

VIRGINIA ACTS OF ASSEMBLY -- 2004 SESSION

CHAPTER 974

An Act to amend and reenact § 58.1-807 of the Code of Virginia, relating to recordation taxes on leases.

[S 399]

Approved April 15, 2004

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-807 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-807. Contracts generally; leases.

A. Except as hereinafter provided, on every contract or memorandum thereof relating to real or personal property admitted to record, a recordation tax is hereby levied at the rate of ~~fifteen cents~~ *\$.15* on every \$100 or fraction thereof of the consideration or value contracted for.

B. The recordation of a deed of lease for a term of years, or assignment of the lessee's interest therein, or memorandum thereof, shall be taxed according to the provisions of this section, unless provided otherwise in § 58.1-809 or unless the annual rental, multiplied by the term for which the lease runs, or remainder thereof, equals or exceeds the actual value of the property leased. In such cases the tax for recording the deed of lease shall be based upon the actual value of the property at the date of lease, including the value of any realty required by the terms of the lease to be constructed thereon by the lessor.

C. The recordation of an assignment of the lessor's interest in a lease, or memorandum thereof, shall be taxed according to the provisions of this section, unless the assignment of the lessor's interest in the lease is to provide additional security for an obligation of the lessor on which the tax has been previously paid, or the assignment of the lessor's interest is made to the person who owns the property which is subject to the lease. In such cases there shall be no tax for recording the lessor's assignment of the lease.

D. Notwithstanding the other provisions of this section, the tax on the recordation of leases of oil and gas rights shall ~~not exceed twenty-five dollars~~ *be \$25*. The tax on the recordation of leases of coal and other mineral rights shall ~~not exceed fifty dollars~~ *be \$50*.

E. Notwithstanding the other provisions of this section, the tax on the recordation of leases of outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation pursuant to § 33.1-361 shall ~~not exceed twenty-five dollars~~ *be \$25*.

F. Notwithstanding the other provisions of this section, the tax on the recordation of a lease of a communications tower or a communications tower site shall be \$75; the tax on the recordation of each lease to affix any communications equipment or antenna to any such tower or other structure shall be \$15.