



**Barbara J. Levey**  
Assessor-Clerk-Recorder-  
Registrar of Voters

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To: All Recording Customers  
From: Barbara Levey  
Date: 11/27/2017  
Re: Government Code Section 27388.1 - Building Homes & Jobs Act

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Effective January 1, 2018, in order to fund the State's Building Homes & Jobs Act (SB2), Government Code section 27388.1 requires that documents accepted for recording at the Merced County Recorder's Office be charged an additional seventy-five (\$75) fee as follows:

*"...a fee of seventy-five dollars (\$75) shall be paid at the time of recording of 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 of real property. The fee imposed by this section shall not exceed two hundred twenty-five dollars (\$225)..."*

Only an expressly limited number of statutory exemptions exist regarding the collection of this fee. When an exemption is applicable, **a valid declaration of exemption must be placed on the face of each document prior to depositing with the Recorder**, otherwise the fee will be assessed and collected. Following are samples of applicable statutory exemptions to be used on the first page of each document:

1. A Documentary Transfer Tax (DTT) Declaration stating that the transfer is subject to payment of the DTT including the amount of DTT due and to be paid at the time of recording; and/or
2. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently "in connection with" a transfer subject to the imposition of DTT; or
3. Exempt from fee per GC sec 27388.1(a)(2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier; or
4. Exempt from fee per GC sec 27388.1(a)(1); fee cap of \$225 reached; or
5. Exempt from fee per GC sec 27388.1(a)(1); not related to real property.

Failure to include a specified statutory exemption reason will result in the imposition of the \$75 Building Homes and Jobs Act fee. Claims for exemption will be reviewed for validity. Merced County will collect the fees as outlined under guidance received from the County Records Association of California and Legislative Counsel. Fees are collected on behalf of the State and are deposited with the State for funding of the State program.