



# DELAWARE

## REALTY TRANSFER TAX RETURN AND AFFIDAVIT OF GAIN AND VALUE

### FORM RTT-TAX INSTRUCTIONS

Revised 10/17/24

## Form RTT-TAX

### GENERAL INSTRUCTIONS

Every person who makes, executes, delivers, accepts, or presents for recording any document, except those exemptions defined or described in Section 5401 of Title 30, or in whose behalf any document is made, executed, delivered, accepted or presented for recording, shall be subject to pay for and in respect to the transaction or any part thereof, a Realty Transfer Tax at the rate of four percent (4%) of the value of the property represented by such document, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between the Grantor/Seller and Grantee/Buyer.

The following shall also be subject to the Realty Transfer Tax provisions:

1. Any writing purporting to transfer a title interest or possessory interest for a term of more than five (5) years in a condominium unit or any unit properties subject to the Unit Properties Act.
2. Any writing purporting to assign or transfer a leasehold interest or possessory interest in residential property under a lease for a term of more than five (5) years.
3. Any writing purporting to transfer a title interest in a mobile home which has been permanently affixed to realty by sewer, electric, and water connections.
4. Any writing purporting to transfer an intangible interest in a corporation, partnership, or trust where the beneficial owner(s) before the conveyance(s) owns less than 80% of the beneficial interest after the conveyance(s).



**NOTE:** PLEASE DO NOT MAKE CHANGES TO THE FORM THAT RE-ALIGNS OR OBSCURES FORM INFORMATION

# Realty Transfer Tax Instructions

## Specific Instructions

### PART A - GRANTOR/SELLER

**Taxpayer ID No.** - Enter the Grantor(s)/Seller(s) Federal Employer Identification or Social Security Number, whichever is used. If the Grantor/Seller has applied for a Federal Employer Identification Number, please enter "Applied For" and notify the Division of Revenue when the number is obtained.

**Name of Grantor** - Enter the name(s) of the Grantor(s)/Seller(s) [individual, partnership, or corporate name(s)].

**Address** - Enter the address of the Grantor/Seller to which correspondence is mailed.

**Grantor/Seller Is A** - Check the appropriate box to indicate whether the Grantor/Seller is an Individual (Resident or Non-Resident of the State of Delaware), a Corporation (Domestic or Foreign), S Corporation, LLC, Partnership, Fiduciary (estate or trust), Nonprofit Corporation or Government Agency.

### PART B - GRANTEE/BUYER

**Taxpayer ID No.** - Enter the Grantee(s)/Buyer(s) Federal Employer Identification or Social Security Number, whichever is used. If the Grantee/Buyer has applied for a Federal Employer Identification Number, please enter "Applied For" and notify the Division of Revenue when the number is obtained.

**Name of Grantee** - Enter the name(s) of the Grantee(s)/Buyer(s) [individual, partnership, or corporate name(s)].

**Address** - Enter the address of the Grantee/Buyer to which correspondence is mailed.

**Grantee/Buyer Is A** - Check the appropriate box to indicate whether the Grantee/Buyer is an Individual (Resident or Non-Resident of the State of Delaware), a Corporation (Domestic or Foreign), S Corporation, LLC, Partnership, Fiduciary (estate or trust), Nonprofit Corporation or Government Agency.

### PART C - PROPERTY LOCATION AND COMPUTATION OF TAX

**Line 1.** Enter the exact location of the real estate being conveyed. Include date of the real estate conveyance.

**Line 2.** Enter the amount of consideration received. Consideration includes cash, checks, mortgages, liens, encumbrances, and any other good and valuable consideration. If consideration also includes the exchange of like kind property, include the full and complete market value of the real estate received in determining the consideration to be taxed at 2.5% by the State of Delaware and 1.5% by either the municipality or the county.

**Line 3.** Enter the highest assessed value (for local tax purposes) of the real estate being conveyed. If consideration includes the exchange of like kind property, include the full and complete market value of the real estate received in determining the consideration to be taxed at 2.5% by the State of Delaware and 1.5% by either the municipality or the county.

**Line 4.** Enter the greater of Line 2 or Line 3.

**Line 5.** The percentage rate of realty transfer tax paid to the State of Delaware, county and/or municipality is 4.0%.

**Line 6.** Enter the percentage of tax paid to the county or municipality only (1.5%).

**Line 7.** If the contract for the sale of real estate was executed prior to August 1, 2017, enter 1%. If claiming the 1% reduction, you MUST attach a copy of the contract of sale or an affidavit, signed under penalty of perjury, that the contract was executed before August 1, 2017; failing to do so will result in the denial of this exception, and could delay the recording of this document. Under the provisions of Delaware Code, Title 30 §368, any information provided remains confidential.

**Line 8.** Subtract Lines 6 and 7 from Line 5.

**Line 9.** Multiply Line 4 by Line 8. This is the amount of Realty Transfer Tax due to the Delaware Division of Revenue.

**Line 10.** Enter % of Responsibility by Grantor/Seller and Grantee/Buyer.

**Line 11.** Multiply % from Line 10 by Line 9 (Enter in respective columns).

**Line 12.** First Time Home Buyers Credit (RTT-SCH Line 4)

**Line 13.** Enter the amount of any exclusion and credits for grantor and grantee respectively.

**Line 14.** Subtract Line 12 and Line 13 from Line 11 and enter the amounts in the respective columns.

**Total Payment** - Add columns for grantor and seller and enter the total payment due.

### PART D - EXEMPT CONVEYANCES

Explain the basis for the exemption from Realty Transfer Tax. Cite the Section of the exemption from Section 5401 of 30 Del. C. if known. If Section 5401(1)(j) is claimed as the basis for the exemption where property is transferred from a trustee, nominee, or straw party, attach a copy of the conveyance which shows the transfer to the trustee, nominee, or straw party to this return. The Seller must sign his/her name and provide his/her title. The Return must be notarized and dated.