



**Title Insurance Services  
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**Date: July 3, 2006**

**To: All Clients and Friends**

**From: Cliff Bernstein**

**Re: Update on Commercial “Mansion Tax” Legislation**

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**TITLE INSURANCE BULLETIN – NEW JERSEY**

We previously advised of the introduction of A-4701 & S-1982 that seek to impose a one percent (1%) fee on purchasers of certain commercial property for over One Million Dollars. If these bills are approved, this will extend the so called “mansion tax” to commercial properties classified as 4A.

**The original Bills had a proposed effective date of July 1, 2006. Both Bills have been amended to reflect an effective date of August 1, 2006 applying to transfers of property on or after that date.**

The substituted Bills will also apply to non-deed transfers of a controlling interest in an entity that owns a Class 4A property where the total consideration for transfer is in excess of One Million Dollars, as well.

There may be a further implementation delay for transactions that are under contract before July 1, 2006 where the deed is recorded before November 1, 2006. We will keep you informed of the status of this pending legislation and advise of further modifications and ultimate adoption.

*This bulletin is sent courtesy of CB Title Group, LLC and Stewart Title Guaranty Company*