

SmartMonitor Alert: Transfer Tax update in El Cerrito, CA

On November 6, 2018, the City of El Cerrito, California, voted in favor of imposing a city transfer tax at the rate of \$12 per \$1,000 of consideration or fraction thereof, effective January 14, 2019. The tax rate applies to purchase and refinance transactions that include a quitclaim (partial transfer of title).

For example, a purchase transaction with a purchase price of \$500,000 would be subject to a city transfer tax of \$6,000.

SmartFees was updated on December 21, 2018, to calculate the city transfer tax. Estimates for properties in the City of El Cerrito will reflect the new tax rate when the settlement date is January 14, 2019 or later.

To update an existing SmartFees file, either launch the SmartFees service in your loan origination system or open the file from our website depending upon how you normally use our service, then:

1. Confirm the county is Contra Costa and the state is California
2. From the “Questions” tab, select “El Cerrito” from the “Tax Authority” drop down and then click on the “Continue to Fees” button
3. This will update the transfer taxes for this file.
4. Generate a new Transaction Detail Report
5. Consider re-disclosing the updated SmartFees file data pursuant to your internal policies and procedures