



PTAX-203-B

Illinois Real Estate Transfer Declaration Supplemental Form B

(Beneficial interest transfers - do not use for deeds or trust documents)

File this form with Form PTAX-203 and the transferring document at the county recorder's office where the property is located.

On PTAX-203:

- write the type of beneficial interest transfer in the "Other" field on Step 1, Line 5.
- do not complete Step 2.
- substitute the appropriate terms for "seller" and "buyer" in Step 4.
- add PTAX-203-B to the list of required submissions in Step 4.

Please read the instructions on the back of this form.

Do not write in this area.
This space is reserved for the County Recorder's Use.

County: _____

Date: _____

Doc. No.: _____

Vol.: _____

Page: _____

Received by: _____

Mark if taxpayer cannot prove prior payment. _____

Step 1: Identify the property

- 1 Write the property's street address, city or village, and township from Line 1 on Form PTAX-203.

Street address of property (or 911 address, if available) _____

City or village _____

Township _____

- 2 Write the parcel identifying number from Line 3a on Form PTAX-203. **Parcel Identifier:** _____

- 3 Mark the interest transferred. Ground lease (go to Step 2)

Controlling interest in real estate entity (go to Step 3)

Co-op unit (go to Step 4)

Other (specify): _____ (go to Step 4)

Step 2: Ground lease information

- 4 Does the ground lease provide for a term of 30 or more years including any expired portion and all options to renew or extend? **4** Yes No

- 5 Does the lessee have an interest in any improvements on the parcel? **5** Yes No

- 6 Write the beginning and ending dates of the initial lease term.

Lease term: _____ / _____ to _____ / _____
Month Year Month Year

- 7 Briefly describe any extension or renewal options.

Step 3: Real estate entity information (Attach additional sheet if needed.)

- 8 Mark type of transfer. Single transfer Series of related transfers (Skip Lines 9a and 9b if single transfer.)

- 9a Write the date and the percent of interest transferred. Mark if the state transfer tax has been paid for any prior transfer.

Date transferred _____ / _____ / _____ % _____

Prior Payment Yes No

Date transferred _____ / _____ / _____ % _____

Prior Payment Yes No

Date transferred _____ / _____ / _____ % _____

Prior Payment Yes No

Date transferred _____ / _____ / _____ % _____

Prior Payment Yes No

Aggregate percent transferred % _____

- 9b Write the amount of transfer taxes paid for all prior transfers of any interests included on Line 9a. **9b** \$ _____

- 10a Is the real estate entity liable for corporate franchise taxes as a result of this transfer? **10a** Yes No

- 10b Write the amount of corporate franchise tax paid (excluding fees, interest, and penalties). **10b** \$ _____

- 10c Identify corporate franchise tax return information.

Corporate Name _____

File No. _____

BCA Form No. _____

Date paid _____

Step 4: Calculate the amount of transfer tax due. (Round Lines 11a through 15 to the next highest whole dollar.)

- 11a Full actual consideration **11a** \$ _____

- 11b Does Line 11a include a contingent payment for any interest on which state transfer taxes have been paid? **11b** Yes No

- 12a Amount of personal property included in the purchase. **12a** \$ _____

- 12b Was the value of a mobile home included on Lines 11a and 12a? **12b** Yes No

- 13 Subtract Line 12a from Line 11a. **13** \$ _____

- 14 Amount for other real property transferred to the seller (in a simultaneous exchange) as part of the full actual consideration on Line 11a. **14** \$ _____

- 15 Outstanding mortgage amount to which the transferred real property remains subject. **15** \$ _____

- 16 If this transfer is exempt, use an "X" to identify the provision. **16** b k m

- 17 Subtract Lines 14 and 15 from Line 13. **17** \$ _____

- 18 Illinois tax — \$.50 per \$500 of value or fraction thereof on Line 17. **18** \$ _____

- 19 County tax. **19** \$ _____

- 20 Amount of transfer taxes paid (amount from Line 9b). **20** \$ _____

- 21 Amount of corporate franchise tax paid (amount from Line 10b). **21** \$ _____

