



City of Chicago  
Department of Finance

# **REAL PROPERTY TRANSFER TAX DECLARATION INSTRUCTIONS**

(Form 7551)

# Section 1



CITY OF CHICAGO  
DEPARTMENT OF FINANCE  
REAL PROPERTY TRANSFER TAX DECLARATION  
FORM - 7551

This form may also be filed on-line at [ezdecillinois.com/login](http://ezdecillinois.com/login)

STATUS [     ]  
For office use only

ACCOUNT NUMBER

Note: this form must be filled out completely for ALL real estate transfers, including transfers for which an exemption is claimed (see Municipal Code 3-33-070). If any information is omitted, this declaration form will be deemed incomplete and you may be assessed penalties and interest. Please use black or blue ink. You must complete all pages of this form.

## Section 1. General Information about Property

Street Number

Direction

Street Name

Unit/Apt #

Zip Code

For use by Cook County Recorder of Deeds  
County document #

Date

PIN

PIN

PIN

PIN

PIN

PIN

### 1.1 Property Address:

- **This section must be completed.**
- The property address is the address on record at the Cook County Assessor's Office.
- The complete street address of the property being transferred must be entered.
- Addresses that span consecutive street numbers (e.g., 520-526 W Addison) can be reported as such.
- If there are multiple properties (non-consecutive) involved in a transfer, they should be reported on separate Real Property Transfer Declaration Forms.

### 1.2 Property Index Number:

- **This section must be completed.**
- PIN (Property Index Number) is a number assigned by Cook County Assessor to all properties within the County.
- The PIN may be found in several ways:
  - Located within the deed or other instrument of transfer.
  - On the Cook County Assessor's website:  
([http://www.cookcountyassessor.com/Property\\_Search/Property\\_Search.aspx](http://www.cookcountyassessor.com/Property_Search/Property_Search.aspx))
  - On a Cook County Treasurer Property Tax Bill.
- The correct (and required) format is: XX-XX-XXX-XXX-XXXX.

- ☐ Check here if an exempt transfer.
- ☐ Check here if this is an amended declaration. ☐ Check here if supplemental declarations will be filed in the future.  
Original Declaration filed on \_\_\_\_\_.
- ☐ Check here if this is a supplemental Declaration (Open Transfer). \_\_\_\_monthly \_\_\_\_annually \_\_\_\_other.

**Type of property (check appropriate box below)**

- |   |   |   |
|---|---|---|
| 1. <input type="checkbox"/> Detached single family Residence/Townhome   | 5. <input type="checkbox"/> Mixed use (residential and commercial)<br># of residential ..... <input type="text"/> <input type="text"/> <input type="text"/>   | 7. <input type="checkbox"/> Industrial                            |
| 2. <input type="checkbox"/> Condominium or Co-op  | # of commercial ..... <input type="text"/> <input type="text"/> <input type="text"/>  | 8. <input type="checkbox"/> Vacant Land                           |
| 3. <input type="checkbox"/> Parking Space   | 6. <input type="checkbox"/> Commercial: Place x in box  | 9. <input type="checkbox"/> Other (you must attach a description) |
| 4. <input type="checkbox"/> Multi-unit residential building/SRO<br># of units .. <input type="text"/> <input type="text"/> <input type="text"/> | <input type="checkbox"/> Office <input type="checkbox"/> Shopping Center<br><input type="checkbox"/> Retail <input type="checkbox"/> Hotel/Motel<br><input type="checkbox"/> Parking Garage <input type="checkbox"/> Bank<br><input type="checkbox"/> Other |   |

Buildings with 4 or more residential units **MUST** attach to this form either (i) the original Multiple Dwelling Registration Statement or (ii) original receipt thereof, disclosing the Buyer/Transferee's registration information as required in Section 8 of this form.

**1.3 Other information:**

- The Exemption box must be checked if any exemption is being claimed.
- The Amended declaration box must be checked if a correction to a previously filed Declaration is being made.
- Open transfers (i.e., transfers in which the total amount of the transfer price is unknown at the time of the transfer) require multiple (supplemental) Declarations to be filed (e.g., monthly or annually); for example, long term ground leases.

