _____, being duly sworn according to law upon his/her oath,

(Name)

deposes and says that he/she is the _____ in a deed dated _____ transferring real property

(Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.)

real property identified as Block number _____ Lot number _____ located at _____

_____ and annexed thereto.

(Street Address, Town)

(2) CONSIDERATION \$ _____ (See Instructions #1, #5, and #11 on reverse side)

Entire consideration is in excess of \$1,000,000:

PROPERTY CLASSIFICATION CHECKED OR CIRCLED BELOW IS TAKEN FROM OFFICIAL ASSESSMENT LIST (A PUBLIC RECORD) OF MUNICIPALITY WHERE THE REAL PROPERTY IS LOCATED IN THE YEAR OF TRANSFER. REFER TO N.J.A.C. 18:12-2.2 ET SEQ.

(A) Grantor required to remit the Graduated Percent fee, complete (A) by checking off appropriate box or boxes below.

☐ Class 2 - Residential

☐ Class 4A - Commercial properties

☐ Class 3A - Farm property (Regular) and any other real property transferred to same grantee in conjunction with transfer of Class 3A property

(if checked, calculation in (E) required below)

☐ Cooperative unit (four families or less) (See C. 46:8D-3.)

Cooperative units are Class 4C.

(B) Grantor is not required to remit Graduated Percent Fee (one or more of following classes being conveyed), complete (B) by checking off appropriate box or boxes below.

☐ Property class. Circle applicable class or classes: 1 3B 4B 4C 15

Property classes: 1-Vacant Land;3B- Farm property (Qualified);4B- Industrial properties;4C- Apartments;15: Public Property, etc. (N.J.A.C. 18:12-2.2 et seq.)

☐ Exempt organization determined by federal Internal Revenue Service/Internal Revenue Code of 1986, 26 U.S.C. s. 501.

☐ Incidental to corporate merger or acquisition; equalized assessed valuation less than 20% of total value of all assets exchanged in merger or acquisition. If checked, calculation in (E) required and MUST ATTACH COMPLETED RTF-4.

☐ Intercompany transfer between combined group members as part of the unitary business (See Instruction #13 on reverse side)

List the Combined group NU ID number (Required) _____

(C) When grantor transfers properties involving block(s) and lot(s) of two or more classes in one deed, one or more subject to the Graduated Percent Fee (A), with one or more than one not subject to the Graduated Percent Fee (B), pursuant to N.J.S.A. 46:15-7.2, complete (C) by checking off appropriate box or boxes and (D).

☐ Property class. Circle applicable class or classes: 1 2 3B 4A 4B 4C 15

(D) EQUALIZED VALUE CALCULATION FOR ALL PROPERTIES CONVEYED, WHETHER THE GRADUATED PERCENT FEE APPLIES OR DOES NOT APPLY

Total Assessed Valuation ÷ Director's Ratio = Equalized Valuation

Property Class _____ \$ _____ ÷ _____ % = \$ _____

Property Class _____ \$ _____ ÷ _____ % = \$ _____

Property Class _____ \$ _____ ÷ _____ % = \$ _____

Property Class _____ \$ _____ ÷ _____ % = \$ _____

(E) REQUIRED EQUALIZED VALUE CALCULATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (See Instructions #6 and #7 on reverse side)

Total Assessed Valuation ÷ Director's Ratio = Equalized Value

\$ _____ ÷ _____ % = \$ _____

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed valuation. If Director's Ratio is equal to or exceeds 100%, the assessed valuation will be equal to the equalized value.

(3) TOTAL EXEMPTION FROM FEE (See Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through Chapter 69, P.L. 2025, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

(4) Deponent makes Affidavit of Consideration for Use by Seller to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith pursuant to the provisions of Chapter 49, P.L. 1968, as amended through Chapter 69, P.L. 2025.

