



City of Chicago  
Department of Finance

# REAL PROPERTY TRANSFER TAX DECLARATION

(Form 7551)

*This manual is meant to assist the Taxpayer in the basic preparation of the 7551 Real Property Transfer Tax Declaration Form. In **no way** shall this manual be construed as giving tax/legal advice on the treatment of any property transfer or on any exemption.*

# 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

For use by Cook County Recorder of Deeds

Street Number  Direction   
Street Name   
Unit/Apt #  Zip Code

County document #   
Date

PIN   
PIN   
PIN

PIN   
PIN   
PIN

### 1.1 Property Address:

- **This section is required.**
- 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 in section 1.
- Addresses that span consecutive street numbers (i.e. 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 Identification Number (PIN)

- **This section is required.**
- PIN (Property Index Number) is a number assigned by Cook County to all properties within the county.
- The PIN may be found in several ways:
  - Located within 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 should be: XX-XX-XXX-XXX-XXXX.

# Section 1

- 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  |   |
|   | <input type="checkbox"/> Retail <input type="checkbox"/> Hotel/Motel  |   |
|   | <input type="checkbox"/> Parking Garage <input type="checkbox"/> Bank   |   |
|   | <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 Declaration information

- Exemption box **must** be checked if there is any exemption being claimed.
- Amended declaration box is checked if there is a correction to a previously filed Declaration.
- Supplemental Declaration box is for transfers which require multiple Declarations to be filed over a certain time frequency (i.e. monthly or yearly), typically seen in Installment Sales.

### 1.4 Property Type

- **This section is required.**
- The appropriate property type must be selected.
- If the box checked leads to disclosure of # 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**- a transfer of property involving one or more land trusts.
- **Lessee Interest in Ground Lease**- a transfer of only the land (not the structure) for a predetermined amount of time (usually in years).
- **Controlling Interest in Real Estate Entity**- transfer of a specific % of ownership which constitutes a majority interest (commonly >50%).
- **Interest in Co-Op**-a transfer of interest in owned and operated by a group of individuals for their mutual benefit.
- **Other**- a transfer not listed but should be known by Taxpayer(s) completing declaration; there should be an attachment to further describe transfer.
- **Installment Sales**- a situation where the transfer will take place over time, usually periodic payments are made for incremental fractions of interest transferred.

# 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 (i.e. federal, state, county or city), is exempt from Transfer Tax. A transfer involving a non-for-profit organization (i.e. Salvation Army, St Paul Church etc.), only the non-for-profit party is exempt, all non-exempt parties must still pay tax.
- “C”- A transfer in which the property is used as collateral in debt agreements (i.e. mortgage).
- “D”-A transfer in which the Taxpayer(s) corrects information **only** (i.e. misspelled name, wrong address and wrong PIN).
- “E”-A transfer claimed exempt for:
  - Transfer price was less than \$500- under the ordinance, transfer tax applies to transfers over \$500 all transfers less than \$500 are exempt. **NOTE: The \$500 amount does not just mean cash, it means any consideration involved in the transfer of property.**
  - Transfer to a trust by an Taxpayer(s) who is/are the ONLY beneficiary(ies) to that trust is exempt (i.e. John Doe places property in John Doe Land Trust of which he is the 100% beneficiary).
  - Transfer from a trust back to beneficiary- the transfer from trust must be the same % ownership that was originally put into trust, if the % ownership coming out of trust is different then what went in, a taxable situation may arise.
  - Gift or Inheritance- a transfer made as gift or inheritance should involve no consideration, as such it would be exempt from transfer taxes.
  - “Other” **must be fully explained** w/ attached sheets (if necessary).
  - Transfers involving a divorce are not automatically exempt, consult professional legal advice.

