

## Chapter 3-20

## REAL PROPERTY TRANSFER TAX

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**3-20.010 Short title—Adoption.**

This chapter shall be known as the “uniform real property documentary transfer tax chapter of the city of Laguna Hills.” It is adopted pursuant to the authority contained in Part 6.7 (commencing with Section 11901) of Division 2 of the Revenue and Taxation Code of the state of California. It incorporates by reference Revenue and Taxation Code Sections 11926, 11927, 11928, 11929, and 11930. (Ord. 98-6 § 2: prior code § 3-10.020)

**3-20.020 Imposition of tax.**

There is imposed on each deed, instrument, or writing by which any lands, tenements, or other realty sold within the city shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or her or their direction, when the consideration or value of the interest or property conveyed (exclusive of the value of any lien or encumbrances remaining thereon at the time of sale) exceeds one hundred dollars (\$100.00), a tax at the rate of twenty-seven and one-half cents (\$.275) for each five hundred dollars (\$500.00) or fractional part thereof. (Prior code § 3-10.030)

**3-20.030 Payment.**

Any tax imposed pursuant to Section 3-20.020 of this chapter shall be paid by any person who makes, signs, or issues any document or instrument subject to the tax, or for whose use or benefit the same is made, signed, or issued. (Prior code § 3-10.040)

**3-20.040 Exemption—Security.**

The tax imposed pursuant to this chapter shall not apply to any instrument in writing given to secure a debt. (Prior code § 3-10.050)

**3-20.050 Exemption—Governmental agencies.**

Any deed, instrument or writing to which the United States or any agency or instrumentality thereof, any state or territory, or political subdivision thereof, is a party shall be exempt from any tax imposed pursuant to this chapter when the exempt agency is acquiring title. (Ord. 98-6 § 3: prior code § 3-10.060)

**3-20.060 Exemption—Miscellaneous proceedings.**

The tax imposed pursuant to this chapter shall not apply to the making, delivering, or filing of conveyances to make effective any plan of reorganization or adjustment:

- A. Confirmed under the Federal Bankruptcy Act, as amended;
- B. Approved in an equity receivership proceeding in a court involving a railroad corporation, as defined in subdivision (m) of Section 205 of Title 11 of the United States Code, as amended;
- C. Approved in an equity receivership proceeding in a court involving a railroad corporation, as defined in subdivision (3) of Section 506 of Title 11 of the United States Code, as amended;
- D. Whereby a mere change in identity, form, or place of organization is effected.

Subsections A and D, inclusive, of this section shall only apply if the making, delivery, or filing of instruments of transfer or conveyances occurs within five years from the date of such confirmation, approval, or change. (Prior code § 3-10.070)

**3-20.070 Exemption—Securities and Exchange Commission.**

The tax imposed pursuant to this chapter shall not apply to the making or delivery of conveyances to make effective any order of the Securities and Exchange Commission, as defined in subdivision (a) of Section 1083 of the Internal Revenue Code of 1954; but only if

- A. The order of the Securities and Exchange Commission in obedience to which such conveyance is made recites that such conveyance is necessary or appropriate to effectuate the provisions of Section 79k of Title 15 of the United States Code, relating to the Public Utility Holding Company Act of 1935;

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- B. Such order specifies the property which is ordered to be conveyed;
- C. Such conveyance is made in obedience to such order.  
(Prior code § 3-10.080)

**3-20.080 Partnerships.**

- A. In the case of any realty held by a partnership, no levy shall be imposed pursuant to this chapter by reason of any transfer of an interest in a partnership or otherwise, if:
  - 1. Such partnership (or another partnership) is considered a continuing partnership within the meaning of Section 708 of the Internal Revenue Code of 1954; and
  - 2. Such continuing partnership continues to hold the realty concerned.
- B. If there is a termination of any partnership within the meaning of Section 708 of the Internal Revenue Code of 1954, for purposes of this chapter, such partnership shall be treated as having executed an instrument whereby there was conveyed, for fair market value (exclusive of the value of any lien or encumbrance remaining thereon), all realty held by such partnership at the time of such termination.
- C. Not more than one tax shall be imposed pursuant to this chapter by reason of a termination described in subsection B of this section, and any transfer pursuant thereto, with respect to the realty held by such partnership at the time of such termination.  
(Prior code § 3-10.090)

**3-20.090 Administration by County Recorder.**

The County Recorder shall administer this chapter in conformity with the provisions of Part 6.7 of Division 2 of the Revenue and Taxation Code and the provisions of any county ordinance adopted pursuant thereto. (Prior code § 3-10.100)

**3-20.100 Claims for refund.**

Claims for refund of taxes imposed pursuant to this chapter shall be governed by the provisions of Chapter 5 (commencing with Section 5096) of Part 9 of Division 1 of the Revenue and Taxation Code of the state of California. (Prior code § 3-10.110)