**1.4 Property Type**

- **This section must be completed.**
- The appropriate property type must be identified.
- If the box checked requires the disclosure of number of units, then the appropriate number of units must be reported.

## Section 2

**Section 2. Interest Transferred (check appropriate box below)**

- |   |  |  |
|---|--|--|
| 1. <input type="checkbox"/> Fee title                           | 4. <input type="checkbox"/> "Controlling interest" in a "real estate entity" | 7. <input type="checkbox"/> Installment Sale |
| 2. <input type="checkbox"/> Beneficial interest in a land trust | 5. <input type="checkbox"/> Interest in a real estate co-op                  |  |
| 3. <input type="checkbox"/> "Lessee interest in a ground lease" | 6. <input type="checkbox"/> Other (you must attach a description)            |  |

See Municipal Code 3-33-020 for definitions.

**2.1 Interest Transferred**

- **Fee Title**- most common interest transferred- absolute title to land, free of any other claims against the title, which one can sell or pass to another.

- **Beneficial Interest in Land Trust**- the transfer of the beneficiary's interest in the land trust, which holds legal title to the property.
- **Lessee Interest in Ground Lease**- the transfer of a lessee interest in a ground lease (including any interest of the lessee in the related improvements) that 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. This includes the transfer of a lessee interest upon the creation of a ground lease or sublease of a ground lease, as well as the transfer of a ground lease.
- **Controlling Interest in Real Estate Entity**- the transfer of at least a fifty percent (50%) ownership in an entity (e.g., partnership or corporation), which owns real property.
- **Interest in Co-Op**- the transfer of an interest (usually through a transfer of stock and a lease) in an entity, which owns property and is owned and operated by a group of individuals for their mutual benefit.
- **Other**- for example, an easement.
- **Installment Sales**- a situation where payments are made over time, and the deed to the property is not transferred to the payor until all required payments are made.

## Section 3

### Section 3. Transfers exempt from tax (check appropriate box below)

Buyer Seller

- A. ☐ ☐ Deleted
- B. ☐ ☐ Transfer involving real property acquired by or from a governmental body; or acquired by a not-for-profit charitable, religious, or educational organization; or acquired by any international organization not subject to local taxes. (IRS notice granting 501(c)(3) exemption must be attached.) (NOTE: Transfers from Federal National Mortgage and Federal Home Mortgage Corporation are not exempt.)
- C. ☐ ☐ Transfer in which the deed, assignment or other instrument of transfer secures debt or other obligations.
- D. ☐ ☐ Transfer in which the deed, assignment or other instrument of transfer, without additional consideration, confirms, corrects, modifies, or supplements a deed, assignment, or other instrument of transfer previously recorded or delivered. Explain correction: \_\_\_\_\_
- E. ☐ ☐ If claiming exemption under this section, you must check the relevant reason below and fully explain the reason. Attach additional sheet if necessary. Place x in box
- ☐ Transfer in which transfer price was less than \$500. Was something given besides money? \_\_\_ yes \_\_\_ no.  
Were delinquent real property taxes paid? \_\_\_ yes \_\_\_ no.
- ☐ Transfer to trust by beneficiary (ies).
- ☐ Transfer to beneficiary (ies) by trust. (NOTE: if a beneficiary receives a greater share than the beneficiary's undivided share of the trust property, then the transfer is not exempt. If the beneficiary transfers any consideration to the trust or to the other beneficiaries in return of the beneficiary's excess distribution.)
- ☐ Gift or inheritance. What is the transferee's relationship to transferor? \_\_\_\_\_
- ☐ Other. Explain \_\_\_\_\_

NOTE: Transfers pursuant to divorce or separation are not exempt (See Real Property Transfer Tax Ruling #3. Exchanges of real property for real property are not exempt. The debt includes any debt or obligation canceled or discharged as part of the transfer.)

