

CERTIFICATE FORM B**Affidavit Claiming Basis For Exemption From Transfer Fee**

I _____ do hereby certify under the pains and penalties of perjury that the transfer of real property interest described in attached **Form A: Affidavit Attesting to the True and Complete Purchase Price** is lawfully entitled to be exempt from the fee imposed by Section 7 of Chapter 268 of the Public Laws of Rhode Island of 1986 by reason of its being one of the following (check one or more) ...

(a) Sales by the following grantors:

(1) by the United States or by any of its agencies or instrumentalities.

(2) by the State of Rhode Island or by any of its agencies or instrumentalities. This includes Public Building Authorities, Recreational Building Authorities and Industrial Building Authorities.

(3) by any city or town of this state. Sales by any city or town housing authority are exempt. Redevelopment agencies are **not** exempt.

(4) by any political subdivision of this state. Sales by any of the following quasi-municipal corporations; namely, fire, water, sewer and school districts are exempt. The exemption applies to the respective governments, their agencies or instrumentalities, and the several authorities when they appear as grantors in the deed. Accordingly, sales of real estate **to** them are taxable unless such sale is made by another exempt government, or by its agency, or instrumentality, or by an exempt authority.

(b) Transfers where no consideration is actually paid for the real estate conveyed. In such cases the deed **must** contain a statement that "consideration is such that no stamps are required."

(c) Transfers where the consideration paid does not exceed \$100. The same kind of statement is required.

(d) Mortgages themselves are exempt. The tax does not apply to any instrument or writing given to secure a debt.

(e) Leases are exempt.

(f) A transfer by will is exempt. Also exempt are transfers by intestacy and transfers under adjudication of the probate court allocating real estate to a widow as part of her allowance.

(g) The first two hundred thousand dollars (\$200,000) of the purchase price and fifty percent (50%) of the next four hundred thousand dollars (\$400,000) of the purchase price of the transfer made to a buyer who, and whose spouse at the time of the transfer, has at no time prior to said transfer owned or possessed any real property interest either within or without the town of New Shoreham; provided that the buyer makes the real property interest which is the subject of the transfer the buyer's actual residence and domicile within three (3) years of the time of transfer, and provided further that in the event of subsequent transfer within five (5) years of the date the buyer made the real property his actual residence and domicile as evidenced by the filing by the buyer with the Land Trust of a Certificate of Use and Occupancy for the residence on the real property and an Affidavit that it is his actual residence and domicile, other than the transfer of a mortgage to an institutional lender, the fee exempted shall become due, together with accumulated interest and penalties, and in addition to any fee

otherwise due as a result of the subsequent transfer. The buyer shall certify and covenant as to the foregoing, and the trust shall attach to the deed a certificate which shall recite the fact that **there is running with the land a lien equal to the amount of the fee exempted plus accumulated interest and penalties until such time as all conditions of this section have been met.**

(h) Transfer to a first-time buyer (as defined in Section "g") of affordable housing, pursuant to a program of affordable housing sponsored or endorsed by the town of New Shoreham; provided that the buyer makes the real property interest which is the subject of the transfer the buyer's actual residence and domicile within three (3) years of the time of transfer and provided further, that in the event of subsequent transfer within five (5) years of the transfer exempted from the fee under this section, other than the transfer of a mortgage to an institutional lender, the fee exempted shall become due, together with accumulated interest and penalties, and in addition to any fee otherwise due as a result of the subsequent transfer. The buyer shall certify and covenant as to the foregoing, and the trust shall attach to the deed a certificate, which shall recite the fact that **there is running with the land a lien equal to the amount of the fee exempted plus accumulated interest and penalties until such time as all conditions of this section have been met.**

IMPORTANT: In order to lawfully be entitled to the "g" and "h" exemptions, the purchaser and his or her spouse shall not have previously owned real property ANYWHERE, including New Shoreham, other parts of Rhode Island, outside Rhode Island or outside the U.S.A.

(i) Transfer made to a corporation or partnership at the time of its formation, pursuant to which transfer no gain or loss is recognized under the provisions of section three hundred and fifty-one of the Internal Revenue Code of 1986, as amended; provided, however, that such transfer shall be exempt only in the event that (1) with respect to a corporation, the transferor retains a controlling interest in such corporation after such formation or (2) with respect to a partnership, the transferor retains after such formation rights to capital interests in excess of fifty percent of the capital interests within such partnership or retains rights to profit interests within such partnership in excess of fifty percent of the total profit interests within such partnership. (Submit Form C.)

j) Transfer made to a stockholder of a corporation in liquidation of the corporation, or a transfer made to a partner of a partnership in dissolution of the partnership; provided, however, that such transfer shall be exempt only in the event that (1) with respect to a corporation, the transferee had prior to the transfer a controlling interest in such corporation or (2) with respect to a partnership, the transferee had prior to the transfer rights to capital interests in excess of fifty percent of total capital interests within such partnership or had rights to profit interests within such partnership in excess of fifty percent of the total profit interests within such partnership. (Submit Form C.)

X _____
Signature of Purchaser or Legal Representative

Date