Subscribed and sworn to before me this _____ day of _____, 20 _____

Signature of Deponent _____

Grantor Name _____

Deponent Address _____

Grantor Address at Time of Sale _____

Name/Company of Settlement Officer _____

INSTRUCTIONS FOR FILING FORM RTF-1EE, AFFIDAVIT OF CONSIDERATION FOR GRADUATED PERCENT FEE

1. CONSIDERATION STATEMENT AND REALTY TRANSFER FEE PAYMENT PREREQUISITES FOR DEED RECORDING

No county recording officer shall record any deed evidencing transfer of title to real property unless (a) the consideration is recited in the deed, or (b) an Affidavit for Use by Buyer by one or more of the parties named in the deed or by their legal representatives declaring the consideration is annexed for recording with the deed, and (c) for conveyances and transfers of property for which the total consideration recited in the deed is not in excess of \$350,000, a fee is remitted at the rate of \$2.00/\$500 of consideration or fractional part thereof not in excess of \$150,000; \$3.35/\$500 of consideration or fractional part thereof in excess of \$150,000 but not in excess of \$200,000; and \$3.90/\$500 of consideration or fractional part thereof in excess of \$200,000. For transfers of property for which the total consideration recited in the deed is in excess of \$350,000, a fee is remitted at the rate of \$2.90/\$500 of consideration or fractional part not in excess of \$150,000; \$4.25/\$500 of consideration or fractional part thereof in excess of \$150,000 but not in excess of \$200,000; \$4.80/\$500 of consideration or fractional part thereof in excess of \$200,000 but not in excess of \$550,000; \$5.30/\$500 of consideration or fractional part thereof in excess of \$550,000 but not in excess of \$850,000; \$5.80/\$500 of consideration or fractional part thereof in excess of \$850,000 but not in \$1,000,000; and \$6.05/\$500 of consideration or fractional part thereof in excess of \$1,000,000, which fee shall be paid in addition to the recording fees imposed by Chapter 123, P.L. 1965, Section 2 (C. 22A:4-4.1) as amended by Chapter 370, P.L. 2001, through Chapter 66, P.L. 2004, Chapter 19, P.L. 2005, and Chapter 69, P.L. 2025, which fee shall be paid to the county recording officer at the time the deed is offered for recording/transfer. Of these fees, \$.75/\$500 of consideration or fractional part in excess of \$150,000 paid to the State Treasurer is credited to the New Jersey Affordable Housing Trust Fund.

In addition to all other fees imposed under Chapter 49, P.L. 1968 (C. 46:15-5 et seq.) as amended through Chapter 69, P.L. 2025, a fee is imposed upon the grantor of a deed for the transfer of real property for consideration in excess of \$1,000,000:

- A. that is classified pursuant to the requirements of **N.J.A.C. 18:12-2.2** as Class 2 "residential;"
- B. that includes property classified pursuant to **N.J.A.C. 18:12-2.2** as Class 3A: "farm property (regular)" but only if the property includes a building or structure intended or suited for residential use, and; any other real property, regardless of class, that is effectively transferred to the same grantee in conjunction with farm property as described above; or
- C. that is a cooperative unit as defined in section 3 of P.L. 1987, c. 381 (C.46:8D-3);
- D. that is classified pursuant to the requirements of **N.J.A.C. 18:12-2.2** as Class 4A "commercial properties," meaning any type of income-producing properties other than properties in Classes 1, 2, 3A, 3B and those properties in Class 4B and Class 4C as defined in **N.J.A.C. 18:12-2.2** (f) and (g).

The Graduated Percent Fee is not imposed on an organization determined by the federal Internal Revenue Service to be exempt from federal income taxation pursuant to paragraph (3) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s. 501 that is the grantor in a deed for consideration in excess of \$1,000,000. The Graduated Percent Fee shall also not apply to a deed if the real property transfer is incidental to a corporate merger or acquisition and the equalized assessed value of the real property transferred is less than 20% of the total value of all assets exchanged in the merger or acquisition.

2. WHEN AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER MUST BE ANNEXED TO DEED

- **Recorded with the deed when the entire consideration is in excess of \$1,000,000 or the equalized value of the Class 4A property is in excess of \$1,000,000; however, the Realty Transfer Fee is calculated on the consideration amount recited in the deed.**
- The Graduated Percent Fee on transfers for over \$1,000,000 is as follows:
 - 1% of total consideration if in excess of \$1,000,000 but not in excess of \$2,000,000;
 - 2% of total consideration if in excess of \$2,000,000 but not in excess of \$2,500,000;
 - 2.5% of total consideration in excess of \$2,500,000 but not in excess of \$3,000,000;
 - 3% of total consideration if in excess of \$3,000,000 but not in excess of \$3,500,000;
 - 3.5% of total consideration if in excess of \$3,500,000.
- When grantor claims an exemption from payment of the fee;
- When the entire consideration is not recited in the deed or in the acknowledgement or proof of the execution.

Exemptions from the Realty Transfer Fee are found in **N.J.S.A. 46:15-10**.

3. LEGAL REPRESENTATIVE

"*Legal representative*" is to be interpreted broadly to include any person actively and responsibly participating in the transaction, such as, but not limited to: an attorney representing one of the parties; a closing officer of a title company or lending institution participating in the transaction; a holder of power of attorney from grantor.

4. OFFICER OF CORPORATE GRANTOR/OFFICER OF TITLE COMPANY OR LENDING INSTITUTION

Where a deponent is an officer of corporate grantor, state the name of corporation and officer's title or where a deponent is a closing officer of a title company or lending institution participating in the transaction, state the name of the company or institution and officer's title.

5. CONSIDERATION

"*Consideration*" means in the case of any deed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is assumed and agreed to be paid by the grantor and any other lien or encumbrance not paid, satisfied or removed in connection with the transfer of title.

