

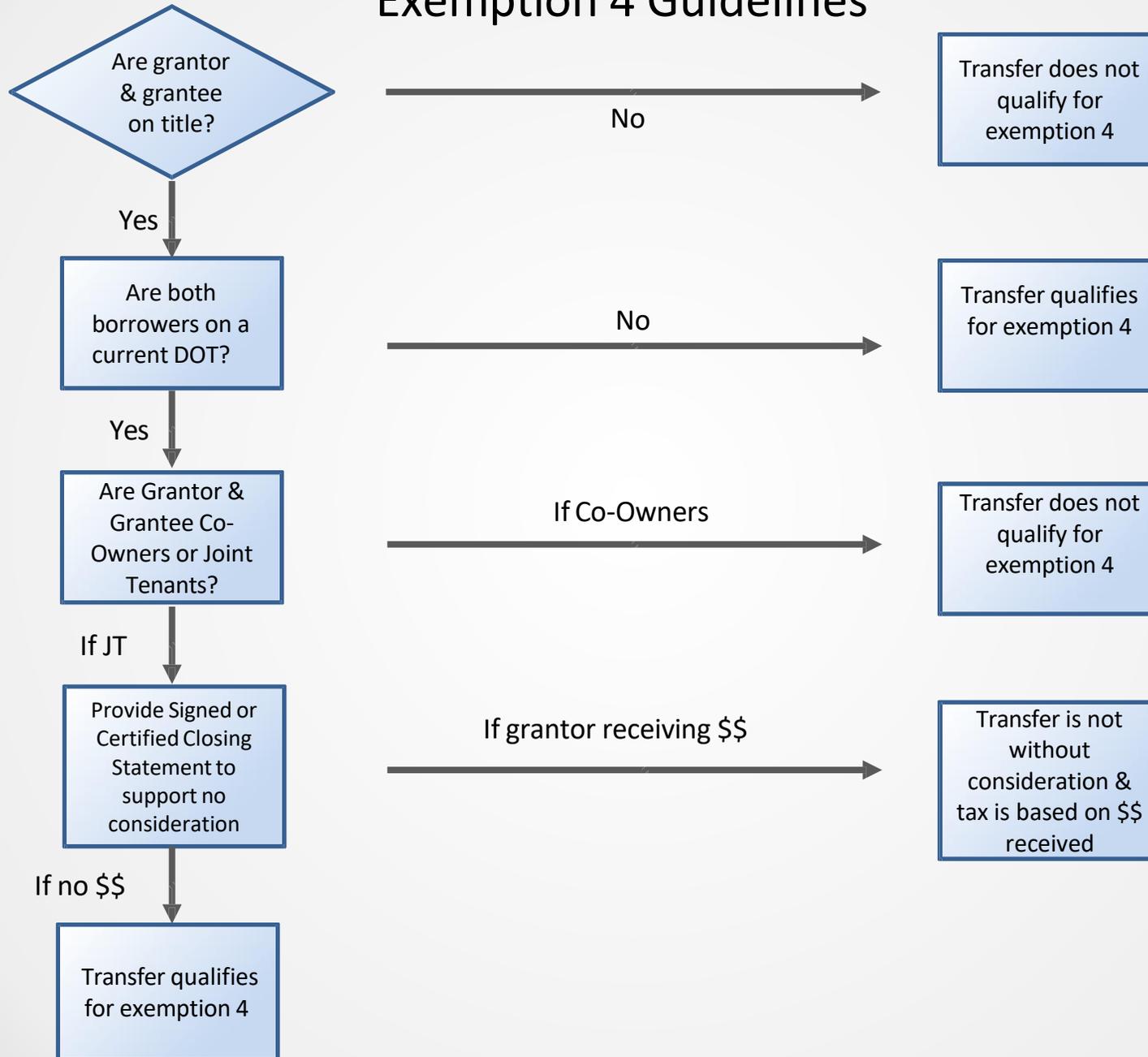


Real Property Transfer Tax Exemptions

| Exemption Number | SUMMARY EXPLANATION (For complete text refer to NRS 375.090) |
|------------------|--|
| 1 * | Transfer between affiliated business entities with identical common ownership OR between parent and direct subsidiary companies. Click here for Guidelines |
| 2 | Transfer to a government entity. |
| 3 * | Recognize true status—must show complete explanation on Declaration of Value form. (i.e., re-record to correct legal description) Click here for Guidelines |
| 4 * | Remove co-owner or joint tenant without consideration. Click here for Guidelines |
| 5 * | Transfer between parents and children, spouse to spouse, or between registered Nevada domestic partners – must state relationship on Declaration of Value. (i.e. from mother to son; parents to daughter & son-in-law) Click here for Guidelines |
| 6 * | Transfer between spouses in compliance with a divorce. (Divorce decree required) |
| 7 * | Transfer without consideration to or from a trust. Click here for Guidelines |
| 8 | Transfer of UNPATENTED mining claims or UNPATENTED mineral claims. (Patented claims are taxable and have an Assessor's Parcel Number) |
| 9 * | Transfer to a business entity of which grantor is 100% owner. (Grantor must have direct and total ownership of the Grantee) Click here for Guidelines |
| 10 | Transfer of real property by deed which becomes effective upon the death of grantor pursuant to NRS 111.655 to 111.699 inclusive. |
| 11 | Transfer in compliance with bankruptcy proceedings. (Proceeds must go to bankruptcy – BK number required) |
| 12 | Transfer to a Nevada educational foundation grades K-12. (Must comply with NRS 388.750 Nevada school for Nevada students) |
| 13 | Transfer to a Nevada university foundation. (Must comply with NRS 396.405 Nevada school for Nevada students) |
| 14 * | Transfer to a library foundation. "Library foundation" has the meaning ascribed to it in NRS 379.0056. |

* The Office of the Clark County recorder audits documents subject to real property transfer tax at the time they are presented for recording. Documentation in support of the declared value or exemption is required at the time of recording. [Click here](#) for an explanation of the audit process and suggested documentation.

Exemption 4 Guidelines





Guidelines for the Transfer To or From a Trust

The State of Nevada, Department of Taxation has revised the guidelines for the administration of exemption from RPTT under **NRS 375.090 (7): A transfer of title to or from a trust without consideration if a certificate of trust is presented at the time of transfer.** To qualify for this exemption, a copy of the TRUST or a certificate of trust must be presented at the time of recording. Whether the item is a declaration of trust or a certificate of trust, it must contain the name and date of the trust and be signed by all the currently acting trustees of the trust. If the item is a certificate of trust, the signatures of the trustees must be acknowledged.

