Office of the County Recorder
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Clark County Recorder

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Real Property Transfer Tax Refund Instructions

Several circumstances may occur that will cause a refund of real property transfer tax paid.

Refunds will be issued to the person(s) who paid the tax. If it is unclear who paid the tax then it will be split evenly between the grantor (seller) and grantee (buyer).

Pursuant to NRS 244.250 un-audited refund claims must be requested within 6 months of the date of recording. Pursuant to NRS 11.190 if the request is made as a result of an audit by the county, it may be made up to three years after the date of the audit.

The Board of County Commissioners must approve all transfer tax refund requests.

Refunds are only done via a Real Property Transfer Tax Refund Request. With each request, documentation is requested to clearly identify the person(s) entitled to the refund. The following examples will illustrate the types of errors leading to a refund and how to request the refund.

Example: a deputy inadvertently enters the wrong values into the computer system and over collects the tax at the time of recording. The regular comparison of declarations of value to the computer input reveals this discrepancy and a request for refund is generated and sent to the party that recorded the document. It is requested at that time for the request to be signed and documentation provided confirming who over paid the tax. If the taxpayer prior to the departmental comparison finds the discrepancy they may make an application for refund at any time up to six months after the date of the recording. In this case it is quite possible that the statutorily responsible parties (grantor and grantee) are not the ones who paid the tax. The refund is supposed to go to the person who paid the tax, unless it is unclear who paid. In this example the documentation provided by the HUD settlement, showing both seller and buyer charges and credits, will show they did not pay the tax or were charged for the tax. The HUD along with the refund request will be adequate for the refund to be issued.

Example: a Title Company fills out the declaration of value incorrectly, overstating the full value. The recording deputy enters the amount shown and collects the transfer tax based on that full value. The Title Company discovers the error and requests a refund using the refund request form. The documentation would be the HUD signed by both grantor and grantee showing the correct full value and the smaller transfer tax charged to the customer. This is another example of the refund being made to the party that paid the tax and not the seller or buyer.

Example: same as above, however the Title Company discovers the overpayment and charges the customer. The HUD would reveal the charge to the customer and whoever was charged would be the person(s) entitled to the refund. When the Title Company does this it is rare for them to request a refund so it is up to the customer to review his own documents or for the regular departmental review to reveal a discrepancy and generate a refund request.

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Example: a customer brings in a deed with a declaration of value not claiming an exemption from parent to child. They declared values and paid transfer tax in cash, all parties present at the time of recording. After discovering the error they make a request for a refund. They are unable to document who made the payment. A refund will be issued equally to the grantor and grantee. Proof of relationship must be presented.

FILLING OUT THE FORM

Once the party to whom the refund is due is clearly identified, they must fill out the Refund Request form. If an individual paid the tax then their name would be entered in the space after "I". If a business (title company, law office, etc) paid the tax and did not charge the customer, then their name would be on that line. The amount of tax paid shown on the top part of the form **is the actual amount collected at the time of recording.** The book and instrument number to report are those assigned to the document on which the tax was collected.

Please enclose a cashier's check or money order for $18 to record the correction document.

REASONS FOR THE REFUND

There are four boxes to mark to aid in identifying the reason for the refund. Box 1 is for a claim that the transfer was exempt from the tax. State the exemption number in the space after "Section". Example: Bankruptcy would be #11 on the blank line after "Section". Explain reason for exemption in space provided or on a separate signed piece of paper. **The Original Computation section would show the value and tax as actually recorded.** The Correct Computation section would reflect $0 value and the applicable exemption on the Tax line. The refund request line is the difference between what was paid and the correct computation. Documentation to support the exemption may be required.

Box 2 is for a transfer that mixed both real and personal property but did not deduct the value of the personal property at the time of recording. Example: mobile home as personal property and lot. Total value reflected the combined purchase price without excluding the value of the mobile home. **The Original Computation Section would show the value and tax as actually recorded.** The Correct Computation Section will show the real property amounts only and the correct tax. The refund request line is the difference between what was paid and the correct computation. Documentation to support the property value will be required.

Box 3 is for calculation errors. Example: only 50% of an interest was transferred on the deed but transfer tax was paid on 100% of the value. **The Original Computation Section would show the value and tax as actually recorded**. The Correct Computation Section will show the Full value at 100%, the tax value line would show the fractional value with the % in the parenthesis (in this case 50%) with the correct tax being based on that smaller amount. Do not show the tax based on 100% and then divide that amount in half. The refund request line is the difference between what was paid and the correct computation.

Box 4 is for some other error. Example: the recording deputy enters a full value different than the amount shown on the declaration of value. As a result more tax is collected than shown on the declaration of value. **The Original Computation Section would show the value and tax as actually recorded.** The Correct Computation Section will show the correct amounts as shown on the declaration of value. The refund request line is the difference between what was paid and the correct computation.

The person claiming the refund will date and sign the form. They will print their name on the line under their signature. If the requestor is a business or title company they will need to enter that under the firm name and any applicable escrow number. The payee information is for whom the check will be cut and mailed to. For this form the requestor does not have to be the person who will receive the refund.

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