



## LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK

DEAN C. LOGAN

Registrar-Recorder/County Clerk

# Under Senate Bill (SB2) – Affordable Housing and Jobs Act Fee

Date: Nov 14, 2019

The California Legislature passed, and the Governor signed Senate Bill 2, Chapter 2.5 of the Statutes of 2017, amending Government Code Section (GC §) 27388.1. Under Senate Bill 2, or SB2, effective January 1, 2018, recordable documents shall be subject a fee to support the Building Homes and Jobs Act.

SB2 imposes a mandate on County Recorders to charge an additional \$75 fee at the time of recording for 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 transaction, not to exceed \$225. (GC § 27388.1(a)(1).) The fees charged under SB2 are collected and deposited to the State.

Only the following documents are expressly exempt from paying or not subject to the Building Homes and Jobs Act fee:

- Any real estate instrument, paper, or notice recorded in connection with a transfer subject to the imposition of documentary transfer tax is exempt from the SB2 fee (G.C. § 27388.1(a)(2)(A)).
- Any real estate instrument, paper, or notice recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier is exempt from the SB2 fee (G.C. § 27388.1(a)(2)(B)).
- Any real estate instrument, paper, or notice not related to real property will not be subject to the SB2 fee (G.C. § 27388.1(a)(1)).
- For documents/titles in each single transaction per parcel of real property subject to the SB2 fee, the maximum amount to be collected shall not exceed \$225 (G.C. § 27388.1(a)(1)).

To be exempted from the SB2 fee, a valid exemption/reason must be stated on the face of the document, or on a document cover page which shall become part of the document, prior to depositing with the Recorder. If no valid exemption/reason is stated, the fee will be assessed. The Recorder may provide you with an "Exemption Cover Page" that may be used to state an exemption. Please note there is a \$3 additional-page fee that will be charged if the Recorder's Exemption Cover Page is used. Exemptions may

also be stated in writing on the face of the document. Failure to include an exemption will result in the imposition of the fee.