If the transfer is to or from a business entity or to or from a party not named in the trust as a trustor or trustee of the trust, business entity documentation or relationship documentation to the trustor may be required to verify that the transfer is without consideration.

Certificate of Trust

The taxpayer must present a Certificate of Trust or the actual Trust Instrument at the time of transfer if claiming exemption 7. NRS 164.400 and 164.410 regulate the terms under which the certificate can be accepted including, but not limited to, the elements that must be present to qualify the certificate. The Certificate of Trust must contain the following:

1. A statement that the trust has not been revoked or amended to make any representation contained in the certification incorrect.
2. Be signed by all currently acting trustees.
3. The trustees' signatures must be notarized.

Below, we have summarized the other elements that the Certificate of Trust should contain:

- A. The identity of the creator of the trust and each currently acting trustee
- B. The powers of the trustee(s) and any restrictions imposed upon them in dealing with assets of the trust
- C. The revocability or irrevocability of the trust and the person holding the power to revoke it
- D. If there is more than one trustee, whether all of the trustees must exercise the powers of the trustee
- E. The form in which title to assets of the trust are to be taken.
- F. The certificate should state whether the identifying number of the trust is a social security number or an employer identification number.

This document is not recorded, nor is it made public. Once the trust is verified, the documents are returned to the customer or destroyed.

Estate Planning is at the Heart of Exemption #7. The State of Nevada, Department of Taxation has advised us that the transfers to or from estate planning trusts (i.e., discretionary, living/intervivos trusts) without consideration are exempt under NRS 375.090(7). Per their guidance, a transfer to any other type of trust may be taxable. Please call and speak with a member of the audit team if you have any question as to the taxability of a transfer.

If you have any questions regarding Real Property Transfer Tax, please contact the Clark County Recorder's Office at: (702) 455-4336 or send an email to: CCORAuditTeam@ClarkCountyNV.Gov



Supporting Documentation for Exemptions 1 & 9

Due to recent developments, we have found it necessary to reiterate that the documentation required in support of exemption under NRS 375.090(1) and NRS 375.090(9) are business entity documents that show who the owners of the business entity are at the time of recording. The types of business entities and their owners are:

| Type of Business Entity | Owner(s) |
|---------------------------------|-----------------|
| Limited Liability Company (LLC) | member(s) |
| Corporation (Corp/Inc) | stockholder(s) |
| Partnerships (LP, GP, LLP) | partners |

Documents that show only the manager(s), resident agent(s), officer(s) or incorporator(s) are **not** sufficient to support an exemption.

