



HUGH NGUYEN
CLERK-RECORDER

BIRTH AND DEATH RECORDS
FICTITIOUS BUSINESS NAMES
MARRIAGE LICENSES/RECORDS
NOTARY REGISTRATION
ORANGE COUNTY ARCHIVES
PASSPORTS
PROPERTY RECORDS

NOTICE

RE: SB2 Recording Fee - Affordable Housing and Jobs Act

In 2017, the California Legislature passed Senate Bill 2, The Affordable Housing and Jobs Act, which adds a new tax on certain recorded real estate documents. The act (Government Code 27388.1) states:

"A fee of \$75 dollars shall be paid at the time of recording on every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. "

Effective January 1, 2018, legislation mandates County Recorders to charge an additional \$75 fee per recording title, per transaction (up to a maximum of \$225) at the time of recording on every qualifying real estate instrument, paper, or notice except those recordings expressly exempted from the fee.

Documents believed to be exempt from the new SB2 fee, must be labeled "EXEMPT" with a valid exemption **code and reason** on the face of the document, or on a cover page, prior to submitting the document for recording with the County Recorder.

The following are valid exemptions from SB2 fees under Government Code 27388.1(a) (2):

- A transaction reflecting a transfer subject to the imposition of documentary transfer tax", or
- A transaction recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax", or
- A transaction that reflects a transfer of real property that is a "residential dwelling to an owner-occupier", or
- A transaction recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier.

The following are valid exemptions from SB2 fees under Government Code 27388.1(a) (1):

- A transaction in which the cap of \$225 is reached or
- A transaction that is not related to real property.

Failure to label a document "EXEMPT" and include a valid exemption code and reason will result in the imposition of SB2 fees on recorded real estate transactions.

**RECORDING REQUESTED
AND WHEN RECORDED MAIL TO:**

THIS SPACE IS FOR RECORDERS USE ONLY

(Title of Document)

Per Government Code 27388.1(a)(1) "A fee of \$75 dollars shall be paid at the time of recording on every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. "

- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(1); fee cap of \$225 reached"
- Exempt from SB2 fee per GC 27388.1(a)(1); not related to real property

Failure to include an exemption reason will result in the imposition of the SB2 Building Homes and Jobs Act Fee.