



INSTRUCTIONS
TOWN OF AVON
APPLICATION FOR EXEMPTION
FROM REAL PROPERTY TRANSFER TAX

Please follow these instructions when preparing and submitting an Application for Exemption from Real Property Transfer Tax. The Town of Avon has adopted a 2% Real Estate Transfer Tax, which is set forth in Chapter 3.12 of the Avon Municipal Code. Section 3.12.060 establishes 17 different exemptions from the applicability of the Real Estate Transfer Tax which may relieve a portion or all of the Real Estate Transfer Tax due. IT IS IMPORTANT THAT YOU REVIEW CHAPTER 3.12 OF THE AVON MUNICIPAL CODE AND THESE INSTRUCTIONS THOROUGHLY AND SUBMIT ANY APPLICATION AND REQUIRED INFORMATION ON A TIMELY BASIS IN ORDER FOR YOUR APPLICATION TO BE ELIGIBLE FOR CONSIDERATION.

For all exemptions, complete the general information at the top of the Application. Required documents in addition to the application are described below:

Primary Residence Exemptions

(15) Primary Residence exemption– execute affidavit and promissory note in addition to the application.

***There is a \$26 application fee payable by cash or check for all Primary Residence Exemptions.**

- The conditions of the Primary Exemption include:
 - The applicant must meet the definition of a Primary Resident as provided in section 3.12.020 of the Town of Avon Municipal Code.
 - Occupation and use of a residence as a primary residence must occur within thirty (30) days of transfer of the real property, provided that the Town Manager may grant an extension of an additional ninety (90) days if extenuating circumstances are found to exist in the Town Manager’s discretion and provided that such extension request is included with the applicant’s application for exemption.
 - The first \$160,000 of the purchase price is exempted from the 2% transfer tax, therefore the maximum exemption is \$3,200. If the tax paid by the buyer is less than \$3,200, that amount should go on the promissory note and affidavit. Primary Residence Exemptions are not applicable to the seller’s portion of transfer tax.
 - A lien for the amount of exempted transfer tax is placed on the property for one full year after the date of acquisition. **The Town will release the lien no sooner than one year after the acquisition date if the Borrower provides evidence that the property was used as a primary residence.** Evidence may include a Colorado Driver’s License or ID and/or voter registration that lists the exempted property as the applicant’s current address.
 - If the applicant does not meet these conditions, or sells the property within the first year of residency, the amount of exempted transfer tax will be immediately due and payable.

(16) Subsequent Primary Residence exemption– This exemption is used when an applicant has previously received the (15) Primary Residence exemption. Execute all of the documents required for exemption (15), and in addition, provide an employment verification letter from the current employer which states that the applicant meets the definition of an Eagle County employee by working an average of at least 30 hours per week per year or earns 75% of his/her income by working in Eagle County. Retired individuals applying for this exemption must have worked a minimum of five years in Eagle County for an average of at least 30 hours per week per year evidenced by a verification letter from the past employer.

Full Exemptions

For all full exemptions provide the deed and information necessary to demonstrate that the requested exemption applies to the transfer.

- (1) Governmental Entity** - provide deed, or draft deed, evidencing that either the Buyer or Seller is a local, state or federal governmental entity.
- (2) Gift/Charity** - provide deed or affirmation stating that there is no other consideration other than love, affection or charity for the transfer.
- (3) Termination of Joint Tenancy** – provide deed evidencing the termination of a joint tenancy.
- (4) Death, Will & Decree of Dissolution** – provide a copy of the death certificate, will, and/or relevant court decrees in addition to the deed.
- (5) Capital Investment or Business Reorganization** – provide copies of business entity documents sufficient to demonstrate that the underlying percentage ownership interest of the Buyer in the property has not changed as a result of the transfer.
- (10) Lease Less than 25 years** – provide a copy of the lease with a term less than 25 years. NOTE: as defined in Chapter 3.12 of the Avon Municipal Code, the term of the lease includes the initial term plus all extensions stated in the lease.

Please e-mail your questions to Martha Anderson at manderson@avon.org.



TOWN OF AVON
APPLICATION FOR EXEMPTION
FROM REAL PROPERTY TRANSFER TAX

Grantee(s) (Buyer(s)): _____

Mailing Address: _____

Phone Number: _____ E-Mail Address: _____

Date of Conveyance/Closing: _____ Purchase Price/Consideration: _____

Complex Name: _____ Building/Unit: _____

Street Address: _____

Title Company: _____ E-Mail Address: _____

The undersigned hereby applies for exemption of the above real estate transaction from the payment of the Town of Avon Real Property Transfer Tax. The basis of the application for exemption is as follows:

- (1) - Transfer to or from Governmental Entity
(2) - Gift/Charity
(3) - Termination of Joint Tenancy
(4) - Death, Will, or Decree of Distribution
(5) - Capital Investment or Reorganization of Trusts, Corporations, LLCs, etc
(6) - Bankruptcy
(7) - Correction of Previously Recorded Transfer
(8) - Cemetery Lots
(9) - Condemnation
(10) - Lease < 25 Years
(11) - Mineral or Royalty Interest
(12) - Debt Security
(13) - Foreclosure, Sheriff's, Public Trustee, or Treasurer's Deeds
(14) - Deed Restricted Housing
(15) - Primary Residence (\$26 fee)
(16) - Subsequent Primary Residence (\$26 fee)
(17) - IRS Tax Free or Tax Deferred trade

Explanation (Attach additional information as needed. See instructions.):

I hereby certify under penalty of perjury that the foregoing statements are true and correct.

Grantee(s) Date Grantee(s) Date

Avon Real Property Transfer Tax
Exemption Application Approved:

Town Manager or Designee Date

Allow Up to 30 Days for Processing per Chapter 3.12 of the Avon Municipal Code

Finance Department
Fee Paid (if applicable): _____ Initials: _____