



UNDERSTANDING CALIFORNIA DOCUMENTARY TRANSFER TAX EXEMPTIONS

Following is a list of real estate transactions that are exempt under Sections 11911-11930 of the State Revenue and Taxation (R&T) code. When a transaction is exempt, the reason for exemption must be stated on the document or on a separate signed affidavit. The reason must reference the R&T Code Section and include the appropriate wording as shown below. Additional verification may be required to demonstrate a specific exemption applies to the transaction.

R&T Code	Reason For Exemption With Required Wording	Applicable Situations or Conditions
11911	Liened to full value.	When the value of the liens outstanding equals or exceeds the value of the property.
11911	Gift	Bona fide gift
11911	Value or consideration is less than \$100	The property being transferred has a fair market value of less than \$100.00.
11911	Agent to principal, funds of the grantee used to purchase the property	Only applicable when two deeds are recorded concurrently.
11921	Instrument securing a debt for collateral purposes only.	Used on Assignments of Lease and/or Rents for collateral purposes only. Not valid on deeds.
11922	Governmental agency acquiring title	Includes foreclosing beneficiary to Federal Home Loan Mortgage Corporation (FHLMC) or Federal National Mortgage Association (FNMA).
11923	Conveyance under bankruptcy Federal Case No. _____	Approved in Court Proceeding.
11923	Court ordered conveyance not pursuant to a sale Court Case No. _____	Approved in Court Proceeding.
11923	Reorganization/Adjustments plan Federal Case No. _____	Approved in Court Proceeding.
11924	Transfer by order of the Securities and Exchange Commission Case No. _____	Approved in Court Proceeding.
11925	Grantors and Grantees are comprised of the same parties and their proportional interest remains the same immediately following transfer.	Transfers between individual(s) and legal entity(ies) which proportional interest remains the same.
11926	Trustees Deed upon Sale or Deed in Lieu of Foreclosure. The Grantee was/was not the foreclosing beneficiary. The amount of Consideration paid by Grantee is \$ _____. The amount of debt with interest is \$ _____.	A special tax statement is required to determine if any equity value exists. The tax exemption is for the value of the lien and does not include any equity value.
11927	Dissolution of Marriage.	Transfer between spouses caused by or in anticipation of a divorce.
11928	Grantor is a non federal government agency.	Only applies when the purchaser immediately reconveys the realty to the exempt agency. The 2 deeds must be concurrent.
11929	Grantor is a non federal government agency. Grantee is a non-profit corporation.	Does not apply to individuals or private entity(ies) granting to a non-profit corporation.
11930	Transfer into or out of a trust	Interests transferred outright to, or in trust for the benefit of any person or entity.
11930	Inter vivos gift or reason of death	A gift made while someone is alive or the death of any person where their interest is transferred outright.

Source: <https://ccr.saccounty.gov>

Other types of conveyances may be exempt from the Documentary Transfer Tax. Please visit the state website at www.ca.gov for details of the Revenue and Taxation Code or contact them by phone at 1-800-400-7115.