

REV-1728
BUREAU OF INDIVIDUAL TAXES

**REALTY TRANSFER TAX
DECLARATION OF
ACQUISITION**

State Tax Paid: _____
 Book: _____ Page: _____
 Instrument Number: _____
 Date Recorded: _____

A Corporation or Association that qualifies as a "Real Estate Company" must file a Declaration of Acquisition form within thirty (30) days after becoming an "Acquired Company" as defined in 72 P.S. §8102-C.5 in every county in which the corporation or association owns real estate.

SECTION I TRANSFER DATA

Company Name _____
 Street Address _____
 City _____ State _____ ZIP Code _____
 FEIN _____ Date on which the company became an acquired company _____ County in which this Declaration of Acquisition is being recorded _____

List all other counties in which a Declaration of Acquisition must be recorded _____

| SECTION II | | PROPERTY LOCATION | | SECTION III | | PROPERTY VALUATION | |
|-----------------|-----------------------|-------------------|--------------------------|-------------------------|------------------------------|--------------------|--|
| School District | Political Subdivision | Tax Parcel Number | 1. County Assessed Value | 2. Percent of Ownership | 3. Common Level Ratio Factor | 4. Computed Value | |
| | | | | X | X | = | |
| | | | | X | X | = | |
| | | | | X | X | = | |
| | | | | X | X | = | |
| | | | | X | X | = | |
| Total | | | | | | | |

SECTION IV CORRESPONDENT INFORMATION All inquiries may be directed to the following person

Name _____ Telephone Number _____
 Street Address _____
 City _____ State _____ ZIP Code _____
 Signature of Correspondent or Responsible Party _____ Date _____

▼ **RECORDER'S USE ONLY** ▼



Instructions for REV-1728

Realty Transfer Tax Declaration of Acquisition

GENERAL INFORMATION

This declaration must be filed in duplicate with the recorder(s) of deeds in every county in which the corporation or association owns real estate. The amount of Realty Transfer tax due is based on the total computed value of all properties listed in Section III, Column 4. The total Computed Value of all properties listed must be reported in Total. Payment should be remitted to the recorder of deeds.

IMPORTANT: This declaration must be signed by a responsible person connected with the transaction.

Recording Requirements

A real estate company must record a Realty Transfer Tax Declaration of Acquisition within 30 days after becoming an "Acquired Company."

IMPORTANT: PENALTY FOR FAILURE TO RECORD DECLARATION OF ACQUISITION.

When a Declaration of Acquisition is not recorded with the recorder of deeds 30 days after becoming an acquired company, a penalty in the amount of 5% of the realty transfer tax due is imposed for each month or fraction thereof in which the tax remains delinquent, but not to exceed 50% in the aggregate.

Real Estate Company

A corporation or association is a real estate company when it is primarily engaged in the business of holding, selling or leasing realty 90% or more of the ownership interest in which is held by 35 or fewer persons and which does one of the following: (1) Derives 60% or more of its annual gross receipts from the ownership or disposition of realty. (2) Holds realty, the value which comprises 90% or more of its entire tangible asset holdings, exclusive of tangible assets which are freely transferable and actively traded on an established market.

Acquired Company

A real estate company becomes an acquired company when 90% or more of the company's total ownership interest has been transferred within a period of three (3) years. A transfer of an ownership interest between members of the same family is disregarded for purposes of determining whether an acquisition has occurred.

Family Farm Business

A family farm business (corporation or association) becomes an acquired company when because of voluntary or

involuntary dissolution, it ceases to be a family farm business or when, because of issuance or transfer of stock or because of acquisition, change in use, or transfer of assets that are devoted to the business of agriculture, it fails to meet the minimum requirements of a family farm business.

Members of the Same Family

An individual, such individual's brothers and sisters, the brothers and sisters of such individual's parents and grandparents, the ancestors and lineal descendants of any of the foregoing, a spouse of any of the foregoing, and the estate of any of the foregoing. Individuals related by the half blood or by legal adoption are treated as related by the whole blood.

LINE INSTRUCTIONS

SECTION I

TRANSFER DATA

Complete all information regarding the transfer as indicated.

SECTION II

PROPERTY LOCATION

List only those parcels of real estate located in the county in which this form is being recorded. Itemize each parcel by school district location. Indicate the political subdivision in which each parcel is located and the tax parcel number where applicable.

SECTION III

PROPERTY VALUATION

Complete for each of the parcels of real estate itemized in Section II.

COLUMN 1

COUNTY ASSESSED VALUE

Enter the actual assessed value of the real estate as per records of the county assessment office.

COLUMN 2

PERCENT OF OWNERSHIP

Enter the acquired company's direct or indirect percentage ownership interest in the real estate.

COLUMN 3

COMMON LEVEL RATIO FACTOR

Enter the common level ratio factor applicable for the county in which this form is being recorded. Visit the department's website at www.revenue.pa.gov to locate the common level ratio factors.

COLUMN 4

COMPUTED VALUE

Multiply the county assessed value (Column 1) by the percentage of ownership (Column 2), then by the common level ratio factor (Column 3) and enter the result in Column 4 and Total at the bottom. This is the total taxable value upon which state and local realty transfer tax is due. The state

realty transfer tax is 1% of the total computed value. The local rate varies by jurisdiction. Contact the local taxing jurisdiction for the applicable tax rate(s).

SECTION IV

CORRESPONDENT INFORMATION

Enter the name, address and telephone number of party completing this form.



IMPORTANT: This declaration must be signed by a responsible person connected with the transaction.