The following are examples of the types of documents that usually show ownership for a particular type of business entity. These are only suggestions, so please review your supporting documentation for proof of ownership before the transfer is submitted for recording.

For Limited Liability Companies

Operating Agreements
Articles of Organization
Most Current and Complete Federal Tax Return

For Corporations

Stock Certificates and Stock Ledgers
IRS Form 2553
Most Current and Complete Federal Tax Return

Partnerships, Limited Partnerships, and Limited Liability Partnerships

Partnership Agreement
Most Current and Complete 1065 Federal Tax Return

Please be aware that the documentation provided in support of an exemption is not recorded or made public but either returned or destroyed.

Thank you in advance for your cooperation. If you have any questions, please contact the Clark County Recorder's Office at: (702) 455-4336 or CCORAuditTeam@ClarkCountyNV.gov

REAL PROPERTY TRANSFER TAX

OVER THE COUNTER AUDITS

Effective Thursday, July 1, 2010, the Office of the Clark County Recorder will audit transfers of interest for real property transfer tax prior to or at the time of recording. Customers must include documentation to support the value declared and/or exemption claimed at the time of recording. This procedure will improve customer service by reducing the need to produce and provide supporting documents at a later date.

For your convenience, a list of the exemptions for real property transfer tax and the suggested supporting documentation are provided.

To support the value declared for real property transfer tax purposes, please provide whichever of the following is applicable: Closing Statement, HUD Statement, Purchase Agreement, Bid Instructions and Title Guarantee or the Auction Receipt.

Each transfer is unique, and the documentation suggested is merely that, suggested documentation, and may not apply to your transfer. However, providing documentation in support of the exemption or value declared will allow us to record your document as presented. Failure to provide the supporting documentation may result in the document being returned to you unrecorded.

If you have additional questions, please contact the Clark County Recorder's Office Audit Division at **(702) 455-5587** or E-Mail

CCORAuditTeam@ClarkCountyNV.gov

EXEMPTIONS AND SUGGESTED SUPPORTING DOCUMENTATION

- 1. Transfer between affiliated business entities with identical common ownership OR between parent and direct subsidiary companies.**

Signed Ownership documents for each of the business entities OR ownership documents for the subsidiary company
- 2. Transfer to a government entity.**

No documentation needed as the Department of Taxation provides list of entities approved for this exemption
- 3. Recognize true status.**

Show complete explanation on Declaration of Value form. May require supporting documentation

Evaluated per transaction
- 4. Remove co-owner or joint tenant without consideration.**

None, ownership status will be validated with Assessor's Office data
- 5. Transfer between parents and children, spouse to spouse, or registered Nevada domestic partners.**

Must state relationship on Declaration of Value

If last names are different, provide **certified copies** of the Birth Certificate, Marriage Certificate, court order, Nevada Certificate of Domestic Partnership, etc.
- 6. Transfer between spouses in compliance with a divorce.**

Divorce decree and/or marital settlement agreement
- 7. Transfer without consideration to or from a trust.**

Certificate of Trust or Trust Agreement
- 8. Transfer of UNPATENTED mining claims or UNPATENTED mineral claims.**

No documentation necessary as deed should state that it is a transfer of an "unpatented" claim
- 9. Transfer to a business entity of which grantor is 100% owner.**

Signed ownership documents for the business entity
- 10. Transfer of real property by deed which becomes effective upon the death of grantor pursuant to NRS 111.655 to 111.699 inclusive.**

Deed Upon Death/Affidavit of Death of Grantor are exempt from real property transfer tax under NRS 375.090 (10)
- 11. Transfer in compliance with bankruptcy proceedings or receivership.**

Bankruptcy or Receivership Order
- 12. Transfer to a Nevada educational foundation grades K-12.**

No documentation needed
- 13. Transfer to a Nevada university foundation.**

No documentation needed
- 14. Transfer to a library foundation. "Library foundation" has the meaning ascribed to it in NRS 379.0056.**

Documentation is required to show the grantor's proof of ownership and transfer to the grantee (library foundation).