# Section 3

- F.   Transfer in which the deed is a tax deed.
- G.   Transfer in which the deed, assignment or other instrument of transfer releases property which secures debt or other obligations.
- H.   Transfer in which the deed is a deed of partition. Note: If a party receives a share greater than its undivided interest in the real property, then it must pay tax on any consideration paid for the excess.
- I.   Transfer between a wholly owned subsidiary corporation and its parent or between wholly owned subsidiary corporations of common parent pursuant to a plan of merger or consolidation or pursuant to an agreement providing for the sale of substantially all of the seller's assets.
- J.   Transfer from a wholly owned subsidiary corporation to its parent for no consideration other than the cancellation or surrender of the subsidiary's stock, or transfer from a parent corporation to its wholly owned subsidiary for no consideration other than the issuance or delivery to the parent of the subsidiary's stock.
- K.   Transfer made pursuant to a confirmed plan of reorganization as provided under section 1146 (c) of Chapter 11 of the U. S. Bankruptcy Code of 1978, as amended.  
Provide bankruptcy court docket number: .....
- State of Filing/Court District   /
- L.   Transfer of the title to, or beneficial interest in, real property used primarily for commercial or industrial purposes located in a city enterprise zone. (Conversion from industrial/commercial to residential is not exempt. See Real Property Transfer Tax Ruling #2.)  
Provide enterprise zone number: ....
- M.   Transfer in which the deed is issued to the mortgagee or secured creditor who initially filed the foreclosure proceeding or threaten to bring foreclosure proceeding (when the deed is transferred in lieu of foreclosure):  
Are you the only secured creditor \_\_ yes \_\_ no. (Note: A deed transferred to a junior lien holder is not exempt to the extent of the amount of the lien of the senior (prior) lien holder).  
Did you acquire your secured interest in the property after the foreclosure proceedings were started?  yes  no.
- N.   Transfer in which the purchaser has completed the State of Illinois' Home Ownership Made Easy Program (HOME).  
Date Completed \_\_ / \_\_ / \_\_\_\_

## 3.2 Transfer Exemption List

- “F”-A transfer in which a **government** (agency) took property and later sold the land for payment of back taxes (i.e. County sells property for payment of back real estate taxes), exempt as it's from a government agency.
- “G”- A transfer made after a debt or other financial obligation is paid off in full, exempt because no consideration is given.
- “H”-A transfer in which multiple owners decide to receive a deed with their appropriate % ownership interest, exempt because there is no change in ownership or consideration. If the % of ownership is greater than what they originally had, then a taxable situation may arise.
- “I/J”- A transfer involving a Parent and Subsidiary company, the transfer is exempt as long as the Parent owns 100% of the subsidiary making the transfer of property or receiving the property.
- “L”- A transfer in which the property lies within one of Chicago's Enterprise Zone areas. It is exempt **ONLY** if the property is used predominantly for **COMMERCIAL PURPOSES** (i.e. stores, manufacturing plants, etc.).
- “M”-A transfer in which the secured creditor filed for foreclosure to take property back for default in financial agreement (i.e. mortgage was defaulted (not paid) bank reclaimed the property), is exempt.
- “N”- A transfer in which a Taxpayer adheres to the “HOME” program, instituted by the State is exempt.

# Section 3

**"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 Tax Assistance Center of the city's Budget Office located at 121 N. LaSalle, City Hall, room 604. Application forms are also available online at [www.cityofchicago.org/city/en/depts/fin.html](http://www.cityofchicago.org/city/en/depts/fin.html)"**

## **3.3 Refund for the CTA portion of tax**

- This is now solely administered by Chicago Department of Finance, as the Chicago Tax Assistance Center of the Budget Office is now defunct. All questions pertaining to this type of refund should be referred to the Department of Finance by contacting Jamesine Braxton at 312-747-1961.

### **IMPORTANT NOTES ABOUT EXEMPTIONS:**

- Claiming the proper exemption is the responsibility of the Taxpayer(s).
- An exemption must be claimed for either Grantee or Grantor or both parties.
- Where an exemption requires additional details, attachments must be affixed to the tax form.
- Any specific exemption questions should be referred to Customer Service at **(312) 747-IRIS (4747)**.
- **AT NO TIME WILL CUSTOMER SERVICE ADVISE A TAXPAYER THAT A TRANSFER IS EXEMPT.**

# Section 4

ACCOUNT NUMBER

REVISION NUMBER

## 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 Information

- Date of transfer is the *earlier* of delivery or recording. The date of transfer is usually reported on: (1) the Deed itself, (2) HUD Statement, (3) contract or (4) disbursement schedule. This date should **ALWAYS** reflect when the property was conveyed proved by the above-mentioned items.
- Consideration **includes but is not limited to**: cash, other property, debt assumption, personal property etc.
- Contingent events are events that take place in the future that may affect the transfer price (i.e. ability to get a construction loan or pre-construction sales of units, etc.).
- Conversion from current use must be fully explained with an attachment if necessary.
- Co-Op conversion requires the disclosure of the number of units.



