

**Baltimore City Transfer/Recordation Tax Office
200 Holliday Street, Suite 1B
Baltimore, MD 21202
(410)396-5122**

CHECKLIST

Please place all documents in the following order to ensure accurate and timely processing.

Original Deed – New deed, signed and notarized.

Current Lien Certificate - ALL LIENS MUST BE PAID IN FULL prior to submitting document(s) to the transfer tax office (Validated receipts must be attached to the Lien Certificate).

- If the lien sheet includes any notations for Clean and Boards, Alley Paving and/or Miscellaneous bills, please use the contact information listed on the lien sheet to see if an amount is due.
- In the event of a Homeowner's Tax Credit appearing on the Lien Certificate; please use the email information listed on the lien sheet **Propertytransferrequestcreditproration@baltimorecity.gov** to obtain the amount that is due and submit corresponding payment (Must be a separate check made payable to the Director of Finance).
- If the new owner is taking the Owner Occupancy Credit, a signed affidavit of principal residence must be included in your deed.
- If the Lien sheet indicates that the property was included in a Tax Sale, the property must be redeemed and the Tax Sale line on the Lien sheet **must be signed off by the Tax Sale Section prior to the Transfer Tax Office.**
- If the real property tax bill has a “**Homestead Credit**” and the document being presented for transfer is a “**Foreclosure**” deed, the “**Homestead Credit**” will need to be repaid prior to transfer.
- Receivership cases **MUST** be dropped off to the attention of the Liens Department so it can be processed and verified. The Liens Department will determine if it is ok to transfer thru the Transfer Tax Office.

Completed Intake Sheet- A new intake sheet has been specially designed for the Baltimore City Transfer Tax Office. All copies of the intake sheet must be legible and legal size (8.5x14).

**** Important Notice**- Effective 7/1/2014 the Transfer Tax Office will no longer be accepting the Maryland State Intake Sheet.

Copy of a Settlement sheet, contract of sale, or a report of sale

Check(s) made payable to the Director of Finance for City Transfer Tax

Separate check made payable to Director of Finance for Recordation Tax (if applicable)

Separate check made payable to Director of Finance for Yield Tax (if applicable)

No Consideration Deed - If you are claiming an exemption for a no consideration deed **when adding or removing someone from title, or conveying property as a gift, a zero consideration, an affidavit may be required.** It is advisable to call the office to see if you need an affidavit and obtain one if applicable. Examples of reasons for an exemption are "Gift to child, no consideration, no open mortgage." "Adding wife, no consideration, no refinance." **(The Affidavit Must Be Notarized)**

FYI... Anytime a transfer is exempt from Transfer Tax, **the reason Must be clearly stated in the deed and on the Intake sheet.**

In addition, most zero Consideration deeds will require a **"No Consideration" affidavit.** Please call 410-396-5122 to obtain more details.

HOW TO CALCULATE BALTIMORE CITY TRANSFER TAX

Basic Sale of Property

Multiply the consideration x 1.5%.

No Consideration, gift to a family member or friend

Need to know if there is an open mortgage. If there is an open mortgage it will not be considered a bonafide gift and therefore will be taxed on the open mortgage x 1.5%.

If there is no open mortgage, please include a notarized "No Consideration" affidavit.

Individual adding someone to title (including husband & wife)

If they are adding someone to title and there is no consideration and no refinance or new loan, please include "No Consideration" affidavit.

However, if they are refinancing or taking out a new loan, it will be taxed on $\frac{1}{2}$ of the New Loan x 1.5% for Transfer Tax.

Please note...If they are adding more than one person to title, for example if they are adding 2 people to title, it will be taxed on $\frac{2}{3}$ of the new loan. If in the zero consideration they are doing both adding and removing, the adding will prevail.

Removing a person from title – Husband & wife

The only time a transfer is exempt between husband and wife is if it is "Pursuant to a Divorce". If this is the case, it must be clearly stated in the deed and on the intake sheet.

If it is not "Pursuant to Divorce" and has a zero consideration, a No Consideration Affidavit must be included.

If it is not pursuant to a divorce, and there is a refinance, it will be taxed on $\frac{1}{2}$ of the existing mortgage x 1.5% for Transfer Tax.

Removing a person from title – other than spouse

When removing someone from title and there is no consideration and no refinance or new loan, please include a “No Consideration” affidavit.

However, when removing someone from title and then refinancing the mortgage, the conveyance will be taxed on ½ of the existing mortgage.

