

2012 -- S 2257

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LC00398
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO REAL PROPERTY -- TRANSFER FEES

Introduced By: Senator Walter S. Felag

Date Introduced: January 26, 2012

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 34-11 of the General Laws entitled "Form and Effect of
2 Conveyances" is hereby amended by adding thereto the following section:

3 **34-11-42. Transfer fees prohibited. -- No person or business entity who sells real**
4 property shall charge, collect, receive, or be entitled to a fee based solely on the subsequent resale
5 or transfer of said property. This prohibition includes, but is not limited to, fees or charges
6 imposed by a real estate developer based upon the subsequent resale or transfer of said real
7 property. Any housing development that is covered by the definition in subdivision 45-53-3(9) is
8 exempt from this section. Further, any fee or charge connected with the transfer of properties with
9 a conservation restriction as defined in subsection 34-39-2(a) is exempt from the provisions of
10 this section. Any covenant recorded on or after July 1, 2012 imposing any charge or fee
11 inconsistent with this section shall be void and unenforceable against any subsequent owner,
12 purchaser or mortgagee.

13 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would prohibit transfer fees based solely upon the resale or subsequent transfer
2 of real property. This act would further exempt housing developers connected with section 45-53-
3 3(6) and conservative restrictions as defined in section 34-39-2.

4 This act would take effect upon passage.

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