# Section 5

Section 5. Computation of tax stamps purchased (Transfer price must be included on line 4, even if transfer is exempt; if exempt, do not compute beyond line 4). NOTE: With the exception of line 5, you must round to the nearest whole number for the following amounts.

1. Total amount paid .....	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
2. Fair Market Value of personal property .....	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
3. Fair Market Value of other property (fully describe other property) .....	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
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) ....	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
5. Divide line 4 by \$500.00 (note: you must round <u>up</u> to the nearest whole number).....	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>

## 5.1 Computation of Tax Stamps

- Total paid is the amount paid (stated in some type of contract) for the **entire property**.
- The fair market value of personal property is the amount of property (furniture, appliances, etc.) that is included in total amount paid. Note: Transfer 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 property that is neither personal nor real (i.e. goodwill, trademarks etc.).
- Transfer price is net amount after subtracting the deductions for non-real property items.
- The net transfer price is then divided by \$500 (as per the Ordinance) and the quotient is rounded up to the next nearest whole number and multiplied by the applicable tax amount.

### EXAMPLE:

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

**425.80 is then rounded up to 426**

# Section 5

	A BUYER (CITY) \$3.75	B SELLER (CTA) \$1.50	A + B Total
6. Applicable tax stamp rate .....			
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 then computed for: (1) Buyer (\$3.75) and (2) Seller (\$1.50).
- It is important to note, that only transfer dates **AFTER April 1, 2008** are subject to both taxes.
- The whole number derived from #5 (prior page) is then multiplied by each applicable tax rate and the number is reported in the respective column.
- In cases where there is an exemption claimed, 0(zero) can be put in the boxes or the word "EXEMPT" may be written under the appropriate column.
- Interest accrues after the date of conveyance. Interest is calculated at 12% of the Tax Due simple based on a 365-day year.
- Penalty is assessed on either the late payment or late filing. Penalty is calculated at a rate of 5% of the Tax Due.
- All amounts are then added up and carried all the way down and all the way to the left.

# 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 is required.**
- If a Title Company is **not** used, then the box should be checked.
- If a Title Company **is** used, then the information should be completed by either the Title Company or Taxpayer.



**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

<input type="text"/>	<input type="checkbox"/>	<input type="text"/>
----------------------	--------------------------	----------------------

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

<input type="text"/>
----------------------

Mailing Address (after sale)

<input type="text"/>
----------------------

Daytime Phone Number

<input type="text"/>	+	<input type="text"/>	+	<input type="text"/>	<input type="text"/>
----------------------	---	----------------------	---	----------------------	----------------------

City

State

Zip

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

Signature of Buyer or Buyer's Agent (required)

<input type="text"/>
----------------------

Date

<input type="text"/>	+	<input type="text"/>	+	<input type="text"/>	<input type="text"/>
----------------------	---	----------------------	---	----------------------	----------------------

**7.3 Buyer/ Transferee:**

- **This section is required.**
- The party that receives the interest in real property is considered to be the Grantee, Seller and Transferee and needs to complete this section of the form regardless if the transfer is exempt or not.

Name of Individual Signing Buyer/Transferee Statement (if not the buyer)

<input type="text"/>	<input type="checkbox"/>	<input type="text"/>
----------------------	--------------------------	----------------------

Title

<input type="text"/>
----------------------

Mailing Address

<input type="text"/>
----------------------

Daytime Phone Number

<input type="text"/>	+	<input type="text"/>	+	<input type="text"/>	<input type="text"/>
----------------------	---	----------------------	---	----------------------	----------------------

City

State

Zip

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

Business or Firm Name

<input type="text"/>
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**7.4 Seller/ Transferor Agent:**

- **This section may be REQUIRED.**
- To be complete ONLY if the Taxpayer has authorized an agent to sign on their behalf.