- 22 Add Lines 18 and 19, then subtract Lines 20 and 21. **Total amount of transfer tax due.** **22** \$ _____

This form is authorized in accordance with 35 ILCS 200/31-1 et seq. Disclosure of this information is REQUIRED. This form has been approved by the Forms Management Center. IL-492-0227

Instructions for Form PTAX-203-B

General Information

You must file Form PTAX-203, Illinois Real Estate Transfer Declaration, and any required documents at the county recorder's office within the county where the property is located. It is due within three business days after the transfer or at the time of recordation, whichever is earlier. You must prove that the tax was paid (or pay the tax again) if you record this transfer at a later date. **Note:** You must file Form PTAX-203-B, Illinois Real Estate Transfer Declaration Supplemental Form B, if you are transferring a beneficial interest in real property without using a deed or trust document.

Definitions

The tax is imposed on the privilege of transferring title to real estate or a beneficial interest in real property that is located in Illinois. A "beneficial interest" includes, but is not limited to, the lessee interest in a ground lease, the indirect interest in real property as reflected by a controlling interest in a real estate entity, or any other type of interest with the right to use or occupy real property or the right to receive income from real property.

- A **ground lease** (including any interest of the lessee in the related improvements) is subject to tax if it provides for a term of 30 or more years when all options to renew or extend are included, whether or not any portion of the term has expired.
- A **controlling interest transfer** is subject to tax if it includes more than 50 percent of the fair market value of all ownership interests or beneficial interests in a real estate entity. A "**real estate entity**" means any person including, but not limited to, any partnership, corporation, limited liability company, trust, other entity, or multi-tiered entity, that exists or acts substantially for the purpose of holding directly or indirectly title to or beneficial interest in real property. There is a rebuttable presumption that an entity is a real estate entity if it owns, directly or indirectly, real property having a fair market value greater than 75 percent of the total fair market value of all of the entity's assets, determined without deduction for any mortgage, lien, or encumbrance.
- Examples of **other types** of transfers of a beneficial interest include air rights, air space rights, co-operative housing rights, condominium rights, development rights, easements, mining rights, royalty interests, timber rights and time share rights.

Real Estate Entity-Aggregation of related transfers

Unless made pursuant to contracts executed prior to June 1, 2004, related transfers will be aggregated for the purpose of determining whether there has been a transfer of a controlling interest in a real estate entity.

Related transfers include

- Multiple transfers of interests in the same real estate entity that occur within a rolling 24-month period by the same transferor.
- Multiple transfers of interests in the same real estate entity that occur within a rolling 24-month period by different transferors who act in concert as a result of common ownership.
- Multiple transfers of interests in the same real estate entity that occur within a rolling 24-month period by different transferors who act in concert as a result of a common purpose in structuring and executing the transfers including instances when sales agreements contain mutual terms or other agreements bind the transferors to a particular course of action.

Step 3: Real estate entity information

Line 10b — Write an amount only if the real estate entity was liable and actually paid corporate franchise taxes under the Business Corporation Act of 1983 as a result of a controlling interest transfer.

Step 4: Calculate the amount of transfer tax due.

Line 11a — Write the full actual consideration (including the total value of the aggregate interest on Line 9a for controlling interest transfers). Full actual consideration is the total sale price or amount actually paid (or required to be paid) for the real estate or beneficial interest in real property, whether paid in money or otherwise, including personal property, real property, services, or other items of value. Include the amount of any indebtedness or other obligation that is cancelled, discharged, or otherwise released. Include the amount of outstanding mortgages to which the property remains subject after the transfer. Include the amount for other real estate transferred in a simultaneous exchange between the same parties. Include the amount of any back real estate taxes or other taxes paid by the transferee. Do not include any amount credited against the sale price or refunded for improvements or repairs.

Lines 12a, 14, and 15 — See corresponding instructions on Form PTAX-203, Illinois Real Estate Transfer Declaration.

Explain any special circumstances.