### 3.1 Transfer Exemption List

- “B”- A transfer involving a government or government agency (whether federal, state, county, or city) is exempt from Transfer Tax. In a transfer involving a not-for-profit organization (e.g., Salvation Army or St Paul Church), only the not-for-profit party is exempt. All non-exempt parties must still pay their applicable tax.
- “C”- A transfer in which the property is used as collateral in debt agreements (e.g., a mortgage).
- “D”- A transfer in which the parties to the transaction correct only information (e.g., misspelled name, wrong address, or wrong PIN).
- “E”- A transfer is exempt because:
  - Transfer price was less than \$500. Under the ordinance, transfer tax applies to transfers for \$500 or more.

**NOTE: The \$500 amount does not include only cash, the amount transferred includes any consideration involved in the transfer of property, such as an assumption of a debt.**



- “M”- A transfer in which the secured creditor (i.e., lender) files for foreclosure of a defaulted loan and takes the secured property either in foreclosure or in lieu of foreclosure is exempt.
- “N”- A transfer in which a Taxpayer adheres to the Illinois “HOME Program” is exempt.

"Section 3-33-060 (O) includes an exemption for the CTA portion of tax for transferees who are age 65 years or older, who occupy purchased property as their personal dwelling for at least one year following the transfer, if the transfer price is \$250,000 or less. This exemption is administered through a refund administered by the Chicago Department of Finance - RPTT Refunds located at 333 S. State, DePaul Center, rm 300 attn: Jamie Braxton. Application forms are also available online at [www.cityofchicago.org/city/en/depts/fin.html](http://www.cityofchicago.org/city/en/depts/fin.html)"

### 3.2 Refund of the CTA portion of tax

- Refunds are now solely administered by Chicago Department of Finance. All questions pertaining to this type of refund should be referred to the Department of Finance, Real Property Refunds Unit (currently 312-747-1961). Only the person who pays the tax is entitled to the refund. The form for refunds can be obtained at the following website:

[http://www.cityofchicago.org/content/dam/city/depts/rev/supp\\_info/TaxApplicationandAffidavitForms/Refund\\_Application\\_for\\_the\\_CTA\\_Portion\\_of\\_the\\_RPTT.pdf](http://www.cityofchicago.org/content/dam/city/depts/rev/supp_info/TaxApplicationandAffidavitForms/Refund_Application_for_the_CTA_Portion_of_the_RPTT.pdf).

- **IMPORTANT NOTES ABOUT EXEMPTIONS:**
- Claiming the proper exemption is the responsibility of the parties to the transfer.
- An exemption can be claimed for either the transferor, the transferee, or both parties.
- Where an exemption requires additional details, attachments must be affixed to the Declaration.
- Specific exemption questions may be made to Customer Service at (312) 747-IRIS (4747).
- **AT NO TIME WILL CUSTOMER SERVICE ADVISE A TAXPAYER WHETHER A TRANSFER IS EXEMPT.**

## Section 4

ACCOUNT NUMBER	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	REVISION NUMBER	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
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**Section 4. Additional Transfer Information**

1. Enter the earlier of (1) the date of delivery or (2) the date of recording of the instrument of transfer.....
2. Does any part of the transfer price consist of consideration other than cash? If yes, attach separate sheet with description of consideration..... Yes ☐ No ☐
3. Is any part of the transfer price contingent upon the occurrence of a future event or the attainment of future levels of financial performance? If yes, explain. (attach additional sheet if necessary)..... Yes ☐ No ☐
4. Will this property be converted from it's current use? ..... Yes ☐ No ☐  
If so, what type of use \_\_\_\_\_
5. If conversion will result in co-operative or condominium units, how many units are expected to result from the conversion? .....

### 4.1 Additional Transfer

- The tax is due at the *earlier* of delivery or recording of the deed or instrument of transfer. The date of transfer is usually reported on: (1) the deed itself, (2) HUD Statement, (3) contract or (4) disbursement schedule.
- The transfer price **includes, but is not limited to**, cash, other property, debt assumption, performance of services, and promises to transfer such property or perform such action.
- Contingent events are events that take place in the future that may affect the transfer price (e.g., additional amounts are due if the transferee's business receipts reach a certain level).

- ## Section 5

1. Total amount paid .....
2. Fair Market Value of personal property .....
3. Fair Market Value of other property (fully describe other property) .....
4. Transfer price (note: transfer price includes consideration in any form. Determined without any deduction for mortgages). (see Sec 3-33-020(H)) (Subtract line 2 & 3 from line 1) ...
5. Divide line 4 by \$500.00 (note: you must round up to the nearest whole number).....