6. DIRECTOR'S RATIO

"*Director's Ratio*" means the average ratio of assessed to true value of real property for each taxing district as determined by the Director, Division of Taxation, in the Table of Equalized Valuations promulgated annually on or before October 1 in each year pursuant to **N.J.S.A. 54:1-35.1**. The Table is used in the calculation and apportionment of distributions pursuant to the State School Aid Act of 1954. Director's Ratios may be found at: https://www.nj.gov/treasury/taxation/lpt/county_equalized.shtml.

7. EQUALIZED VALUE

"*Equalized Value*" means the assessed value of the property in the year that the transfer is made, divided by the Director's Ratio. The Table of Equalized Valuations is promulgated annually on or before October 1 in each year pursuant to **N.J.S.A. 54:1-35.1**. **Example: Assessed value = \$1,000,000; Director's Ratio = 80%. \$1,000,000 ÷ .80 = \$1,250,000.** If Director's Ratio is less than 100%, the equalized value will be an amount greater than the assessed value, if Director's Ratio is in excess of 100%, the assessed value will be equal to the equalized value. When calculating equalized value for item(C) as shown on front portion of this form, aggregate assessed values by property class. See <http://www.state.nj.us/treasury/taxation/pdf/lpt/multiclasst.pdf>.

8. TOTAL EXEMPTION FROM THE REALTY TRANSFER FEE (GRANTOR)

The fee imposed by this Act shall not apply to a deed:

(a) For consideration of less than \$100; (b) By or to the United States of America, this State, or any instrumentality, agency or subdivision; (c) Solely in order to provide or release security for a debt or obligation; (d) Which confirms or corrects a deed previously recorded; (e) On a sale for delinquent taxes or assessments; (f) On partition; (g) By a receiver, trustee in bankruptcy or liquidation, or assignee for the benefit of creditors; (h) Eligible to be recorded as an "ancient deed" pursuant to R.S. 46:16-7; (i) Acknowledged or proved on or before July 3, 1968; (j) Between husband and wife/partners in a civil union couple, or parent and child; (k) Conveying a cemetery lot or plot; (l) In specific performance of a final judgment; (m) Releasing a right of reversion; (n) Previously recorded in another county and full Realty Transfer Fee paid or accounted for as evidenced by written instrument, attested to by the grantor and acknowledged by the county recording officer of the county of such prior recording, specifying the county, book, page, date of prior recording, and amount of Realty Transfer Fee previously paid; (o) By an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State; (p) Recorded within 90 days following the entry of a divorce decree which dissolves the marriage/civil union partnership between the grantor and grantee; (q) Issued by a cooperative corporation, as part of a conversion of all of the assets of the cooperative corporation into a condominium, to a shareholder upon the surrender by the shareholder of all of the shareholder's stock in the cooperative corporation and the proprietary lease entitling the shareholder to exclusive occupancy of a portion of the property owned by the corporation.

9. REALTY TRANSFER FEE IS A FEE IN ADDITION TO OTHER RECORDING FEES

The county recording officer is required to collect the Realty Transfer Fee at the time the deed is offered for recording/transfer.

10. AFFIDAVITS OF CONSIDERATION FOR GRADUATED PERCENT FEE FORWARDED TO DIRECTOR, DIVISION OF TAXATION

The county recording officers shall forward one copy of each Affidavit of Consideration for Graduated Percent Fee filed and recorded with deeds to the Division of Taxation on the tenth day of the month next following the filing of the deed.

11. PENALTY FOR WILLFUL FALSIFICATION OF CONSIDERATION AND TRANSFERS OF NEW CONSTRUCTION

Any person who knowingly falsifies the consideration recited in a deed or in the proof or acknowledgement of the execution of a deed or in an affidavit annexed to a deed declaring the consideration therefor or a declaration in an affidavit that a transfer is exempt from recording fee is guilty of a crime of the fourth degree (Chapter 308, P.L. 1991, effective June 1, 1992). The Division of Taxation is entitled to review the Fees collected pursuant to the State Uniform Procedure Law. The Director of the Division of Taxation is authorized to make deficiency assessments to taxpayers who have, intentionally or mistakenly, underestimated the consideration or sales price of properties on the Affidavit of Consideration for Use by Buyer attached to deeds and upon which the Realty Transfer Fee is based.

12. COUNTY/MUNICIPAL CODES

County/Municipal codes may be found at <http://www.state.nj.us/treasury/taxation/pdf/lpt/cntycode.pdf>.

13. INTERCOMPANY TRANSFER BETWEEN COMBINED GROUP MEMBERS THAT FILE A NEW JERSEY COMBINED RETURN

Transfers of real property that are intercompany transfers between combined group members filing a New Jersey combined return as part of the unitary business of the combined group are exempt from the grantor fees. Transfers must indicate the combined group NU identification number assigned by the Division of Taxation. If the NU number has not been assigned for any reason then the RTF must be paid and a refund may be applied for within 90 days for the Graduated Percent Fee. Claims received beyond the 90 days will not be approved.