# Section 8

## Section 8. Department Certifications

1. **Building Registration Certificate.** A Multiple Dwelling Registration Statement issued by the Department of Buildings disclosing the Buyer/Transferee's registration information is required for buildings containing either 4 or more family units or sleeping accommodations for 10 or more persons (except if the building is a condominium or a co-op) (Municipal Code 13-10-070). The Registration Statement may be obtained from the Department of Buildings at 120 N. Racine. Check the applicable box:

Registration certificate submitted       Registration requirement is not applicable

2. **Zoning Compliance Certificate.** A certificate of zoning compliance is required for residential property zoned for, or occupied by, buildings having five or fewer units (except if the building is a condominium, a co-op, or a newly constructed dwelling sold to the initial occupant (Municipal Code 3-33-045)). The certificate may be obtained from the Department of Housing and Economic Development in room 905 of City Hall. Check the applicable box:

Zoning certificate submitted       Zoning certificate is not required

3. **Water and Sewer Charge Full Payment Certification** (available at 333 South State Street, Room 330), is required for ALL real property transfers.

The Department of Finance certifies that all water and sewer charges rendered up to  +  +  +

are paid in full for property located at

Account #  Application #

Certified by  Date  +  +  +

## 8.1 Certifications

- The Taxpayer should be aware if a Building Registration Certificate is required or not for this transfer.
- The Taxpayer should be aware if a Zoning Certificate is required or not.
- Water Certifications are required for **ALL TRANSFERS**; the Taxpayer must secure a water certification from the Water Department.
- Water Department must complete #3 (above). In addition, they must apply the certification stamp (stamp area located under Section 10, Page 7 of the declaration form).

# 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

- Required if the Taxpayer elected to have an agent complete the form.

# Questions

1. Under what circumstances is a Taxpayer not required to fill out a form 7551?  
**A ANY TRANSFER OF REAL PROPERTY requires Form 7551 to be completed, regardless if it is exempt or not.**
2. When are Buyers and Sellers ever exempt from completing a Form 7551?  
**A NEVER, one or the other must complete the form, both parties are responsible for the filing of this form.**
3. When a divorce is involved whose responsibility is it to fill out form?  
**A Usually the transferee, however it is both parties' responsibility to complete Form 7551.**
4. How is the transfer price determined in divorce cases?  
**A Not all divorce cases are similar. Refer to your divorce decree/attorney for assistance in determining tax due.**
5. When do both Buyer and Seller have to purchase stamps?  
**A Buyer and Sellers are required to purchase stamps whenever a taxable transfer of real property occurs.**
6. Are water certifications always necessary when property is being purchased?  
**A Absolutely, all transfers MUST be accompanied by a Water Certification issued from the Water Department.**
7. Quit Claim deeds; do they require a Form 7551 to be completed?  
**A Yes, any transfer of property or even a correction to a deed must be reported on Form 7551.**
8. How does one know if a transfer is exempt? If there is no money being exchanged how is the transfer treated?  
**A The Taxpayer should KNOW if the transfer is exempt. According to the Ordinance (§3-33) a transfer of property for consideration is taxable. NOTE: Consideration includes cash but ALSO other items such as assumption of debt, transfer of other property and transfer of personal property to name a few forms of consideration. If a Taxpayer cannot determine which exemption is applicable, they should seek the services of a tax professional.**
9. How does one handle relatives who take it upon themselves to generate a Quit Claim deed for an elderly relative who is the owner of the property, should this be handled by a lawyer?  
**A The filing of a Quit Claim deed is a County matter, however, if one is filed a Transfer Declaration should be filed and that relative MUST disclose their agency on the Form**
10. Is there a separate tax form for the 7553 Tax Code (CTA Portion)?  
**A No. Both the Buyer's Tax (7551) and Seller's CTA Portion Tax (7553) are reported on the Form 7551.**
11. Can the Form 7551 be filed online?  
**A Yes. The Form can be completed online: <https://www.ezdecillinois.com/>. Instructions are available at the website.**