REV-1728 EX (8-04)

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE
BUREAU OF INDIVIDUAL TAXES
PO BOX 280603
HARRISBURG, PA 17128-0603

REALTY TRANSFER TAX DECLARATION OF ACQUISITION

See Reverse for Instructions
(Must be filed in Duplicate)

RECORDER'S USE ONLY

State Tax Paid

Book Number

Page 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.

A. CORRESPONDENT – All inquiries may be directed to the following person:

Name	Telephone Number ( )

Street Address	City	State	Zip Code

B. TRANSFER DATA

1. Company Name	Employer Identification Number (EIN)

Street Address	City	State	Zip Code

2. Date on which the company became an acquired company:	**3.** County in which this Declaration of Acquisition is being recorded:

4. List all other counties in which a Declaration of Acquisition must be recorded:

C. PROPERTY LOCATION / D. PROPERTY VALUATION

School District	Political Subdivision	Tax Parcel Number	1. County Assessed Value	2. Common Level Ratio Factor	3. Fair Market Value
				X	=
				X	=
				X	=
				X	=
				X	=
				X	=
				4. Total Fair Market Value	

Under penalties of law, I declare that I have examined this Declaration, including accompanying information, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of Correspondent or Responsible Party	Date

▼ RECORDER'S USE ONLY ▼

GENERAL INSTRUCTIONS

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

- **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 Corporation or Partnership** - (*applicable only to real estate acquired after February 16, 1986)* – A family farm corporation, or partnership, becomes an acquired company when because of voluntary or involuntary dissolution, it ceases to be a family farm corporation 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 corporation.

- **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 descendents 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 must be treated as if they were related by the whole blood.

FORM INSTRUCTIONS

General: 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. Payment of the State Realty Transfer Tax based on 1% of the amount reported in block 4. Total Fair Market Value must accompany the Declaration form.

SECTION A

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

SECTION B

Transfer Data: Complete lines 1 through 5 as indicated.

SECTION C

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 D

Property Valuation: Complete for each of the parcels of real estate itemized in Section C:

1. **County Assessed Value** -Enter the actual assessed value of the property as per records of the county assessment office.

2. **Common Level Ratio Factor** - Enter the common level ratio valuation factor applicable for the county in which this form is being recorded. An explanation of this factor is provided below.

3. **Fair Market Value** - Multiply the county assessed value (Column 1) by the common level ratio factor (Column 2) and enter the result in Column 3. Compute the fair market value for each itemized parcel.

4. **Total Fair Market Value** - Add all amounts entered in Column 3 and enter the total in block 4. This is the total taxable value upon which state realty transfer tax is due.

THIS DECLARATION MUST BE SIGNED BY A RESPONSIBLE PERSON CONNECTED WITH THE TRANSACTION.

COMMON LEVEL RATIO FACTOR

This is a property valuation factor established for each county by the State Tax Equalization Board, as mandated by Act 267-1982. The factors are ratios of assessed values to fair market values as reflected by actual sales of real estate in the taxing district. This valuation formula has been developed to provide uniformity in the taxing of properties statewide. These valuation factors are updated each year, and a statewide list can be obtained from the Recorder of Deeds in each county.

PENALTY FOR FAILURE TO RECORD DECLARATION OF ACQUISITION

When a Declaration of Acquisition is not recorded within 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.