

## Statement of Consideration & Exemptions

Kentucky statutes, specifically KRS 382.135, provides that a statement of consideration is required on all deeds except for the following:

- Deeds which only convey utility easements;
- Deeds which transfer property through a court action pursuant to a divorce proceeding;
- Deeds that convey right-of ways that involve governmental agencies;
- Deeds which convey cemetery lots;
- Deeds which correct errors in previous deeds, conveying the same property, from the same grantor to the same grantee; and
- Deeds which convey real property to a local airport board.\*\*

A consideration certificate shall contain the following:

- In the case of transfer other than by gift, or with nominal or no consideration a sworn, notarized certificate signed by the grantor or his agent and the grantee or his agent, or parent or guardian of a person under eighteen (18) years old, that the consideration reflected in the deed is the full consideration paid for the property; or
- In the case of a transfer either by gift or with nominal or no consideration, a sworn, notarized certificate signed by the grantor or his agent and the grantee or his agent, or the parent or guardian of a person under eighteen (18) years old, stating that the transfer is by gift and setting forth the estimated fair cash value of the property.
- In the case of an exchange of properties, the fair cash value of the property being exchanged shall be stated in the body of the deed.
- In the event of a transfer of property by will or under the laws of intestate succession, the personal representative of the estate, prior to closing out the estate, shall file an affidavit with the county clerk. See Affidavits for specific filing requirements.

OAG 96-21 Deeds of nominal or no consideration and deeds of gift require the statement stating the fair market value of the property.

\*\* As it relates to deeds conveying property to a local airport board, It is important to note that although the document does not require a consideration certificate, transfer tax is still due. The preparer should offer some supporting documentation for the county clerk as it relates to real estate transfer tax due.