

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



OTR Notice 2009-12

**Economic Interest Tax For Transfers Of Interests In
Cooperative Housing Associations**

December 10, 2009

The Recorder of Deeds hereby gives notice of recordation tax imposed on any sale, transfer, conveyance, grant, or assignment of shares of a proprietary leasehold or other proprietary interest in cooperatives, pursuant to the Cooperative Housing Association Economic Interest Recordation Tax Emergency Amendment Act of 2009 (Bill A18-0234).

The taxation of a transfer of an interest in a cooperative housing association as an economic interest became effective and is applicable retroactively to transactions occurring or economic interest deeds recorded on or after October 1, 2009.

The recordation tax rates for economic interest deeds for cooperatives are 2.2 percent for transfers of interest under \$400,000 and 2.9 percent for transfers of interest of \$400,000 and over. The value of the economic interest includes the pro rata amount of the underlying deed of trust or mortgage, if any, incurred by the cooperative housing association.

The economic interest deed for cooperatives and transfer of economic interest tax return for cooperatives are required when recording a transfer of an interest in a cooperative housing association.

The Economic Interest Deed, form ROD 34, and Transfer of Economic Interest Tax Return, form ROD 35, are available at www.taxpayerservicecenter.com.