Five identical place value charts are shown, each consisting of a row of 10 boxes for tenths and a row of 100 boxes for hundredths. Each chart is followed by a decimal point and two empty boxes for the decimal value.

- The total amount paid is the amount paid (usually stated in some type of contract) for **all of the property**.
- The fair market value of personal property is the value of the property (e.g., furniture, appliances, or equipment) that is included in the transfer. NOTE: The tax applies only to the real property portion and is not a tax on personal property.
- The fair market value of other property is the value of the property (e.g., goodwill) that is neither personal nor real.
- The transfer price is the net amount after subtracting the deductions for personal and intangible property.
- The transfer price is then divided by \$500, and the quotient is rounded up to the next nearest whole number. This whole number is multiplied by the applicable tax stamp rate.

**EXAMPLE:**

$$\begin{array}{r} \text{Transfer price:} \quad \$212,900 \\ \div \quad \underline{\$500} \\ 425.80 \end{array}$$

**425.80 is then rounded up to 426.**

	A BUYER (CITY)	B SELLER (CTA)	A + B Total
6. Applicable tax stamp rate .....	\$3.75	\$1.50	
7. Total value of tax stamps purchased (If buyer, multiply line 5 by line 6A; If seller, multiply line 5 by line 6B.....	<input type="text"/>	<input type="text"/>	<input type="text"/>
8. Interest (see Section 3-4-190) .....	<input type="text"/>	<input type="text"/>	<input type="text"/>
9. Penalty (see Section 3-4-200 and 3-33-110) .....	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. Total tax, penalty and interest due (add line 7, 8, and 9) .....	<input type="text"/>	<input type="text"/>	<input type="text"/>

## 5.2 Computation of Tax

- The computation of tax stamps is computed for: the buyer (\$3.75, the City Portion) and the seller (\$1.50, the C.T.A. Portion).
- NOTE: Only transfers **AFTER April 1, 2008** are subject to both taxes.

- The whole number derived according to the instruction in Section 5.1 (above) is then multiplied by each applicable tax stamp rate and the number is reported in the respective column.
- In cases where there is an exemption claimed, zero (0) can be put in the boxes or the word "EXEMPT" can be written under the appropriate column.
- Interest accrues after the date of conveyance. Interest is calculated at 12% of the Tax Due based on a 365-day year.
- A penalty is assessed on either the late payment or late filing. The penalty is calculated at a rate of 5% of the total tax due.
- All amounts are then added up and carried all the way down and all the way to the right.

## Section 6

### Section 6. Title Company Information

☐ Check this box if a title company is not utilized.

Title Company Name

Title Company Representative

First Name

Last Name

Title Company Code # (applicable only if title company resells Chicago tax stamps)

### 6.1 Title Company Information

- **This section must be completed.**
- If a Title Company is **not** used, then the box so indicating should be checked.
- If a Title Company **is** used, then the information should be completed by either the Title Company or the parties to the transaction.

## Section 7

### Section 7. Attestation of Parties

### Seller/Transferor Statement

Under penalty of perjury, I certify that I have examined this return and it is true, correct, and complete.

Name of Seller if individual

Name of Seller if not individual (include trust name and number if trust)

Mailing Address (after sale)

Daytime Phone Number

City

State

Zip

Signature of Seller or Seller's agent (required)

Date

### 7.1 Seller/ Transferor Statement and Signature:



- **This section must be completed.**
- The party that transfers its interest in real property is considered the Seller/Transferor and must complete this section of the Declaration, even if the transfer is exempt.

Name of Individual Signing Seller/Transferor Statement (if not the seller)																																																																																																			
Title																																																																																																			
Mailing Address																																																		Daytime Phone Number																																																	
City																																								State										Zip																																																	
Business or Firm Name																																																																																																			

**7.2 Seller/Transferor Agent Statement:**

- This section must be completed if the Seller/Transferor has authorized an agent to sign on its behalf.

**Buyer/Transferee Statement**

Under penalty of perjury, I certify that I have examined this return and it is true, correct, and complete.