Individual(s) to an LLC

Individuals to their fully owned LLC: If it is a **Real Estate Enterprise** pursuant to the Annotated Code 12-108, 13-207(a)(18) and 13-405(c) it will be an exempt transfer. The language and codes must be clearly stated both in your deed and on the intake sheet for it to be eligible for the exemption.

If it is not, it will be taxed on the **Assessed Value**.

LLC back to the original member(s)

The only time this transfer is exempt is if the LLC has been dissolved with the State. If the LLC has been dissolved the “**Articles of Cancellation**” form from SDAT must be submitted.

Otherwise, it will be taxed on the **Assessed Value**.

No Consideration deed(s) being transferred from a company, corporation, or LLC to another company, corporation, or LLC

Will be taxed on the assessed value x 1.5% (unless related entities)

If it is Related Business Entity, exemption language and codes must be included in the deed.

Transfer between churches – No Consideration

A transfer between two churches, with no consideration, will be taxable on the assessed value. Once the deed has been recorded the new owner can apply for an exemption with State Department of Assessments and Taxation.

If the exemption is granted the new owner can then request a refund from the transfer tax office.

Government Agencies

All transfers in which the property is being conveyed **to** a government agency are tax exempt.

Life Estate

These transfers are exempt from Transfer Tax.

FYI... A Lien Sheet is required for Life Estate without powers.

Living Trust (Revocable) with Powers

Revocable trust is exempt from Transfer Tax.

Living Trust (Irrevocable) without Powers

An irrevocable trust is exempt from Transfer Tax.

FYI...a lien sheet is required only if someone is coming out of title. For example:

A conveyance going from Mary Smith to Mary Smith as Trustee of the Smith Family Trust, does not need a lien sheet.

However, if it is going from Mary Smith to the Smith Family Trust, Mary is coming out of title; therefore, you will need a lien sheet.

Distribution of Estate – Personal Representative Deed(s) [Must be Prepared by Attorney](#)

When the property is being conveyed from the personal Representative to their heir with no consideration, it is exempt from Transfer Tax. A lien sheet is required.

If the Personal Representative of the estate is selling the property, the transfer will be taxed on the consideration stated in the deed.

Ground Rent Deed(s)

Ground rent and Ground rent Merger/Redemption deeds are taxed on the consideration stated in the deed. If there is no consideration, the transfer will be exempt.

No lien sheets or settlement sheets are required for these types of deeds.

Lien Certificates

Applications for the Lien Certificates can be obtained from the City of Baltimore, Bureau of Revenue Collections Lien Office, Room 1, Suite 1A, 200 Holliday Street, Baltimore, MD 21202 or online at <http://baltimorecity.gov/Payments>. Then choose the option "Lien Certificate."

Lien Certificates are \$55 and take **7-10** business days to process. Lien Certificates will be received electronically via email. They are valid for a 45-day period (a lien sheet will expire 45 days from the date of issuance or June 30th, whichever comes first). If a lien sheet expires before submitting your documents to the Transfer Tax Office, it will be necessary to order a new one.

A Lien sheet is not required unless someone is coming out of title. Cases such as life estates (with full powers), ground rents, adding names to title, and some living trusts do not require a lien sheet.

If you have any questions regarding the recording of a deed in Baltimore City, please contact the Transfer Tax Office at (410)396-5122 or check out our website at <http://Baltimorecity.gov/Transfertax>.

CONTACT INFORMATION

<u>Organization</u>	<u>Address</u>	<u>Phone</u>
<u>(STEP # 1)</u> Transfer Tax Office	200 Holliday St, Rm 1	(410)396-5122
Lien Section	200 Holliday St, Rm 1	(410)396-3991
Tax Sale Inquiries	200 Holliday St, Rm 1	(410)396-3987
Billing Inquires	200 Holliday St, Counter 2, Lobby	(410)396-3987
<u>(STEP # 2)</u> Land Records	100 N Calvert St, Rm 610	(410)333-3760
Rental Registration	417 E Fayette St, Rm 202	(410)396-3575
<u>(Register of Wills)</u> Orphans Court <u>(Probate an Estate)</u>	111 N Calvert St, Rm 311	(410)396-5034
State Dept of Assessments and Taxation	301 W Preston St, Rm 809	(410)767-1330
Property Locations	401 E Fayette St, Suite 101	(410) 576-8310