



# Doc Transfer Tax Exemptions

Following is a list of real estate transactions that are exempt from documentary transfer tax under sections 11911-11930 of the Revenue and Taxation CA (R&T) Code.

When a transaction is exempt, the reason for the exemption must be noted on the document. The reason must reference the R&T Code section and include the appropriate wording as shown below. Additional verification may be required to demonstrate a specific exemption applies to the transaction.

| CA R&T Code | Reason for Exemption with Required Wording                             | Applicable Situations or Conditions                                                         |
|-------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| 11911       | Gift                                                                   | Bona fide gift                                                                              |
| 11911       | Value or consideration is less than \$100                              | The property being transferred has a fair market value of less than \$100.00.               |
| 11911       | Liened to full value                                                   | The value of the liens outstanding equals or exceeds the value of the property.             |
| 11911       | Agent to principal, funds of the grantee used to purchase the property | Only applicable when two deeds are recorded concurrently.                                   |
| 11921       | Instrument securing a debt for collateral purposes only                | Used on Assignments of Lease and/or Rents for collateral purposes only. Not valid on deeds. |
| 11922       | Governmental agency acquiring title                                    | Includes foreclosing beneficiary to FHLMC or FNMA.                                          |
| 11923       | Conveyance under bankruptcy Federal Case<br>No. _____                  | Approved in court proceeding                                                                |

| CA R&T Code | Reason for Exemption with Required Wording                                                                                                                                                                          | Applicable Situations or Conditions                                                                                                                                |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11923       | Court ordered conveyance not pursuant to a sale Court Case No. _____                                                                                                                                                | Approved in court proceeding                                                                                                                                       |
| 11923       | Reorganization/adjustments plan Federal Case No. _____                                                                                                                                                              | Approved in court proceeding                                                                                                                                       |
| 11924       | Transfer by order of the Securities and Exchange Commission Case No. _____                                                                                                                                          | Approved in court proceeding                                                                                                                                       |
| 11925       | Grantors and grantees are comprised of the same parties and their proportional interest remains the same immediately following transfer.                                                                            | Transfers between individual(s) and legal entity(ies) in which proportional interest remains the same.                                                             |
| 11926       | Trustees Deed upon sale or Deed in Lieu of Foreclosure. The grantee was / was not the foreclosing beneficiary. The amount of consideration paid by grantee is \$_____. The amount of debt with interest is \$_____. | A special tax statement is required to determine if any equity value exists. The tax exemption is for the value of the lien and does not include any equity value. |
| 11927       | Dissolution of marriage                                                                                                                                                                                             | Transfer between spouses caused by or in anticipation of a divorce.                                                                                                |
| 11928       | Grantor is a non-federal government agency                                                                                                                                                                          | Only applies when the purchaser immediately reconveys the realty to the exempt agency. The two deeds must be concurrent.                                           |
| 11929       | Grantor is a non-federal government agency; grantee is a non-profit corporation                                                                                                                                     | Does not apply to individuals or private entity(s) granting to a non-profit corporation.                                                                           |
| 11930       | Transfer into or out of a trust                                                                                                                                                                                     | Interests transferred outright to, or in trust for the benefit of any person or entity.                                                                            |
| 11930       | Inter vivos gift or reason of death                                                                                                                                                                                 | A gift made while someone is alive or the death of any person where their interest is transferred outright.                                                        |

Source: Sacramento Administrative Services- County Clerk/Recorder

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