Name of Buyer if individual

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Name of Buyer if not individual (include trust name and number if trust)

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Mailing Address (after sale)

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Daytime Phone Number

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City

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State

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Zip

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Signature of Buyer or Buyer's Agent (required)

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Date

										+											+										
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**7.3 Buyer/Transferee Statement and Signature:**

- **This section must be completed.**

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## 8.1 Certifications

- The parties must be aware of whether a Building Registration Certificate is required for the transfer.
- The parties must be aware of whether a Zoning Certificate is required for the transfer.
- Water Certifications are required for **ALL TRANSFERS. The parties must secure a water certification from the Water Department.**
- The Water Department must complete Section 8.3 (above). In addition, the Water Department must apply the certification stamp to the stamp area located under Section 10 of the Declaration.

## Section 9

Section 9. Preparer Information (only preparer's name is required if other information about preparer is disclosed in Section 7 above.)																									
Name of Preparer																									
Business or Firm Name																									
Mailing Address																		Daytime Phone Number							
City														State		Zip Code		Date							

## 9.1 Preparer

- This section must be completed if the parties elected to have an agent complete the Declaration.

# Questions

1. Are the parties to a transfer ever exempt from completing a Form 7551?
  - A **No. Every transfer of real property requires the filing of a Form 7551, even if the transfer was exempt. Both parties are responsible for the filing of this form.**
2. When a divorce is involved, whose responsibility is it to fill out the Form 7551?
  - A **Usually the transferee; however, it is both parties' responsibility to insure that the Form 7551 is filed.**
3. How is the transfer price determined in a divorce case?
  - A **Not all divorce cases are similar. It is suggested that you refer to your divorce decree/attorney for assistance in determining the tax due. You may also refer to October 2005 Chicago Department of Finance Tax Information Bulletin for Real Property Transfer Tax located at [http://www.cityofchicago.org/dam/city/depts/rev/supp\\_info/TaxSupportingInformation/October\\_2005\\_Info\\_Bulletin\\_RPTT.pdf](http://www.cityofchicago.org/dam/city/depts/rev/supp_info/TaxSupportingInformation/October_2005_Info_Bulletin_RPTT.pdf).**
4. When do both buyer and seller have to purchase stamps?

- A Buyers and sellers are required to purchase stamps whenever a taxable transfer of real property occurs after April 1, 2008.**
5. Are water certifications always necessary when property is being transferred?
- A Yes. All Declarations MUST have a certification issued by the Water Department.**
6. Do Quit Claim deeds require a Form 7551 to be completed?
- A Yes. Any transfer of property, even a correction to a deed, must be reported on Form 7551.**
7. How does one know if a transfer is exempt?
- A If you have a question with respect to whether a transfer is taxable, you can request a formal opinion from the Department of Finance. See Department of Finance Uniform Revenue Procedures Ruling #3 Subject: Rules, Regulations and Opinions of the Department of Revenue. This ruling can be found at:**  
[http://www.cityofchicago.org/content/dam/city/depts/rev/supp\\_info/TaxRulingsandRegulations/URPORuling3.pdf](http://www.cityofchicago.org/content/dam/city/depts/rev/supp_info/TaxRulingsandRegulations/URPORuling3.pdf).
8. If there is no money being exchanged how is the transfer treated?
- A The absence of money being exchanged does not necessarily mean a transfer is exempt. The transfer price includes cash, and ALSO other items, such as assumption of debt, transfer of other property, and performance of services. If the parties cannot determine whether an exemption is applicable, they should seek the services of a tax professional or request a formal opinion from the Department of Finance.**
9. Is there a separate tax form for payment of the C.T.A. Portion (the seller's portion) of the Transfer Tax?
- A No. Both the City's Portion (the buyer's tax ) and C.T. A. Portion (the seller's tax) are reported on Form 7551.**
10. Can Form 7551 be filed online?
- A Yes. The Form can be completed online at: <http://www.revenue.state.il.us/EZDec/index12.htm>. Instructions are available at the website.**
11. Is the creation or sublease of a ground lease whose term is 30 or more years taxable?
- A. Yes.**