

The Senate Judiciary Committee offered the following substitute to SB 97:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-6-2 of the Official Code of Georgia Annotated, relating to the  
2 exemption of certain instruments, deeds, or writings from the real estate transfer tax, so as  
3 to provide additional exemptions from the real estate transfer tax; to provide for related  
4 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

6 Code Section 48-6-2 of the Official Code of Georgia Annotated, relating to the exemption  
7 of certain instruments, deeds, or writings from the real estate transfer tax, is amended by  
8 striking subsection (a) and inserting in lieu thereof a new subsection (a) to read as follows:

9 "(a) The tax imposed by Code Section 48-6-1 shall not apply to:

- 10 (1) Any instrument or writing given to secure a debt;
- 11 (2) Any deed of gift;
- 12 (3) Any deed, instrument, or other writing to which any of the following is a party: the  
13 United States; this state; any agency, board, commission, department, or political  
14 subdivision of either the United States or this state; any public authority; or any nonprofit  
15 public corporation;
- 16 (4) Any lease of lands, tenements, standing timber, or other realty or any lease of any  
17 estate, interest, or usufruct in any lands, tenements, standing timber, or other realty;
- 18 (5) Any transfer of real estate between a husband and wife in connection with a divorce  
19 case;
- 20 (6) Any order for year's support awarding an interest in real property as provided in  
21 Code Section 53-5-11 of the 'Pre-1998 Probate Code,' if applicable, or Code Section  
22 53-3-11 of the 'Revised Probate Code of 1998';
- 23 (7) Any deed issued in lieu of foreclosure if the deed issued in lieu of foreclosure is for  
24 a purchase money deed to secure debt that has been in existence and properly executed  
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1 and recorded for a period of 12 months prior to the recording of the deed in lieu of  
2 foreclosure;

3 (7.1) The deed from the debtor to the first transferee at a foreclosure sale;

4 (8) Transfer of property which is acquired as provided in Code Sections 32-3-2 and  
5 32-3-3;

6 (9) Any deed of assent or distribution by an executor, administrator, guardian, trustee,  
7 or custodian; any deed or other instrument carrying out the exercise of a power of  
8 appointment; and any other instrument transferring real estate to or from a fiduciary;  
9 provided, however, that the exemption provided under this paragraph shall apply only if  
10 the transfer is without valuable consideration; and

11 (10) Any deed, instrument, or other writing which effects a division of real property  
12 among joint tenants or tenants in common if the transaction does not involve any  
13 consideration other than the division of the property;

14 (11) Any deed, instrument, or other writing transferring realty to a corporation,  
15 partnership, limited liability company, or trustee of a trust as a stockholder, partner,  
16 member, or trust beneficiary of the entity or so as to become a stockholder, partner,  
17 member, or trust beneficiary of the entity as long as no consideration is paid for the  
18 transfer other than stock in the corporation, interest in the partnership, interest in the  
19 limited liability company, beneficiary interest in the trust, or the increase in value in the  
20 stock or interest held by the grantor. However, except for transfers subject to another  
21 exemption under this Code section, the transfer of realty from a corporation, partnership,  
22 limited liability company, or a trustee of a trust to a stockholder, partner, or trust  
23 beneficiary of the entity is subject to the tax imposed by Code Section 48-6-1, even if the  
24 realty is transferred to another corporation, partnership, limited liability company, or  
25 trust;

26 (12) Any deed, instrument, or other writing reflecting vesting of title to realty acquired  
27 in a statutory merger or consolidation from a constituent corporation by the surviving or  
28 new corporation;

29 (13) Any deed, instrument, or other writing reflecting vesting of title to realty acquired  
30 in a merger or consolidation from a constituent partnership or limited liability company  
31 by the surviving or new partnership or limited liability company; and

32 (14) Any deed, instrument, or other writing transferring realty as common area, common  
33 property, or common elements to a property owners' association as defined in Code  
34 Section 44-3-221, a condominium association as defined in Code Section 44-3-71, or to  
35 any other mandatory membership homeowners or property owners association; provided,  
36 however, that the exemption provided under this paragraph shall apply only if the transfer  
37 is without valuable consideration."

**SECTION 2.**

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This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

**SECTION 3.**

All laws and parts of laws in conflict with this Act are repealed.