



# HUGH NGUYEN

## CLERK-RECORDER

PROPERTY RECORDS  
BIRTH AND DEATH RECORDS  
MARRIAGE LICENSES/RECORDS  
PASSPORTS  
FICTITIOUS BUSINESS NAMES  
NOTARY REGISTRATION  
ORANGE COUNTY ARCHIVES

December 1, 2017

### **RE: SB2 New Recording Fee - Affordable Housing and Jobs Act**

To Orange County Recording Customers:

In 2017, the California Legislature passed Senate Bill 2, The Affordable Housing and Jobs Act which adds a new tax on certain recorded real estate documents. The Affordable Housing and Jobs Act (Government Code 27388.1) states:

*“A fee of \$75 dollars shall be paid at the time of recording on 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 single transaction per parcel or real property.”*

This new legislation becomes effective January 1, 2018, and mandates County Recorders to charge an additional \$75 per recording Title per transaction (up to a maximum of \$225) at the time of recording on every qualifying real estate instrument, paper, or notice except those recordings expressly exempted from the fee. In accordance with SB2 and Government Code 27388.1, the Orange County Clerk-Recorder will begin charging this fee on all qualifying recordable documents beginning January 1, 2018.

Per Government Code 27388.1(a)(2), the fee shall not be imposed on any real estate instrument, paper or notice recorded in connection with a transfer subject to a documentary transfer tax, as defined by Section 11911 of the Revenue and Taxation Code, or on any instrument, paper, or notice recorded in connection with the transfer of a real property that is a residential dwelling to an owner-occupier.

Documents believed to be exempt from the new SB2 fee, must be labeled “EXEMPT” with a valid exemption on the face of the document, or on a cover page, prior to submitting the document for recording with the County Recorder. The following transactions are valid exemptions from the SB2 fees per the Government Code:

- Exempt from fee per GC 27388.1 (a)(2); recorded concurrently “in connection with” a transfer subject to the imposition of documentary transfer tax”, **or**
- Exempt from fee per GC 27388.1 (a)(2); recorded concurrently “in connection with” a transfer of real property that is a residential dwelling to an owner-occupier”, **or**

NORTH COUNTY BRANCH OFFICE  
HISTORIC DOWNTOWN FULLERTON  
201 N. HARBOR BOULEVARD  
FULLERTON, CALIFORNIA 92832

ORANGE COUNTY  
HALL OF RECORDS  
12 CIVIC CENTER PLAZA, ROOM 101  
SANTA ANA, CALIFORNIA 92701

SOUTH COUNTY BRANCH OFFICE  
LAGUNA HILLS CIVIC CENTER  
24031 EL TORO ROAD  
LAGUNA HILLS, CALIFORNIA 92653

- Exempt from fee per GC 27388.1 (a)(1); fee cap of \$225 reached”
- Exempt from the fee per GC 27388.1 (a)(1) Not related to real property

Failure to label a document “EXEMPT” and include a valid exemption will result in the imposition of the SB2 fee on recorded real estate transactions.

Please understand that the Orange County Clerk-Recorder is required by State law to charge this new fee. If you would like to voice opposition to this new fee, please contact your local California legislator.

Regards,



Hugh Nguyen  
Orange County Clerk-Recorder