

**DEPARTMENT OF TAXATION  
2004 Fiscal Impact Statement**

1. **Patron** Joe T. May

3. **Committee** House Finance

4. **Title** Recordation Tax: Recordation Fee for the  
Virginia Outdoors Foundation

2. **Bill Number** HB 549

**House of Origin:**

  X   **Introduced**

      **Substitute**

      **Engrossed**

**Second House:**

      **In Committee**

      **Substitute**

      **Enrolled**

**5. Summary/Purpose:**

This bill would impose a one dollar fee on every deed admitted to record as of July 1, 2004. Fees collected would be remitted to the Virginia Outdoors Foundation.

6. **Fiscal Impact Estimates are:** Tentative. (See Line 8.)

**6b. Revenue Impact:**

<i><b>Fiscal Year</b></i>	<i><b>Dollars</b></i>	<i><b>Fund</b></i>
2003-04	\$0	GF
2004-05	\$1,500,000	GF
2005-06	\$1,500,000	GF
2006-07	\$1,500,000	GF
2007-08	\$1,500,000	GF
2008-09	\$1,500,000	GF
2009-10	\$1,500,000	GF

7. **Budget amendment necessary:** No.

**8. Fiscal implications:**

**Administrative Costs**

The Department would incur minimal administrative costs as a result of this bill.

**Revenue Impact**

This bill would increase General Fund revenues by \$1.5 million in FY 2005 and years thereafter. These revenues would be dedicated to the Virginia Outdoors Foundation.

**9. Specific agency or political subdivisions affected:**

Virginia Department of Accounts  
Virginia Outdoors Foundation  
Circuit Court Clerks

**10. Technical amendment necessary:** None.

**11. Other comments:**

Current Law

Currently, a recordation tax may be imposed by Virginia on:

- Every deed admitted to record at a rate of 50 cents on every \$100 of the greater of the consideration paid or the value of the property;
- A grantor for recording any instrument. The rate of the tax, when the consideration for the interest exceeds \$100, is fifty cents for each \$500 of the greater of the consideration paid or the value of the property, exclusive of the value of any lien or encumbrance remaining at the time of the sale.
- Deeds of trust or mortgages at a rate of 15 cents on every \$100 of the amount of bonds or other obligations secured;
- Deeds of release for 50 cents.
- Deeds of partition or Deeds pertaining to divorce. The rate is 50 cents per deed.
- Contracts or leases at the rate of 15 cents on every \$100 of the consideration or value contracted for, including contracts or agreements relating to the sale of rolling stock or equipment.

Prospective Legislation

This bill would impose a one dollar fee on every deed admitted to record as of July 1, 2004. Fees collected would be remitted to the Virginia Outdoors Foundation.

The Virginia Outdoors Foundation was established to promote the preservation of open-space lands and to encourage private gifts of money, securities, land or other property to preserve the natural, scenic, historic, scientific, open-space and recreational areas of the Commonwealth.

cc : Secretary of Finance